Municipal Secondary Market Disclosure Information Cover Sheet
Supplemental

Continuing Disclosure Memorandum

Summary of Debt Structure and Financial Information
SEC Rule 15c2–12

For The

Municipal Building Authority of Syracuse City, Utah

Filed with
Electronic Municipal Market Access ("EMMA")
emma.msrb.org

Submitted and dated as of January 17, 2012
(Submission required by January 31, 2012)

SYRACUSE
EST. CITY 1935

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City Council
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January 17, 2012

Via electronic submission to www.emma.msrb.org
Attn: Municipal Disclosure

Re: Continuing Disclosure Undertaking of Syracuse City, Utah

To Whom It May Concern:

In accordance with the provisions of paragraph (b) (5) (i) (A) of Rule 15c2–12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule"), Syracuse City, Utah (the "City"), hereby files with you the enclosed (i) the Financial Report of the City for the Fiscal Year Ended June 30, 2011 (the "2011 FR"); and (ii) the Supplemental Continuing Disclosure Memorandum of the City dated on or before January 31, 2012 (and amended as of the date indicated) (the "SCDM"). This letter, the 2011 FR, and the SCDM constitute the annual financial information and operating data concerning the City to be filed in compliance with the City obligation under that certain agreement entered into in connection with the offering of the following securities described in the following Official Statement:

Securities	Official Statement
CUSIP: 871821 AD 6; AE 4; AF 1; AG 9; AH 7; AJ 3; AK 0 City, Utah AL 8; AM 6; AN 4; AP 9; AR 5; AT 1; AV 6	$9,350,000 Municipal Building Authority of Syracuse Lease Revenue Bonds, Series 2006 dated December 20, 2006

No event described in paragraph (b) (5) (i) (c) of the Rule has occurred that is required to be disclosed with respect to any of the above-described securities.

Sincerely,

Syracuse City, Utah

Stephen Marshall, Finance Director

c: Zions Bank Public Finance, Salt Lake City, Utah

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NOTICE OF FAILURE TO DISCLOSE

***Notice of Failure to Disclose*. On January 31, 2008 (January 31st being the annual submission date for the authority's continuing disclosure information) the Municipal Building Authority of Syracuse City, Utah (the "Authority") failed to provide its operating and financial continuing disclosure information. The Authority submitted the required information on December 2, 2008. The City notified the Municipal Securities Rulemaking Board ("MSRB") and each Nationally Recognized Municipal Securities Information Repository ("NRMSIR") of this failure to disclose.**

GENERAL

Contact Person for the City

As of the date of this Supplemental Continuing Disclosure Memorandum, the chief contact person for the Authority and for Syracuse City, Utah (the "City") is:

Stephen Marshall, Finance Director
smarshall@syracuseut.com

Syracuse City
1979 W 1900 S
Syracuse UT 84065
801.825.1477 | f 801.825.3001

The City maintains an internet site that may be accessed at syracuseut.com. *The information available at this internet site is provided by the City in the course of its normal operations and has not necessarily been reviewed for accuracy or completeness. Such information has not been provided and is not a part of this Supplemental Continuing Disclosure Memorandum.*

When used herein the terms "Fiscal Year[s] 20YY," and "Fiscal Year[s] End[ed][ing] June 30, 20YY" shall refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding year.

The Issue

The Authority is providing continuing disclosure on the following bond issue:

$9,350,000
Municipal Building Authority of Syracuse City, Utah
Lease Revenue Bonds, Series 2006

Bonds dated: December 20, 2006—Bonds issued on: December 20, 2006
CUSIP numbers on the bonds are provided below.

Background Information. The Bonds, as defined herein, were awarded pursuant to negotiated bidding on December 5, 2006 to George K. Baum & Company, Denver, Colorado at a "true interest rate" of 4.18%. Zions Bank Public Finance, Salt Lake City, Utah, acted as Financial Advisor.

The $9,350,000 Lease Revenue Bonds, Series 2006, dated December 20, 2006 (the "Bonds"), were issued as fully–registered bonds and registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), which is acting as securities depository for the Bonds.

Principal of and interest on the Bonds (interest payable April 1 and October 1 of each year) are payable by Zions Bank, Corporate Trust Department, Salt Lake City, Utah ("Zions Bank"), as Paying Agent, to the registered owners thereof, currently DTC.

Optional Redemption. The Bonds maturing on or before April 1, 2016, are not subject to redemption prior to maturity (except in the case of extraordinary redemption in the event of damage, destruction or condemnation to the project financed with the Bonds).The Bonds maturing on or after April 1, 2017, are subject to redemption, in whole or in part, on April 1, 2016 or on any date thereafter from such order of maturity as shall be directed by the Authority and if fewer than all of the Bonds of a single maturity are to be redeemed, the trustee shall select the Bonds to be called for redemption by lot in such manner as the trustee may determine, at the redemption price of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The Bonds maturing on April 1, 2024; April 1, 2026; and April 1, 2028 are subject to mandatory sinking fund redemption at a price of 100% of the principal amount thereof plus accrued interest to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date	Sinking Fund Requirements
April 1, 2023	$ 545,000
April 1, 2024 (Final Maturity)	565,000
Total	$1,110,000
April 1, 2025	$ 595,000
April 1, 2026 (Final Maturity)	615,000
Total	$1,210,000
April 1, 2027	$ 645,000
April 1, 2028 (Final Maturity)	670,000
Total	$1,315,000

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Current Maturity Schedule.

Current principal outstanding: $8,380,000 Original issue amount: $9,350,000

Dated: December 20, 2006 Due: April 1, as shown below

$4,745,000 Serial Bonds

Due April 1	CUSIP 871821	Principal Amount	Original Interest Rate	Due April 1	CUSIP 871821	Principal Amount	Original Interest Rate
2012……..	AD 6	$350,000	4.00%	2018……..	AK 0	$445,000	3.80 %
2013……..	AE 4	365,000	4.00	2019……..	AL 8	465,000	3.875
2014……..	AF 1	375,000	4.00	2020……..	AM 6	485,000	4.00
2015……..	AG 9	390,000	5.00	2021……..	AN 4	500,000	4.00
2016……..	AH 7	415,000	5.00	2022……..	AP 9	520,000	4.00
2017……..	AJ 3	435,000	3.75				

$1,110,000 4.50% Term Bond due April 1, 2024 (CUSIP 871821 AR 5)

$1,210,000 4.50% Term Bond due April 1, 2026 (CUSIP 871821 AT 1)

$1,315,000 4.50% Term Bond due April 1, 2028 (CUSIP 871821 AV 6)

Bank Qualified Obligations. The Authority and the City designated the Bonds as "qualified tax–exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, relating to the deductibility of certain financial institutions' interest expense allocable to tax–exempt interest.

Security. The Bonds and interest thereon are payable from, and are secured by a pledge of, the base rentals, the purchase option price, if paid by the City, and other amounts derived by the Authority under a master lease and an indenture, except to the extent payable from the proceeds of the Bonds and income from the investment thereof, certain moneys held under the indenture, proceeds from certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any as provided in the indenture. The term of the master lease may be extended, solely at the option of the City, beyond the termination of each renewal term for an additional year and for consecutive additional renewal terms thereafter, each of one year in duration (except that the final renewal term commences on July 1, 2028 and ends on April 1, 2029). The continuation of the term of the master lease and the obligation of the City to pay base rentals after each current renewal term are subject to the appropriation by the City Council of the City of sufficient funds to extend the term of the master lease for the next renewal term and for each succeeding renewal term thereafter. Neither the master lease nor the Bonds constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation. The City has not pledged its credit to the payment of the master lease or the Bonds, and the City is not directly or contingently obligated to apply money from, or to levy or pledge, any form of taxation to the payment of the master lease or the Bonds. *The Authority has no taxing power*.

Credit Enhancement. The scheduled payment of principal of and interest on the Bonds when due are guaranteed under an insurance policy issued by National Public Finance Guarantee Corp. ("National").

MUNICIPAL BUILDING AUTHORITY OF SYRACUSE CITY, UTAH

Outstanding Municipal Building Authority of Syracuse City Bonded Indebtedness

In March 2008, the Authority issued $5,954,000, Lease Revenue Bonds, Series 2008 (the "2008 Bonds"). The 2008 Bonds were issued on a parity with the Bonds and were sold through a private placement offering.

The Bonds and the 2008 Bonds (and all other additional parity bonds issued on a parity basis) will be cross–collateralized, in that the Authority will grant to the trustee, for the benefit of the owners of all of the bonds issued under the indenture, a security interest in all of the Authority's right, title and interest in any projects financed or refinanced by the issuance of bonds. *The Authority's debt does not constitute debt within the meaning of any constitutional provision or statutory limitation which is applicable to the City.* The Authority has outstanding the following lease revenue bonds:

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2008 (1).....	Fire station	$5,954,000	April 1, 2028	$ 5,521,000
2006 (2).....	City buildings	9,350,000	April 1, 2028	8,380,000
Total.....				$13,901,000

(1) Not rated; no rating applied for. Purchased through a private placement.
(2) Rated "A" by S&P, as of the date of this Supplemental Continuing Disclosure Memorandum. These bonds are insured by National.

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Debt Service Schedule Of Outstanding Municipal Building Authority Of Syracuse City, Utah Lease Revenue Bonds By Fiscal Year

Fiscal Year Ending June 30	Series 2008 $5,954,000 Principal	Series 2008 $5,954,000 Interest	Series 2006 $9,350,000 Principal	Series 2006 $9,350,000 Interest	**Totals** Total Principal	**Totals** Total Interest	**Totals** Total Debt Service
2011	$ 221,000 (1)	$ 237,145	$ 335,000	$ 372,266	$ 556,000	$ 609,411	$ 1,165,411
2012	230,000 (1)	228,017	350,000	358,866	580,000	586,884	1,166,884
2013	240,000 (1)	218,518	365,000	344,866	605,000	563,385	1,168,385
2014	250,000 (1)	208,606	375,000	330,266	625,000	538,873	1,163,873
2015	260,000 (1)	198,281	390,000	315,266	650,000	513,548	1,163,548
2016	271,000 (1)	187,543	415,000	295,766	686,000	483,310	1,169,310
2017	282,000 (1)	176,351	435,000	275,016	717,000	451,367	1,168,367
2018	294,000 (1)	164,704	445,000	258,704	739,000	423,408	1,162,408
2019	306,000 (1)	152,562	465,000	241,794	771,000	394,356	1,165,356
2020	318,000 (1)	139,924	485,000	223,775	803,000	363,699	1,166,699
2021	332,000 (1)	126,791	500,000	204,375	832,000	331,166	1,163,166
2022	345,000 (1)	113,079	520,000	184,375	865,000	297,454	1,162,454
2023	360,000 (1)	98,831	545,000 (2)	163,575	905,000	262,406	1,167,406
2024	374,000 (1)	83,963	565,000 (2)	139,050	939,000	223,013	1,162,013
2025	390,000 (1)	68,517	595,000 (3)	113,625	985,000	182,142	1,167,142
2026	406,000 (1)	52,410	615,000 (3)	86,850	1,021,000	139,260	1,160,260
2027	423,000 (1)	35,642	645,000 (4)	59,175	1,068,000	94,817	1,162,817
2028	440,000 (1)	18,172	670,000 (4)	30,150	1,110,000	48,322	1,158,322
Totals	$5,742,000	$ 2,509,058	$ 8,715,000	$ 3,997,762	$14,457,000	$ 6,506,819	$20,963,819

(1) Mandatory sinking fund principal payments from a $5,954,000 4.13% term bond due April 1, 2028.
(2) Mandatory sinking fund principal payments from a $1,110,000 4.5% term bond due April 1, 2024.
(3) Mandatory sinking fund principal payments from a $1,210,000 4.5% term bond due April 1, 2026.
(4) Mandatory sinking fund principal payments from a $1,315,000 4.5% term bond due April 1, 2028.

DEBT STRUCTURE OF SYRACUSE CITY, UTAH

Outstanding Municipal Debt Of The City

Outstanding Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2005 (1).....	Water/parks/various	$2,100,000	April 1, 2020	$1,390,000

(1) Rated "AA–" by S&P, as of the date of this Supplemental Continuing Disclosure Memorandum. These bonds are insured by Ambac Assurance Corp.

Outstanding Revenue Bonded Indebtedness

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
1992A (1).....	Water	$1,100,000	January 1, 2013	$55,000
1992B (1).....	Water	1,100,000	January 1, 2013	58,000
Total.....				$113,000

(1) Not rated; no rating applied for. Purchased by the State at a 0% interest rate.

Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year

Fiscal Year Ending June 30	Series 2005 $2,100,000 Principal	Series 2005 $2,100,000 Interest	Total Debt Service
2011……	$ 125,000	$ 61,230	$ 186,230
2012……	130,000	56,793	186,793
2013……	135,000	51,983	186,983
2014……	140,000	46,853	186,853
2015……	150,000	41,253	191,253
2016……	155,000	35,103	190,103
2017……	160,000	28,748	188,748
2018……	165,000	22,108	187,108
2019……	175,000	15,178	190,178
2020……	180,000	7,740	187,740
Totals……	$1,515,000	$366,985	$1,881,985

Debt Service Schedule Of Outstanding Revenue Bonds By Fiscal Year

Fiscal Year Ending June 30	Series 1992A $1,100,000		Series 1992B $1,100,000		**Totals**		
	Principal (1)	Interest	Principal (1)	Interest	Total Principal	Total Interest	Total Debt Service
2011……	$ 55,000	$ 0	$ 58,000	$ 0	$ 113,000	$ 0	$ 113,000
2012……	55,000	0	58,000	0	113,000	0	113,000
2013……	55,000	0	58,000	0	113,000	0	113,000
Totals……	$ 165,000	$ 0	$ 174,000	$ 0	$ 339,000	$ 0	$ 339,000

(1) Purchased by the State of Utah at a 0% interest rate.

Other Financial Considerations

Besides the above described municipal debt, the City has several notes and operating leases outstanding. See "THE CITY'S ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2011—Notes to the Financial Statements–Note 7. Long–Term Liabilities."

FINANCIAL INFORMATION REGARDING SYRACUSE CITY, UTAH

Five–Year Financial Summaries

The summaries contained herein were extracted from the City's basic financial statements for Fiscal Years 2011 through 2007. The summaries have not been audited.

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Syracuse City

Statement of Net Assets

Primary Government

(This summary has not been audited)

	June 30				
	2011	2010	2009	2008	2007
Assets					
Cash and cash equivalents	$ 5,195,677	$ 4,250,845	$ 1,856,724	$ 8,272,564	$ 13,197,025
Accounts receivable	613,830	639,558	178,591	73,398	525,496
Taxes receivable	2,252,147	2,201,064	2,453,810	2,281,142	682,474
Prepaid expenses	800	9,081	715	1,652	70,613
Deposits	16,476	15,896	138,854	128,252	1,666,440
Unamortized costs of issuance	260,488	275,628	290,768	305,908	252,593
Restricted cash	1,790,883	1,440,987	–	–	–
Capital assets:					
Land and related non–depreciable assets	17,674,158	18,021,113	12,058,534	19,149,745	23,024,779
Depreciable infrastructure	92,096,710	85,113,996	46,310,728	45,558,785	57,973,448
Buildings, equipment, and other depreciable assets	27,337,004	27,214,545	22,064,345	10,277,824	10,920,661
Less accumulated depreciation	(36,304,698)	(32,789,370)	(20,882,622)	(18,374,892)	(23,156,054)
Total capital assets	100,803,174	97,560,284	59,550,985	56,611,462	68,762,834
Total assets	$ 110,933,475	$ 106,393,343	$ 64,470,447	$ 67,674,378	$ 85,157,475
Liabilities					
Accounts payable and accrued liabilities	$ 1,011,474	$ 888,134	$ 1,296,285	$ 1,779,032	$ 1,817,355
Unearned revenue	1,570,357	1,565,559	1,828,727	1,485,000	–
Interest payable	175,872	183,175	201,993	212,248	150,202
Long–term debt:					
Premium on bonds	–	158,133	166,997	175,859	215,910
Due within one year	884,344	847,388	928,000	850,000	1,087,000
Due in more than one year	15,082,465	15,737,510	16,081,928	16,839,526	12,647,630
Total liabilities	$ 18,724,512	$ 19,379,899	$ 20,503,930	$ 21,341,665	$ 15,918,097
Net Assets					
Invested in capital assets, net of related debt	$ 85,397,392	$ 81,366,779	$ 42,374,060	$ 38,985,603	$ 54,848,722
Restricted for:					
"C" Road activities	135,826	61,925	–	(47,119)	876,683
Impact fees	1,149,724	1,057,810	591,216	1,265,826	3,228,691
Special revenue activities	428,132	253,729	270,605	5,424,461	6,851,513
Debt service	67,523	67,523	5,166	32,160	121,787
Unrestricted	5,040,366	4,205,678	725,470	671,782	3,311,982
Total net assets	$ 92,218,963	$ 87,013,444	$ 43,966,517	$ 46,332,713	$ 69,239,378

(Source: Information extracted from the City's basic financial statements and required supplementary information which information has been audited.)

Syracuse City

Statement of Activities

Primary Government

(This summary has not been audited)

	Net (Expense) Revenues and Changes in Net Assets				
	June 30				
	2011	2010	2009	2008	2007
Primary government:					
Governmental activities:					
General government	$ (696,545)	$ (738,576)	$ (1,208,715)	$ (955,430)	$ (314,947)
Public safety	(3,411,500)	(3,518,923)	(3,648,952)	(3,188,231)	(2,428,982)
Public works	1,623,620	1,497,799	(2,309,369)	(2,452,318)	(1,021,378)
Parks and recreation	(810,152)	(571,856)	(871,444)	(545,706)	(879,727)
Interest and other charges on long–term debt	(684,474)	(696,289)	(783,675)	(248,078)	(198,925)
Total governmental activities	(3,979,051)	(4,027,845)	(8,822,155)	(7,389,763)	(4,843,959)
Business–type activities:					
Utilities	–	–	–	(301,919)	271,536
Culinary water	795,487	937,763	192,228	–	–
Sewer	580,410	606,455	(54,583)	–	–
Garbage	21,472	64,464	41,272	–	–
Secondary water	803,415	687,466	152,594	81,023	150,834
Storm drain	391,923	352,582	–	–	–
Total business–type activities	2,592,707	2,648,730	331,511	(220,896)	422,370
Total primary government	(1,386,344)	(1,379,115)	(8,490,644)	(7,610,659)	(4,421,589)
General revenues:					
Property taxes	2,179,508	2,030,318	1,889,603	1,578,505	876,587
Sales taxes	2,551,143	2,428,517	2,542,852	2,655,060	2,299,383
Franchise tax	1,228,857	1,208,895	1,165,290	1,106,962	956,251
Total taxes	5,959,508	5,667,730	5,597,745	5,340,527	4,132,221
Impact fees	479,252	984,142	560,101	741,067	2,870,536
Unrestricted interest earned	32,237	31,268	198,054	582,373	679,690
Other general revenues:					
Miscellaneous	99,980	91,410	147,126	99,736	64,609
Gain or loss on sale of assets	20,886	49,657	–	–	–
Developers infrastructure contributions	–	–	–	15,262,862	1,936,542
Total other general revenues	120,866	41,753	147,126	15,362,598	2,001,151
Total general revenues	6,591,863	6,724,893	6,503,026	22,026,565	9,683,598
Change in net assets	5,205,519	5,345,778	1,987,618	14,415,906	5,262,009
Net assets–beginning, as restated	87,013,444	81,667,666	83,655,284	69,239,378	63,977,369
Net assets–ending	$92,218,963	$87,013,444	$81,667,666	$83,655,284	$69,239,378

This report is presented is summary format concerning the single item of “Net (Expense) Revenue and Changes in Net Assets” and is not intended to be complete. For a detailed itemized report see “THE CITY’S ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2011” below.

(Source: Information extracted from the City’s basic financial statements and required supplementary information which information has been audited.)

Syracuse City

Balance Sheet

Governmental Fund Types—General Fund (1)

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2011	2010	2009	2008	2007
Assets:					
Cash and cash equivalents	$1,012,943	$ 139,762	$1,188,694	$1,808,410	$3,691,386
Restricted cash	383,142	473,542	–	–	–
Accounts receivable	32,905	35,331	42,555	–	14,891
Taxes receivable (net)	2,217,945	2,139,775	2,400,744	2,166,187	579,634
Due from other funds	–	320,564	–	612,881	156,068
Prepaid expenses	800	9,081	715	1,652	70,613
Deposits	16,476	15,896	59,997	128,252	666,440
Total assets	$3,664,211	$3,133,951	$3,692,705	$4,717,382	$5,179,032
Liabilities:					
Liabilities:					
Accounts payable and accrued liabilities	$ 624,243	$ 421,202	$1,296,285	$1,756,310	$1,642,402
Deferred income	1,568,632	1,565,559	1,828,727	1,485,000	–
Total liabilities	2,192,875	1,986,761	3,125,012	3,241,310	1,642,402
Nonspendable:					
Prepaids, deposits, and inventory	17,276	–	–	–	–
Restricted for:					
Reserved for “C” roads	135,826	61,925	–	(47,119)	876,683
Reserved for impact fees	247,316	411,617	258,687	1,093,183	1,863,642
Committed:					
Park maintenance	16,687	11,263	12,557	–	–
Street lighting	53,818	37,131	11,005	–	–
Unassigned	1,000,413	625,254	285,444	430,008	796,305
Total fund balances	1,471,336	1,147,190	567,693	1,476,072	3,536,630
Total liabilities and fund balances	$3,664,211	$3,133,951	$3,692,705	$4,717,382	$5,179,032

(Source: Information extracted from the City’s basic financial statements and required supplementary information which information has been audited.)

Syracuse City

Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2011	2010	2009	2008	2007
Revenues:					
Taxes	$ 4,333,403	$ 4,199,180	$ 4,253,282	$ 4,097,863	$ 3,132,601
Licenses and permits	245,223	321,654	357,501	344,859	819,988
Impact fees	226,713	482,160	388,245	589,458	1,547,289
Intergovernmental revenues	845,653	821,797	888,120	1,090,769	1,231,946
Administrative fees	579,000	–	–	–	–
Charges for services	996,036	907,170	675,457	602,888	579,603
Fines and forfeitures	331,246	295,248	261,720	218,843	208,880
Interest income	8,206	4,213	38,773	147,434	245,508
Management fee	63,000	–	–	–	–
Miscellaneous revenue	84,377	63,197	99,227	35,844	22,479
Total revenues	7,712,857	7,094,619	6,962,325	7,127,958	7,788,294
Expenditures:					
Current:					
General government	1,689,503	1,174,765	1,576,733	1,522,231	1,587,366
Public safety	3,369,555	3,221,583	3,303,895	3,186,613	2,567,880
Public works	1,282,843	1,136,292	1,311,144	2,172,362	689,921
Parks and recreation	1,025,804	955,982	923,204	916,204	838,031
Capital outlay	–	–	1,088,081	825,112	1,919,101
Debt service:					
Principal retirement	125,000	125,000	290,000	275,000	270,000
Interest and other	67,669	67,980	106,163	87,768	96,068
Other interest expense	–	–	–	38,877	42,965
Total expenditures	7,560,374	6,681,602	8,599,220	9,024,167	8,011,332
Excess of revenues over (under) expenditures	152,483	413,017	(1,636,895)	(1,896,209)	(223,038)
Other financing sources (uses):					
Operating transfers in (out)	171,663	166,480	728,515	(164,348)	128,500
Total other financing sources (uses)	171,663	166,480	728,515	(164,348)	128,500
Net change in fund balances	324,146	579,497	(908,380)	(2,060,557)	(94,538)
Fund balance, beginning of year, as restated	1,147,190	567,693	1,476,073	3,536,630	3,631,168
Fund balance, end of year	$ 1,471,336	$ 1,147,190	$ 567,693	$ 1,476,073	$ 3,536,630

(Source: Information extracted from the City's basic financial statements and required supplementary information which information has been audited.)

Historical City Tax Rates

The maximum rate of levy applicable to the City for general fund operations authorized by State law is .007000 per dollar of taxable value of taxable property within the City.

	Tax Rate					
	Maximum Limit	2011	2010	2009	2008	2007
General Fund	.007000	.001821	.001613	.001613	.001500	.001500

(Source: Utah State Tax Commission.)

Comparative City Tax Rates

	Total City Tax Rate				
City (County) (1)	2011	2010	2009	2008	2007
Springville (Utah)	.002103	.002213	.001538	.001413	.001144
Kaysville (Davis)	.001035	.000987	.000907	.000829	.000925
Holladay (Salt Lake)	.001767	.001720	.001533	.001312	.001436
American Fork (Utah)	.002794	.002630	.002423	.002426	.002213
Syracuse (Davis)	*.001821*	*.001613*	*.001613*	*.001500*	*.001500*
South Salt Lake (Salt Lake)	.002691	.002729	.002665	.002352	.002465
Eagle Mountain (Utah)	.001636	.001510	.001400	.001230	.001163
Clinton (Davis)	.001866	.001752	.001729	.001623	.001906
Payson (Utah)	.001323	.001272	.001213	.001172	.001174
Brigham City (Box Elder)	.002282	.002334	.002242	.002169	.002565
North Ogden (Weber)	.001493	.001456	.001342	.002173	.002088

(1) The cities are based and ranked by the most populous according to 2010 population estimates from the U.S. Bureau of the Census.
(2) Includes a city library tax levy.

(Source: Utah State Tax Commission.)

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Tax Collection Record

(1) Tax Year End 12/31	(2) Total Taxes Levied	(3) Treasurer's Relief	Net Taxes Assessed	Current Collections	(4) Deliq., Personal Property and Miscelleous Collections	Total Collections	% of Current Collections to Net Taxes Assessed	% of Total Collections to Net Taxes Assessed
2010	$1,663,496	$42,594	$1,620,902	$1,524,309	$77,845	$1,602,154	94.0%	98.8%
2009	1,604,106	36,317	1,567,789	1,502,974	86,160	1,589,134	95.9	101.4
2008	1,568,723	27,821	1,540,902	1,432,759	59,090	1,491,849	93.0	96.8
2007	1,262,641	23,293	1,239,348	1,180,524	62,681	1,243,205	95.3	100.3
2006	725,033	11,314	713,719	687,149	40,596	727,745	96.3	102.0

(1) In addition to the Total Collections indicated above, the City collected Uniform Fees (fees–in–lieu payments) for tax year 2010 of $180,270; for tax year 2009 of $212,568; for tax year 2008 of $202,109; for tax year 2007 of $138,486; and for tax year 2006 of $97,542; from tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State.
(2) Excludes redevelopment agencies valuation.
(3) Treasurer's Relief includes abatements. Abatements are levied against the property, but are never collected and paid to the entity.
(4) Delinquent Collections include interest; sales of real and personal property; and miscellaneous delinquent collections. Does not include fee–in–lieu payments.

(Source: Taken from audited financial statements of Davis County for the indicated years.)

THE CITY'S ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2011

Included with this supplement is the City's Financial Statements for Fiscal Year 2011.

Additionally, the current and historical financial reports of the City may be found on the "world wide web" at the State of Utah, State Auditor's internet site at:

sao.state.ut.us

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SYRACUSE CITY CORPORATION

Syracuse, Utah

Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2011

SYRACUSE CITY CORPORATION

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

Prepared by:

Stephen Marshall, CPA
Finance Director

SYRACUSE CITY CORPORATION
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

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SYRACUSE CITY CORPORATION

INTRODUCTORY SECTION

Mayor
Jamie Nagle

City Council
Alan L. Clark
D. Mathew Kimmel
Matt D. Ozuna
Douglas Peterson
Larry D. Shingleton

October 28, 2011

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

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

This report consists of management's representations concerning the finances of Syracuse City Corporation. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, the management of Syracuse City Corporation has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Syracuse City Corporation's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Syracuse City Corporation's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Wood Richards and Associates, P. C. a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Syracuse City Corporation for the fiscal year ended June 30, 2011, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Syracuse City Corporation's financial statements for the fiscal year ended June 30, 2011, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This

letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Syracuse City Corporation's MD&A can be found immediately following the report of the independent auditors.

Entities receiving funding from the federal government are federally mandated to undergo a "Single Audit" designed to meet the special needs of federal grantor agencies. The Single Audit Act of 1996 and the U. S. Office of Management and Budget's Circular A-133 governing single audit engagements require the independent auditors to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Although the City received funds under federal financial assistance programs, the revenue was not sufficient to require a single audit.

The State of Utah requires the City to be audited in accordance with Government Auditing Standards (GAO Yellow Book 2003 Revision) and sets forth general requirements for auditors to follow in its Compliance Manual for Audits of Local Governments. The City is responsible for compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort or earmarking; and other special tests and provisions applicable to each of its major state assistance programs as required by the State of Utah Legal Compliance Audit Guide.

Profile of the Government

Syracuse City was incorporated on September 3, 1935 and is located in the northern part of the state along the Wasatch Front. Syracuse became linked to Antelope Island State Park in 1969, with construction of a causeway. The City is the gateway to Antelope Island bringing 285,390 visitors in 2010, through the heart of the city. Syracuse City Corporation currently occupies a land area of 9.5 square miles and serves a population of approximately 24,330. The City is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

Syracuse City Corporation is governed by a six member council form of government. Policy-making and legislative authority are vested in a governing council consisting of a mayor and five other members, known as the City Council. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City's manager. The City Manager is responsible for carrying out the policies and ordinances of the governing council and for overseeing the day-to-day operations of the City. The Mayor and City Council are elected on a non-partisan, at-large basis and serve four-year staggered terms.

Syracuse City Corporation provides a full range of services, including police and fire protection; culinary water, secondary water, sewer and sanitation; construction and maintenance of highways, streets, and other infrastructure; and recreational activities. The governing council of the City also serves as the

Board of Directors for the Syracuse City Redevelopment Agency (RDA) and the Municipal Building Authority of Syracuse (MBA). The RDA and MBA are separate legal entities, but due to the oversight responsibilities of the City's governing council in the decision making process, they are reported within the financial statements of Syracuse City Corporation. Additional information on the RDA and MBA can be found in Note 1 in the notes to the financial statements.

The annual budget serves as the foundation for Syracuse City Corporation's financial planning and control. All departments of the City are required to submit requests for appropriations to the Budget Officer in March of each year. The Budget Officer and City Manager use these requests as the starting point for developing a tentative budget. The Budget Officer then presents the tentative budget to the governing council at their first meeting in May. The council is required to hold public hearings on the tentative budget and to adopt a final budget no later than June 22nd. The appropriated budget is prepared by fund, and department (e.g., police). Department Directors may make transfers of appropriations within a department. Transfers of appropriations between departments require approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the major governmental funds, this comparison is presented on pages 42-45 as part of the basic financial statements for the governmental funds. For governmental funds with appropriated annual budgets, other than the major governmental funds, this comparison is presented in the governmental fund subsection of this report, which starts on page 73.

Economic Conditions

The City has experienced a slow economy with stagnant growth in revenues over the past three years. Revenues associated with construction, namely building permits and development impact fees, continue to remain below the levels of three to four years ago. The City anticipates that the housing market will still take several years to return to peak levels.

The City's tax revenues have shown signs of recovery in fiscal year 2011 with sales tax revenue and franchise tax revenue up 5.0% and 1.7% respectively over prior year. Property tax rates and levies by the City have remained relatively constant even though property values have declined. The property tax formula, provided in state law, is revenue based and the tax rate adjusts to provide the same revenue from year to year regardless of valuation- changes.

Long-Term Financial Planning

Financial policy dictates that 5% to 18% of general fund revenue be kept in the unassigned fund balance of the general fund. Each year's budget plan targets an amount within that range and may be higher or lower depending on operational and capital needs of that year. The unassigned fund balance for fiscal year ended June 30, 2011, was 14.2% of revenue.

The City uses a five year capital improvement plan to focus on upcoming projects that will require funding. Modification of the plan and reprioritization of projects takes place annually. The Council and management attempt to finance all City operations on a pay as you go basis.
Issuing debt is avoided if at all possible.

The City has invested long-term in infrastructure by issuing bonds in 2006 to construct a new city hall, fire station, and making significant modifications to its public works building and police station. These buildings and improvements will benefit the city for the next 30 to 40 years. The city plans to pay down its bonds over the next 15-20 years.

Awards and Acknowledgements

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

A Certificate of Achievement is valid for a period of one year. We believe that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements.

The preparation of this report would not have been possible without the efficient and dedicated services of the Management Services Department. I would like to express my appreciation to all members of the City who assisted and contributed to the preparation of this report. Credit must also be given to the Mayor, City Council, and City Manager for their support for maintaining the highest standards of professionalism in the management of Syracuse City Corporation's finances.

Respectfully submitted,

Stephen Marshall

Stephen Marshall, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Syracuse City Corporation
Utah

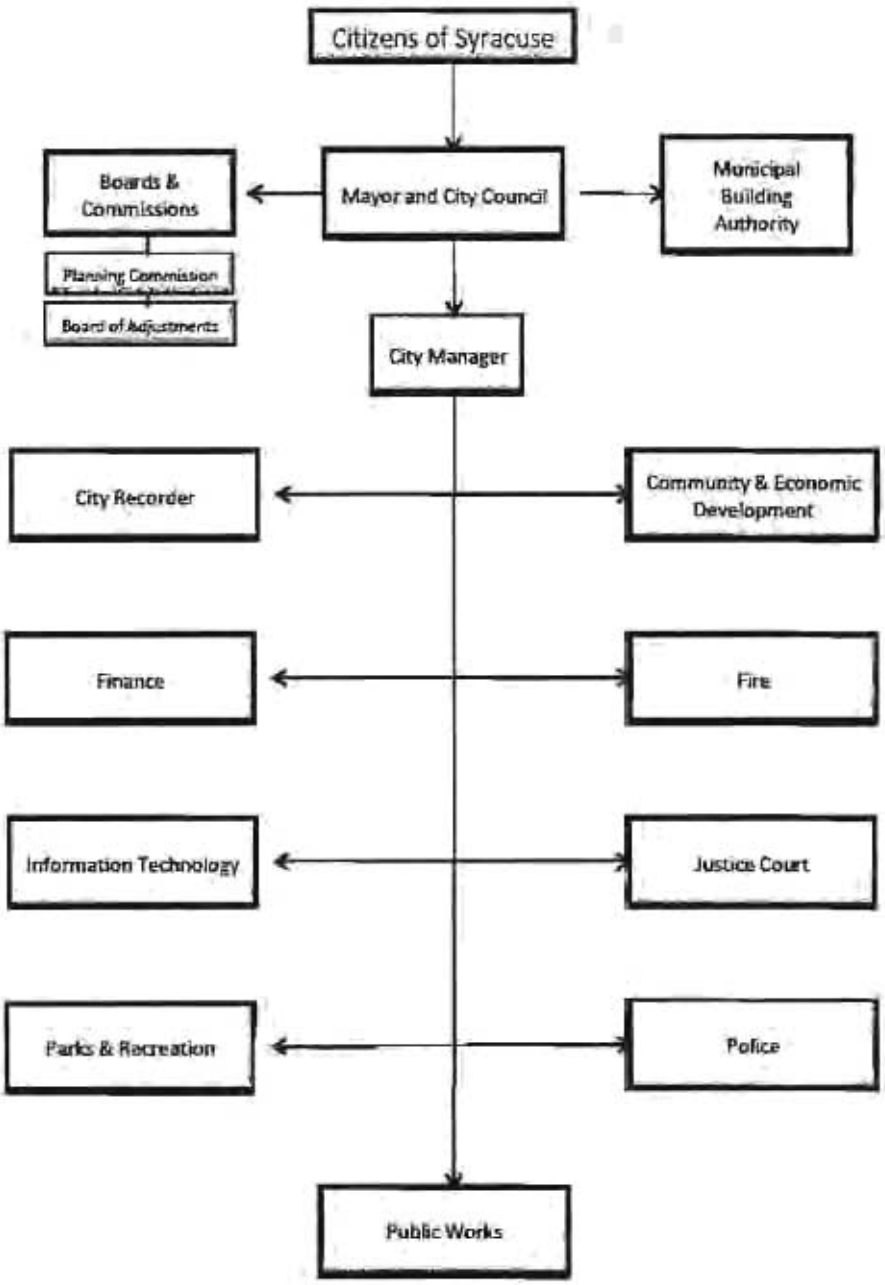
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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

President

Executive Director

SYRACUSE CITY CORPORATION
Organizational Chart



SYRACUSE CITY CORPORATION
List of Elected and Appointed Officials
June 30, 2011

Elected Officials

Jamie Nagle ---------- Mayor
Alan L. Clark ---------- City Councilmember
D. Matthew Kimmel ---------- City Councilmember
Douglas Peterson ---------- City Councilmember
Larry D. Shingleton ---------- City Councilmember
Mathew Ocana ---------- City Councilmember

Executive, Legal and Budgetary Officials

Robert Rice ---------- City Manager
Mazuran & Hayes ---------- City Attorneys
Stephen Marshall ---------- Budget Officer

Statutory Appointed Officials

Brian N. Wallace ---------- Chief of Police
Cassie Z. Brown ---------- City Recorder
Robert Rice ---------- City Treasurer
JUB Engineering ---------- City Engineers

Department Directors

Michael Eggett ---------- Community & Economic Development
Stephen Marshall ---------- Finance Director
Craig N. Cottrell ---------- Fire Chief
T.J. Peace ---------- Information Technology Director
Joseph M. Bean ---------- Justice Court Judge
Michael D. Waite ---------- Public Works Director
Kresta Robinson ---------- Recreation Director

SYRACUSE CITY CORPORATION

FINANCIAL SECTION

Wood · Richards

Royce J. Richards, J. D., CPA
Lynn J. Wood, CPA
Ryan R. Child, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
Syracuse City

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 Syracuse City, Utah, as of and for the year ended June 30, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Syracuse City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2011, on our consideration of Syracuse City'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United State of America require that the management's discussion and analysis on pages 16 through 28 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.

2490 Wall Avenue Ogden, Utah 84401 Phone (801) 621-0440 Fax (801) 399-9264

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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Syracuse City's financial statements as a whole. The introductory section, schedules of revenues, expenditures, and changes in fund balance – budget to actual for the special improvement and the capital improvement funds, schedule of revenues, expenses, and changes in net assets – budget to actual for the culinary water utility, sewer utility, garbage utility, secondary water utility, storm water utility, and the motor pool funds, and statistical sections are presented for purposes of additional analysis and are not a required part of the financial statements. The introductory section, schedules of revenues, expenditures, and changes in fund balance – budget to actual for the special improvement and the capital improvement funds, schedule of revenues, expenses, and changes in net assets – budget to actual for the culinary water utility, sewer utility, garbage utility, secondary water utility, storm water utility, and the motor pool funds, and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Wood Richards & Associates

Ogden, UT
September 22, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of Syracuse City's financial performance and activities for the year ended June 30, 2011. When read in conjunction with the notes to the financial statements, this section's financial highlights, overview and analysis will assist the reader to gain a more complete knowledge of the City's financial performance.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, we encourage readers to consider the information presented in conjunction with the letter of transmittal and the City's financial statements.

Financial Highlights

- The assets of Syracuse City exceeded liabilities at June 30, 2011 by $92,218,963 (net assets). Of this amount, $5,040,366 (unrestricted net assets) may be used to meet the government's ongoing obligations.
- Syracuse City's total net assets increased by $5,205,519 during the fiscal year. Net assets of governmental activities increased $2,504,801 or 6.2%. Net assets of business-type activities increased $2,700,718 or 5.8%. The majority of the increase in net assets during the year came from infrastructure assets contributed by developers of new subdivisions (i.e. streets, water lines, sewer lines, and storm drains).
- Syracuse City's governmental funds reported combined ending fund balances of $2,099,129 at June 30, 2011. Approximately 61% or $1,270,579 of the ending fund balance is considered unrestricted (committed, assigned, or unassigned) and is available for spending either at the City's discretion or upon council approval.
- At June 30, 2011, unreserved fund balance for the general fund was $1,000,413 or 13.2% of the total general fund expenditures.
- Syracuse City's total debt decreased by $794,000 from principal payments on outstanding bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Syracuse City's basic financial statements which are comprised of: 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.

The financial statements also include information about Syracuse City Redevelopment Agency and the Municipal Building Authority of Syracuse City, blended *component units* of Syracuse City. Both entities are separate legal creations of Syracuse City but are reported here instead of having separate reports. A detailed explanation of the reporting entity is part of the notes to the financial statements.

Government-Wide Financial Statements

The *government-wide financial statements* are designed to provide the reader with a broad overview of Syracuse City's finances in a manner similar to a private-sector business. The governmental and business-type activities are consolidated into columns which add to a total for the primary government.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. However, the reader will need to consider other non-financial factors. This statement combines and consolidates governmental fund's current financial resources with capital assets and long-term obligations.

The *statement of activities* presents information showing how the City's net assets changed during the fiscal year reported. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus 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 Syracuse City Corporation 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 Syracuse City Corporation include general government, public safety, highways and streets, community and economic development, redevelopment, culture and recreation and park development. The business-type activities of Syracuse City Corporation include the Secondary Water Fund, Culinary Water Fund, Sewer Utility Fund, Storm Sewer Utility Fund, and Garbage Utility Fund.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Syracuse 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 types: 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, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Proprietary funds. Syracuse City Corporation maintains two different types of proprietary funds. *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 Secondary Water Utility, Culinary Water Utility, Sewer Utility, Storm Sewer Utility, and Garbage Utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. Syracuse City Corporation uses internal service funds to account for its motor pool activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

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.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Syracuse City Corporation's assets exceeded liabilities by $92,218,963 at the close of the most recent year, June 30, 2011.

The largest portion of the City's net assets, 92.6%, reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources need to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets, 1.93%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, $5,040,366, may be used to meet the City's ongoing obligations to citizens and creditors.

The following table reflects the condensed statement of net assets:

Syracuse City Corporation's Net Assets
(Stated in Thousands of Dollars)
As of June 30

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	$4,572	$3,761	$5,559	$5,072	$10,130	$8,833
Capital assets	56,757	55,509	44,046	42,052	100,803	97,561
Total assets	61,329	59,270	49,605	47,124	110,933	106,394
Long-term debt outstanding	15,741	16,404	226	339	15,967	16,743
Other liabilities	2,387	2,170	360	467	2,747	2,637
Total liabilities	18,128	18,574	586	806	18,714	19,380
Net assets:						
Invested in capital assets net of related debt	41,578	39,655	43,820	41,712	85,398	81,367
Restricted	811	727	970	714	1,781	1,441
Unrestricted	811	314	4,229	3,892	5,040	4,206
Total net assets	$43,200	$40,696	$49,019	$46,318	$92,219	$87,014

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

The Motor Pool Fund and Special Improvement District Fund were the only funds reporting a deficit in unrestricted net assets in the prior fiscal year. These funds were close during fiscal year 2011 with operating transfers from the Capital Improvement Fund (see note 7 in the footnotes). The Motor Pool Fund transferred all their assets that had a net book value of $475,510 into the General Fund upon the close of the fund.

The following table summarizes Syracuse City's total revenues, expenses, and changes in net assets for fiscal year 2011:

Syracuse City Corporation's Changes in Net Assets

(Stated in Thousands of Dollars)

As of June 30

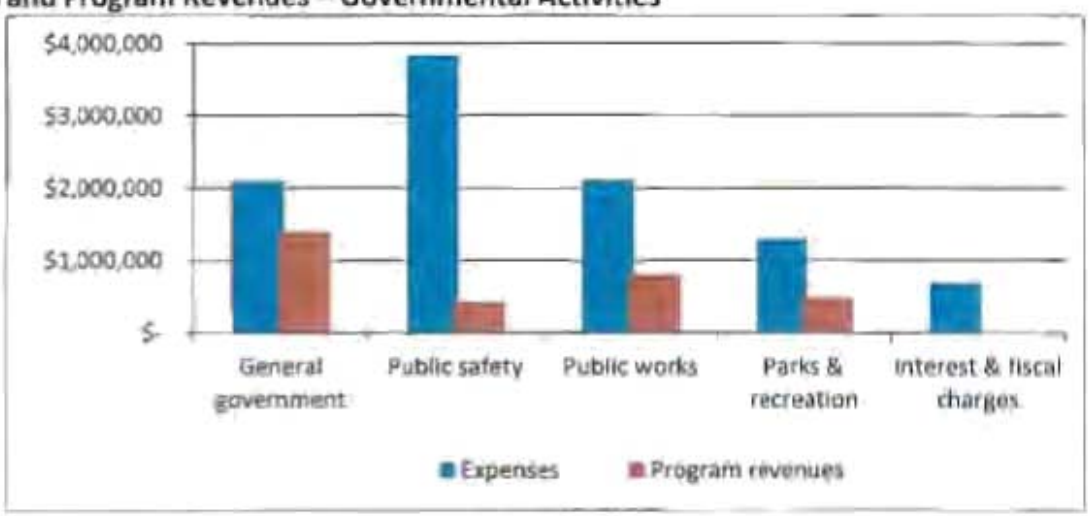
	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
General Revenues:						
Taxes	$ 5,960	$ 5,668	$ -	$ -	$ 5,960	$ 5,668
Impact fees	227	482	253	502	480	984
Other	100	42	21	-	121	42
Interest	11	10	21	21	32	31
Program Revenues:						
Charges for services	3,110	2,374	5,300	5,294	8,410	7,668
Operating Grants and Contributions	-	115	-	-	-	115
Capital Grants and Contributions	2,946	2,771	2,547	2,337	5,493	5,108
Total revenues	12,354	11,462	8,142	8,154	20,496	19,616
Expenses:						
General government	2,094	1,663	-	-	2,094	1,663
Public safety	3,844	3,724	-	-	3,844	3,724
Public works	2,115	2,121	-	-	2,115	2,121
Parks and recreation	1,299	1,083	-	-	1,299	1,083
Interest on long-term Debt	684	696	-	-	684	696
Utilities	-	-	5,255	4,982	5,255	4,982
Total expenses	10,036	9,287	5,255	4,982	15,291	14,269
Changes in net assets before transfers	2,318	2,175	2,887	3,172	5,205	5,347
Transfers	186	190	(186)	(190)	-	-
Change in net assets	2,504	2,365	2,701	2,982	5,205	5,347
Net assets - beginning	40,696	38,331	46,318	43,336	87,014	81,667
Net assets – ending	$43,200	$40,696	$49,019	$46,318	$92,219	$87,014

Governmental activities. Governmental activities increased Syracuse City's net assets by $2,504,801 in the current fiscal year. Key elements of the increase were as follows:

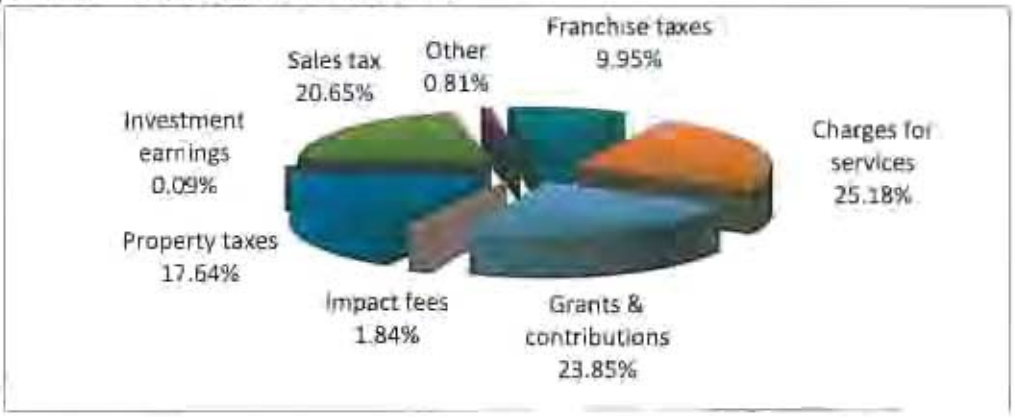
- Capital contributions from developers during fiscal year 2011 including streets, sidewalks, and curb and gutter totaled $2,943,282.
- Overall, property taxes increased by $149,190 in the governmental funds over prior year. Property taxes in the general fund increased by $37,180, while the increment received by the RDA increased $136,591. The remaining change was from fee-in-lieu received from motor vehicle registrations and delinquent property taxes.
- Sales tax revenue increased 5.0% or $122,626 over the previous fiscal year while franchise taxes increased 1.7% or $19,962.
- Class C Road funds increased 4.1%, $27,192, over prior year.
- Impact fees related to new development decreased by 52.9%, $255,447 over prior year.
- Operating expenses in total did not fluctuate significantly. With the slow economy, cuts were made in expenditures in 2010 and 2011.

The following graphs display a different perspective on governmental activities expenses compared to program revenues attributed to the activity:

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

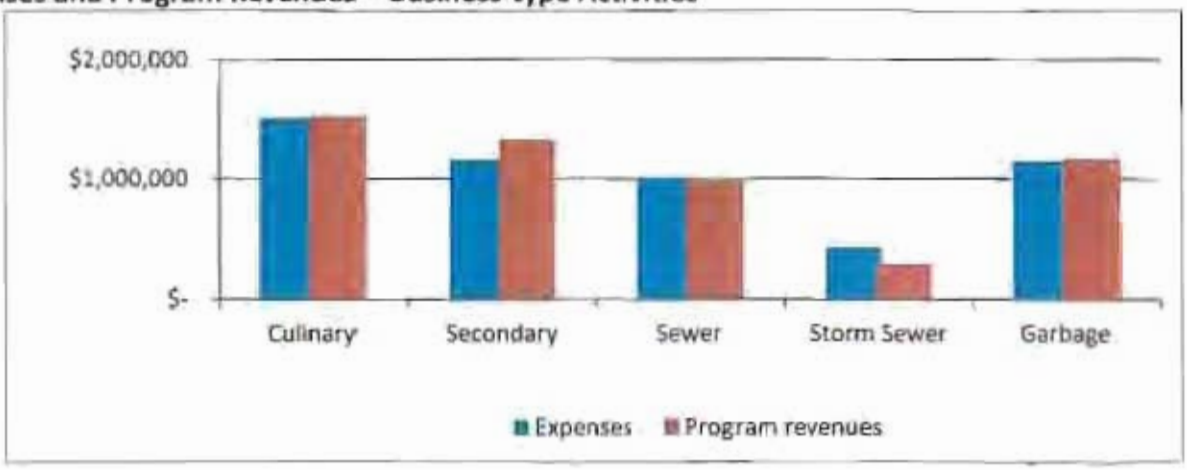


Business-type activities. Business-type activities increased Syracuse City's net assets by $2,700,718 in the current fiscal year. At the end of the current fiscal year, all of the City's business-type funds reported positive net assets. Key elements of the increase to net assets of business-type activities include:

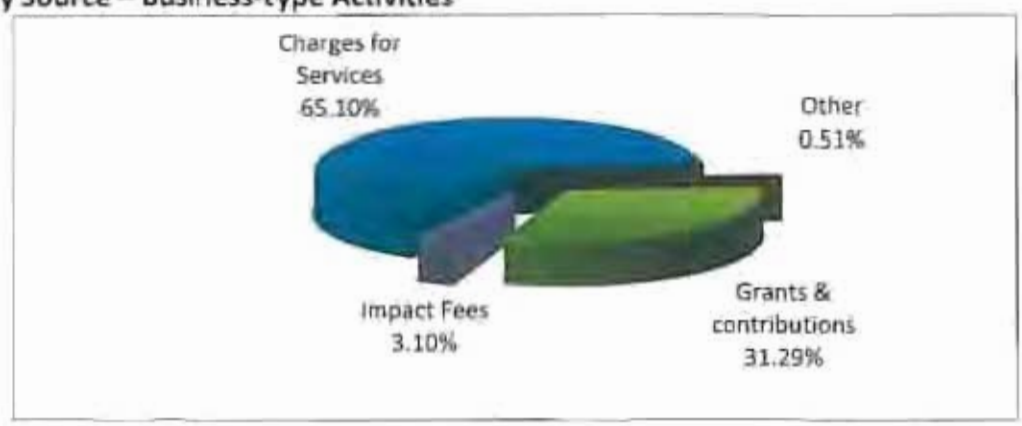
- Capital contributions from developers during fiscal year 2011 including culinary water, secondary water, sewer and storm sewer lines totaled $2,547,361.
- User fee revenue from culinary water, secondary water, sewer, storm sewer and garbage services had an increase of $44,031.
- Impact fees related to new development decreased by 49.7%, $249,443.
- Revenue from late utility bills, new connection fees, and ownership transfer fees decreased by $37,352.

The following graphs display a different perspective on business-type activities reflected in the City's statement of activities:

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Government's Funds

As noted earlier, Syracuse City Corporation 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 a government's net resources available for spending at the end of the fiscal year.

At June 30, 2011, the City's governmental funds reported combined ending fund balances of $2,099,129, an increase of $318,845 from the prior year. There are five components of funds balance;

nonspendable, restricted, committed, assigned, and unassigned. The nonspendable fund balance of $17,276 includes items that are prepaid expenses and inventory. The restricted fund balance totaling $811,274 is funds that must be spent for specific purposes and are externally restricted. The committed fund balance totaling $80,183 is for funds that are not restricted but require council approval before monies can be spent. The assigned fund balance of $189,983 is unrestricted in nature but has been assigned internally by management for a specific or intended use. Finally, unassigned fund balance of $1,000,413 is available for spending at the City's discretion and has not been assigned for a specific purpose.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was $1,000,413, while the total fund balance was $1,471,336. 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 expenditures. Unreserved fund balance represents 13.2% of total general fund expenditures, while total fund balance represents 19.5% of that same amount.

During the fiscal year, the fund balance of Syracuse City Corporation's general fund (budget basis) increased by $324,146. Key factors in the change are as follows:

- Revenue from justice court fines was up 12.2% or $35,998 over prior year.
- Revenue from ambulance services was up 44.9% or 84,873 over prior year.
- Revenue from current year property taxes was up 4.1% or $62,281 over prior year.
- Revenue from building permits was down 30.2% or $77,244 over prior year.
- City-wide departments worked to keep expenditures down. The majority of departments did not expend all of their budgeted funds. General government was under budget by $81,666; public safety under budget by $32,725; public works under by $440,252; and parks and recreation under budget by $28,176.

The fund balance of the redevelopment fund increased by $183,751 or 75.2%. This increase was due to an increase in the tax increment during fiscal year 2011. The City is building up a reserve balance to use in future years when the money will be needed for infrastructure improvements within the redevelopment areas.

The fund balance of the capital improvements fund decreased by $203,949 or 51.8%. This decrease is due to operating transfers to close out the motor pool fund and the special improvement district fund during FY2011.

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

Unrestricted net assets of the culinary water fund at the end of the fiscal year 2011 were $1,985,158, for the sewer utility fund unrestricted net assets were $646,164, for the garbage utility fund unrestricted net assets were $229,469, for the secondary water utility fund unrestricted net assets

were $1,046,914, and for the storm water utility fund unrestricted net assets were $321,217. Change in net assets for the five utility funds were as follows: Culinary water utility fund increased $292,249, sewer utility fund increased $211,708, garbage utility fund increased $22,490, secondary water utility fund decreased ($235,579), and storm water utility fund increased $46,165.

Operating revenues for the culinary water utility fund decreased 1.3% or $20,834 from the prior year. Expenses increased 16.4% or $212,946. This increase was mainly attributed to an increase in salaries and wages expense as well as an increase in the administrative fee charged to the fund. Infrastructure contributions from developers increased net assets by $776,719.

Operating revenues and expenses for the sewer utility fund remained fairly consistent with prior year. Infrastructure contributions from developers increased net assets by $607,457.

Operating revenues for the garbage utility fund remained fairly consistent with the prior year. Expenses increased 7.1% or 76,250. This increase was due to increase contractual service costs from the outside vendor.

Operating revenues for the secondary water utility fund remained consistent with the prior year. Expenses increased 6.8% or $73,539. This increase was mainly attributed to an increase in salaries and wages expense as well as an increase in the administrative fee charged to the fund. Infrastructure contributions from developers increased net assets by $630,688.

Operating revenues for the storm water utility fund remained consistent with the prior year. Expenses decreased 20.6% or $110,385. This decrease was mainly attributed to a decrease in the administrative fee charged to the fund. Infrastructure contributions from developers increased net assets by $532,497.

General Fund Budgetary Highlights

During the fiscal year, the general fund's original budget for expenditures and other financing uses was amended from an original total of $8,398,714 to a final budget of $8,575,614, an increase of $176,900. Some of the more significant changes to individual revenue and expenditure items are as follows:

- $57,638 decrease in employee wages and benefits. Three employees left during the year and their positions were not filled for several months. This included the City Manager, Community & Economic Development Director and Building Inspector.
- $30,000 increase in revenue from court fines.
- $80,000 increase in ambulance revenues.
- $38,400 increase in federal grants revenue and grant expense for the purchase of radios for the fire department.
- $25,500 increase in revenue for management of the re-development fund.

Budget to actual. At the conclusion of the fiscal year, there were some differences between final budgeted revenues and expenditures and actual results. Most revenue classifications exceeded budget. The most noteworthy were sales and use taxes, court fines, and recreation fees exceeded expectations by $101,143, $41,246, and $28,833, respectively. One major revenue classification, impact fees, fell short of budget expectations by $245,287. This was primarily due to the slower economy. In total, general fund revenue fell short of budget expectations by $59,527 or 0.8%.

Capital Assets and Debt Administration

Capital assets. Syracuse City Corporation's investment in capital assets for its governmental and business-type activities as of June 30, 2011, amounts to $85,397,392 (net of related debt). The investment in capital assets includes land, buildings, improvements other than buildings, infrastructure, machinery and equipment, vehicles, and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was $4,030,613 or 5.0% (a 2.4% increase in governmental activities and a 2.6% increase in business-type activities).

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

- Infrastructure from developers through acceptance of new subdivision, $5,481,643. Includes curb, gutter, sidewalks, roads, culinary water lines, secondary water lines, sewer lines, storm drains, and land drains.
- Completed reconstruction of 2700 South roadway from 1000 West to 2000 West, $552,090.
- Completed secondary waterline on 2700 South from 1000 West to 2000 West, $681,168.
- Finished upgrade to culinary waterline on 1700 S from 1000 W to 2000 W, $209,649.
- Purchase two heavy duty lawn mowers for the parks, $34,587.
- Construction of new fuel storage tank for state fuel site, $28,656.
- Site improvements along 1700 South, $73,447.
- Infrastructure improvements made in redevelopment area, $71,140.

Syracuse City Corporation's Capital Assets
(Stated in Thousands of Dollars and Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land, water stock & CIP	$ 9,053	$ 9,194	$ 8,621	$ 8,827	$ 17,674	$ 18,021
Infrastructure	42,935	39,305	49,161	45,809	92,096	85,114
Buildings and equipment	25,396	25,355	1,942	1,860	27,338	27,215
Accumulated depreciation	(20,627)	(18,345)	(15,678)	(14,445)	(36,305)	(32,790)
Total capital assets	$56,757	$55,509	$44,046	$42,051	$100,803	$97,560

Additional information on Syracuse City Corporation's capital assets can be found in note 4 on pages 63-64 of this report.

Long-term debt. In 1992, the City issued $2,200,000 in Water Revenue Notes with the State of Utah to finance the construction of a storage reservoir and upgrade the main transmission lines throughout the City. These are zero interest bearing notes and mature in January 2013 with principal payments due annually. The balance due on the notes at June 30, 2011 is $226,000.

In April 2005, the City issued $2,100,000 in sales tax revenue bonds to fund the acquisition of water shares, the construction of a water reservoir, and improvements to the parks and secondary water system. Principal payments are due annually in April through 2020. Interest is due semi-annually in April and October. The balance due on the bonds at June 30, 2011 is $1,390,000.

At the end of the current fiscal year, the City's blended component unit, the Municipal Building Authority of Syracuse City (MBA), had total bonded debt outstanding of $13,901,000. The bonds were issued for the purpose of financing the construction of a new city hall, a public works addition, remodel of the police station and construction of a new city fire station. The bonds mature in 2028 with principal payments due annually in March. Interest is due semi-annually in March and September.

Syracuse City Corporation's Long-term Debt
As of June 30

	2011	2010
Governmental Activities:		
2005 Park Development Bonds	1,390,000	1,515,000
2006 MBA Lease Revenue Bonds	8,380,000	8,715,000
2008 MBA Lease Revenue Bonds	5,521,000	5,742,000
Business-type Activities:		
1992 Water Revenue Note A	110,000	165,000
1992 Water Revenue Note B	116,000	174,000
Total	$ 15,517,000	$ 16,311,000

State statutes limit the amount of general obligation debt a governmental entity may issue to 4% of its total taxable value. The current limitations for the City are $42,077,938. Syracuse City Corporation currently does not have any outstanding general obligation debt. In addition, state statutes allow for an additional 4% to be used for water, sewer and electrical projects thus resulting in a debt limit of 8% of total taxable value. The City's water and sewer utility is allowed an additional $42,077,938 in debt obligation.

Additional information on Syracuse City Corporation's long-term debt activity can be found in note 6 on pages 65-67 of this report.

Economic Factors and Next Year's Budgets

Sales tax revenues for the fiscal year ended June 30, 2011 were 5.0% higher than the previous year. It is expected that sales tax revenue will remain steady and is not anticipated to grow much in the next fiscal year.

Construction of new homes has been below expectations and revenues associated with residential construction have been lower than budgeted for fiscal year 2011. The city anticipates that new construction will remain low but anticipates a rise in building permits in fiscal year 2012.

The seasonally adjusted unemployment rate for Davis County as reported by the Utah Department of Workforce Services for June 2011 was 6.9%. This is 0.2% higher than the 6.7% for June 2010. The rate reported for the State of Utah for June 2011 was 7.4%. These compare favorably to the national seasonally adjusted rate reported by the U.S. Department of Labor, Bureau of Labor and Statistics for June 2011 of 9.2%. County and state unemployment rates have been increasing slightly over the past year. The City anticipates that unemployment rates will begin to trend downward in the next few years.

These factors along with other economic factors were considered in preparing the 2011-2012 fiscal year budget.

Request for Information

This financial report is designed to provide a general overview of Syracuse City Corporation's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 1979 West 1900 South, Syracuse, Utah 84075. The report is also posted on the City's website at www.syracuseut.com

SYRACUSE CITY CORPORATION

BASIC FINANCIAL STATEMENTS

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SYRACUSE CITY
STATEMENT OF NET ASSETS
JUNE 30, 2011

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 1,134,372	$ 4,061,305	$ 5,195,677
Accounts Receivable	86,001	527,829	613,830
Taxes Receivable	2,252,147	-	2,252,147
Prepaid Expenses	800	-	800
Deposits & Inventories	16,476	-	16,476
Unamortized Costs of Issuance	260,488	-	260,488
Restricted Cash	820,952	969,931	1,790,883
Capital Assets:			
Land and Related Non-Depreciable Assets	9,053,330	8,620,828	17,674,158
Depreciable Infrastructure	42,935,459	49,161,251	92,096,710
Buildings, Equipmt, & Other Depreciable Assets	25,395,519	1,941,485	27,337,004
Less Accumulated Depreciation	(20,626,934)	(15,677,764)	(36,304,698)
Total Capital Assets	56,757,374	44,045,800	100,803,174
TOTAL ASSETS	61,328,610	49,604,865	110,933,475
LIABILITIES			
Accounts Payable and Accrued Liabilities	641,262	360,212	1,001,474
Unearned Revenue	1,570,357	-	1,570,357
Interest Payable	175,872	-	175,872
Long-term Debt:			
Due Within One Year	771,344	113,000	884,344
Due in More Than One Year	14,969,465	113,000	15,082,465
TOTAL LIABILITIES	18,128,300	586,212	18,714,512
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	41,577,592	43,819,800	85,397,392
Restricted for:			
Class "C" Road Activities	135,826	-	135,826
Impact Fees	247,316	902,408	1,149,724
Special Revenue Activities	428,132	-	428,132
Debt Service	-	67,523	67,523
Unrestricted	811,444	4,228,922	5,040,366
TOTAL NET ASSETS	$ 43,200,310	$ 49,018,653	$ 92,218,963

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

		Program Revenues		
Activities	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental:				
General Government	$ 2,093,864	$ 1,397,319	$ -	$ -
Public Safety	3,843,940	432,440	-	-
Public Works	2,114,678	804,016	-	2,934,282
Parks and Recreation	1,298,632	476,469	-	12,011
Interest and Other Charges on Long-term Debt	684,474	-	-	-
Total Governmental Activities	10,035,588	3,110,244	-	2,946,293
Business-type:				
Culinary Water	1,509,611	1,528,379	-	776,719
Sewer	1,012,749	985,702	-	607,457
Garbage	1,148,287	1,169,759	-	-
Secondary Water	1,158,364	1,331,091	-	630,688
Storm Drain	426,122	285,548	-	532,497
Total Business-type Activities	5,255,133	5,300,479	-	2,547,361
Total Primary Government	$ 15,290,721	$ 8,410,723	$ -	$ 5,493,654

General Revenues:
- Property Tax
- Sales Tax
- Franchise Tax
- Total Taxes

Impact Fees
Unrestricted Interest Earned
Transfer in (out)
Other General Revenues:
- Miscellaneous
- Gain or (loss) on sale of asset
- Total General Revenues
- Change in Net Assets

Net Assets-Beginning
Net Assets-Ending

The Notes to the Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (696,545)	$ -	$ (696,545)
(3,411,500)	-	(3,411,500)
1,623,620	-	1,623,620
(810,152)	-	(810,152)
(684,474)	-	(684,474)
(3,979,051)	-	(3,979,051)
-	795,487	795,487
-	580,410	580,410
-	21,472	21,472
-	803,415	803,415
-	391,923	391,923
-	2,592,707	2,592,707
(3,979,051)	2,592,707	(1,386,344)
2,179,508	-	2,179,508
2,551,143	-	2,551,143
1,228,857	-	1,228,857
5,959,508	-	5,959,508
226,713	252,539	479,252
11,421	20,816	32,237
186,230	(186,230)	-
99,980	-	99,980
-	20,886	20,886
6,483,852	108,011	6,591,863
2,504,801	2,700,718	5,205,519
40,695,509	46,317,935	87,013,444
$ 43,200,310	$ 49,018,653	$ 92,218,963

SYRACUSE CITY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011

	General Fund	Redevelopment Fund	Municipal Building Authority Fund
ASSETS			
Cash and Cash Equivalents	$ 1,012,943	$ -	$ -
Restricted Cash	383,142	428,132	9,678
Accounts Receivable	32,905	-	-
Taxes Receivable	2,217,945	-	-
Prepaid Expenses	800	-	-
Deposits & Inventories	16,476	-	-
TOTAL ASSETS	$ 3,664,211	$ 428,132	$ 9,678
LIABILITIES			
Accounts Payable and Accrued Liabilities	$ 624,243	$ -	$ -
Deferred Income	1,568,632	-	-
TOTAL LIABILITIES	2,192,875	-	-
FUND BALANCES			
Nonspendable:			
Prepaids, Deposits, and Inventory	17,276	-	-
Restricted for:			
Class "C" Roads	135,826	-	-
Impact Fees	247,316	-	-
Redevelopment Fund	-	428,132	-
Committed:			
Municipal Building Authority	-	-	9,678
Park Maintenance	16,687	-	-
Street Lighting	53,818	-	-
Assigned:			
Capital Improvements	-	-	-
Unassigned	1,000,413	-	-
TOTAL FUND BALANCES	1,471,336	428,132	9,678
TOTAL LIABILITIES AND FUND BALANCES	$ 3,664,211	$ 428,132	$ 9,678

The Notes to the Financial Statements are an integral part of this statement.

S.I.D. Debt Service Fund	Capital Improvements Fund	Total Governmental Funds
$ -	$ 121,429	$ 1,134,372
-	-	820,952
-	53,096	86,001
-	34,202	2,252,147
-	-	800
-	-	16,476
$ -	$ 208,727	$ 4,310,748
$ -	$ 17,019	$ 641,262
-	1,725	1,570,357
-	18,744	2,211,619
-	-	17,276
-	-	135,826
-	-	247,316
-	-	428,132
-		9,678
-	-	16,687
-	-	53,818
-	189,983	189,983
-	-	1,000,413
-	189,983	2,099,129
$ -	$ 208,727	$ 4,310,748

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SYRACUSE CITY
RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENT FUNDS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

Total fund balance -- governmental funds		$ 2,099,129
Amount reported for governmental activities in the statement of net assets are different because:		
Capital Assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. These assets consist of:		
Land and related non-depreciable assets	9,021,159	
Depreciable Infrastructure	42,935,459	
Buildings, equipment, and other depreciable assets	25,395,519	
Construction in process	32,171	
Accumulated Depreciation	(20,626,934)	
Total Capital Assets		56,757,374
Bond issuance costs are amortized over the life of the bonds on the statement of net assets		260,488
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Debt	(15,291,000)	
Compensated absences	(300,539)	
Unamortized premium	(149,270)	
Interest payable	(175,872)	
Total Long-Term Debt		(15,916,681)
Total net assets — governmental activities		$ 43,200,310

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General Fund	Redevelopment Fund	Municipal Building Authority Fund
REVENUES:			
Taxes	$ 4,333,403	$ 421,094	$ -
Licenses and permits	245,223	-	-
Impact fees	226,713	-	-
Intergovernmental revenues	845,653	-	-
Administrative Fees	579,000	-	-
Charges for services	996,036	-	-
Fines and forfeitures	331,246	-	-
Interest	8,206	1,391	330
Management Fee	63,000	-	-
Lease revenue (payments)	-	-	1,172,921
Miscellaneous	84,377	-	-
Total	7,712,857	422,485	1,173,251
EXPENDITURES:			
Current:			
General government	1,689,503	146,594	-
Public safety	3,369,555	-	-
Public works	1,282,843	-	-
Parks and Recreation	1,025,804	-	-
Capital outlay	-	92,140	-
Debt service:			
Principal retirement	125,000	-	556,000
Interest and other	67,669	-	616,921
Total	7,560,374	238,734	1,172,921
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	152,483	183,751	330
OTHER FINANCING SOURCES (USES):			
Transfers in	186,230	-	-
Transfers out	(14,567)	-	-
Total	171,663	-	-
NET CHANGE IN FUND BALANCES	324,146	183,751	330
FUND BALANCES, BEGINNING OF YEAR	1,147,190	244,381	9,348
FUND BALANCES, END OF YEAR	$ 1,471,336	$ 428,132	$ 9,678

The Notes to the Financial Statements are an integral part of this statement.

S.I.D. Debt Service Fund	Capital Improvements Fund	Total Governmental Funds
$ -	$ 1,228,857	$ 5,983,354
-	-	245,223
-	-	226,713
-	-	845,653
-	-	579,000
-	-	996,036
-	-	331,246
-	1,494	11,421
-	-	63,000
-	(1,172,921)	-
-	77,700	162,077
-	135,130	9,443,723
-	-	1,836,097
-	-	3,369,555
-	-	1,282,843
-	-	1,025,804
-	32,171	124,311
-	-	681,000
-	-	684,590
-	32,171	9,004,200
-	102,959	439,523
14,567	-	200,797
-	(306,908)	(321,475)
14,567	(306,908)	(120,678)
14,567	(203,949)	318,845
(14,567)	393,932	1,780,284
$ -	$ 189,983	$ 2,099,129

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SYRACUSE CITY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Net change in fund balance - total governmental funds		$ 318,845
Amount reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Depreciation of $2,282,326 exceeded capital purchases of $596,463 during the current period.		(1,685,863)
The governmental funds report the amount due from future year property tax assessments as deferred revenue rather than revenue. The statement of net assets recognizes those revenues. This is the current year change in the deferred revenue of the S.I.D Debt Service Fund.		(23,846)
The long-term portion of the liability for compensated absences is not recorded in the fund level, but is reported in the statement of net assets. This is the current year change in the liability, reported as an expense in the statement of activities.		(26,641)
The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The governmental funds report interest expense when it is paid, however the statement of net assets reports interest when it accrues. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:		
Amortization of premium	8,863	
Amortization of cost of issuance	(15,140)	
Accrued interest	7,303	
Repayment of bond principal	681,000	682,026
During the 2011 fiscal year the Motor Pool Fund was closed out. Government funds do not include the benefit they receive from using the Motor Pool's Fixed Assets, however, they are included on the entity wide statements. This is the change in the unrestricted net assets to close out the fund.		305,998
Governmental funds do not report contributions of infrastructure from developers as a revenue in the governmental statements. It is recorded as part of the entity wide presentation.		2,934,282
Changes in net assets of governmental activities		$ 2,504,801

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES:				
Taxes:				
Current property taxes	$ 1,565,084	$ 1,565,084	$ 1,577,797	$ 12,713
Fee-in-lieu	180,000	180,000	176,529	(3,471)
Delinquent prior years' taxes	30,000	30,000	27,934	(2,066)
Sales tax	2,500,000	2,450,000	2,551,143	101,143
Total	4,275,084	4,225,084	4,333,403	108,319
Licenses and permits:				
Business licenses	58,000	50,000	50,715	715
Building permits	200,000	200,000	177,858	(22,142)
Burial permits	14,000	14,000	16,650	2,650
Total	272,000	264,000	245,223	(18,777)
Impact fees:				
Park purchase	50,000	50,000	11,410	(38,590)
Park development	243,000	243,000	123,015	(119,985)
Public safety	29,000	29,000	15,285	(13,715)
Transportation	150,000	150,000	77,003	(72,997)
Total	472,000	472,000	226,713	(245,287)
Intergovernmental revenues:				
Class "C" road fund allotment	650,000	650,000	685,242	35,242
Liquor fund allotments	21,000	19,000	18,911	(89)
Federal grants and reimbursements	8,600	47,000	39,275	(7,725)
State and local grants and reimbursements	82,700	82,700	80,822	(1,878)
Local governments service agreements	16,000	21,400	21,403	3
Total	778,300	820,100	845,653	25,553
Administrative Fees	579,000	579,000	579,000	-
Charges for services:				
Development reviews and inspections	101,000	101,000	82,106	(18,894)
Recreation fees	160,000	164,400	193,233	28,833
Community Center fees	37,000	38,000	41,705	3,705
Ambulance revenue	190,000	270,000	273,895	3,895
Traffic school and other police charges	13,000	19,000	17,045	(1,955)
Road cut fees	-	-	2,298	2,298
Post Office commissions	40,000	40,000	44,122	4,122
Parks Maintenance fee	226,500	226,500	225,156	(1,344)
Street lighting fee	102,000	114,500	116,476	1,976
Total	869,500	973,400	996,036	22,636
Justice Court Fines and forfeitures	260,000	290,000	331,246	41,246
Interest	16,000	16,000	8,206	(7,794)
Management Fee	37,500	63,000	63,000	-
Miscellaneous:				
Sale of materials and supplies	600	6,300	5,791	(509)
Sale of cemetery lots	24,000	24,000	27,920	3,920
Buildings and Parks rentals	7,500	10,000	16,375	6,375
Sundry	6,000	29,500	34,291	4,791
Total	38,100	69,800	84,377	14,577
TOTAL REVENUES	$ 7,597,484	$ 7,772,384	$ 7,712,857	$ (59,527)

SYRACUSE CITY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
EXPENDITURES:	Original	Final	Actual	Final Budget
General government:				
City council	$ 52,724	$ 52,724	$ 51,787	$ 937
City court	184,299	215,196	209,931	5,265
Administration	910,605	780,883	735,392	45,491
Community and Economic Development	238,132	339,101	320,570	18,531
Buildings and grounds	205,676	225,676	223,707	1,969
Information Systems	157,589	157,589	148,116	9,473
Total	1,749,025	1,771,169	1,689,503	81,666
Public safety:				
Police department	2,001,728	2,011,728	1,983,504	28,224
Fire department	1,294,487	1,390,552	1,386,051	4,501
Total	3,296,215	3,402,280	3,369,555	32,725
Public works:				
Building inspector	237,322	177,595	174,952	2,643
Street Lighing	102,000	107,000	100,039	6,961
Class "C" roads	1,431,500	1,438,500	1,007,852	430,648
Total	1,770,822	1,723,095	1,282,843	440,252
Parks and recreation:				
Parks	588,213	554,606	542,296	12,310
Recreation	477,317	499,374	483,508	15,866
Total	1,065,530	1,053,980	1,025,804	28,176
Debt Service:				
Debt principal	125,000	125,000	125,000	-
Debt interest and fees	86,230	86,230	67,669	18,561
Total	211,230	211,230	192,669	18,561
TOTAL EXPENDITURES	8,092,822	8,161,754	7,560,374	601,380
EXCESS (DEFICIENCY) OF REVENUES FINANCING SOURCES (USES)	(495,338)	(389,370)	152,483	541,853
OTHER FINANCING SOURCES (USES):				
Transfers in	186,230	186,230	186,230	-
Transfers out	-	(14,600)	(14,567)	33
Appropriations of Fund Balance	309,108	399,260	-	(399,260)
Total	495,338	570,890	171,663	(399,227)
NET CHANGE IN FUND BALANCE	-	181,520	324,146	142,626
FUND BALANCE, BEGINNING OF YEAR	1,147,190	1,147,190	1,147,190	-
FUND BALANCE, END OF YEAR	$ 1,147,190	$ 1,328,710	$ 1,471,336	$ 142,626

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY

REDEVELOPMENT AGENCY - SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
REVENUE:				
Property tax increment	$ 250,000	$ 420,000	$ 421,094	1,094
Interest Income	1,000	1,000	1,391	391
Total	251,000	421,000	422,485	1,485
EXPENDITURES:				
General Government	37,500	63,000	67,202	(4,202)
Capital Outlay	113,500	113,500	92,140	21,360
Repayment to financers	100,000	100,000	79,392	20,608
Total	251,000	276,500	238,734	37,766
EXCESS (DEFICIENDY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	144,500	183,751	39,251
OTHER FINANCING SOURCES - Transfers	-	-	-	-
NET CHANGE IN FUND BALANCE	-	144,500	183,751	39,251
FUND BALANCE, BEGINNING OF YEAR	244,381	244,381	244,381	-
FUND BALANCE, END OF YEAR	$ 244,381	$ 388,881	$ 428,132	$ 39,251

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY

MUNICIPAL BUILDING AUTHORITY - SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUE:				
Lease payments	$ 1,173,600	$ 1,173,600	$ 1,172,921	$ (679)
Interest income	-	-	330	330
Total	1,173,600	1,173,600	1,173,251	(349)
EXPENDITURES:				
Debt Service:				
Principal Retirement	556,000	556,000	556,000	-
Interest and Fiscal Charges	617,600	617,600	616,921	679
Total	1,173,600	1,173,600	1,172,921	679
EXCESS (DEFICIENDY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	-	330	330
OTHER FINANCING SOURCES:				
Transfer (contribution) from other funds	-	-	-	-
Total	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	330	330
FUND BALANCE, BEGINNING OF YEAR	9,348	9,348	9,348	-
FUND BALANCE, END OF YEAR	$ 9,348	$ 9,348	$ 9,678	$ 330

The Notes to the Financial Statements are an integral part of this statement.

SYRACUSE CITY
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2011

	Culinary Water Fund	Sewer Fund
ASSETS		
CURRENT ASSETS:		
Cash and Investments	$ 1,965,822	$ 602,641
Accounts receivable (net)	151,685	95,664
Total Current Assets	2,117,507	698,305
NONCURRENT ASSETS:		
Restricted Cash	433,132	-
Capital Assets:		
Water Stock	476,250	-
Land	20,308	-
Land improvements	-	-
Buildings	56,700	-
Furnishings, fixtures, and equipment	601,588	298,098
Work in Process	-	-
Delivery/Collection system	15,702,222	9,062,272
Less Accumulated depreciation	(4,382,524)	(2,173,540)
Total capital assets	12,474,544	7,186,830
Total Noncurrent Assets	12,907,676	7,186,830
TOTAL ASSETS	$ 15,025,183	$ 7,885,135
LIABILITIES		
CURRENT LIABILITIES:		
Accounts payable	$ 50,784	$ 47,846
Accrued liabilities	6,229	4,295
Customer deposits	75,336	-
Due to other funds	-	-
Bonds payable - current portion	113,000	-
Total Current Liabilities	245,349	52,141
LONG-TERM LIABILITIES - Bonds payable	113,000	-
TOTAL LIABILITIES	358,349	52,141
NET ASSETS		
INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT	12,248,544	7,186,830
RESTRICTED FOR IMPACT FEES	365,609	-
RESTRICTED FOR DEBT SERVICE	67,523	-
UNRESTRICTED	1,985,158	646,164
TOTAL NET ASSETS	$ 14,666,834	$ 7,832,994

The Notes to the Financial Statements are an integral part of this statement.

Garbage Fund	Secondary Water Fund	Storm Water Fund	Total Enterprise Funds	Motor Pool Fund
$ 237,809	$ 954,512	$ 300,521	$ 4,061,305	$ -
121,301	130,854	28,325	527,829	-
359,110	1,085,366	328,846	4,589,134	-
-	102,365	434,434	969,931	-
-	8,098,145	-	8,574,395	-
-	26,125	-	46,433	-
-	1,004,658	-	1,004,658	-
-	681,500	-	738,200	-
-	303,599	-	1,203,285	-
-	-	-	-	-
-	12,532,889	10,859,210	48,156,593	-
-	(4,138,181)	(4,983,519)	(15,677,764)	-
-	18,508,735	5,875,691	44,045,800	-
-	18,611,100	6,310,125	45,015,731	-
$ 359,110	$ 19,696,466	$ 6,638,971	$ 49,604,865	$ -
$ 128,751	$ 32,906	$ 4,762	$ 265,049	$ -
890	5,546	2,867	19,827	-
-	-	-	75,336	-
-	-	-	-	-
-	-	-	113,000	-
129,641	38,452	7,629	473,212	-
-	-	-	113,000	-
129,641	38,452	7,629	586,212	-
-	18,508,735	5,875,691	43,819,800	-
-	102,365	434,434	902,408	-
-	-	-	67,523	-
229,469	1,046,914	321,217	4,228,922	-
$ 229,469	$ 19,658,014	$ 6,631,342	$ 49,018,653	$ -

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

	Culinary Water Fund	Sewer Fund
OPERATING REVENUES:		
Monthly service charges	$ 1,483,902	$ 966,191
Connection fees	21,204	19,511
Other	23,273	-
Total	1,528,379	985,702
EXPENSES:		
Salaries, wages, and benefits	210,104	151,901
Contractual services	393,229	556,991
Operations	462,818	51,602
Depreciation	443,460	252,255
Total	1,509,611	1,012,749
OPERATING INCOME (LOSS)	18,768	(27,047)
NONOPERATING REVENUES (EXPENSES):		
Impact fees	80,515	-
Gain (loss) on sale of Capital Assets	20,886	-
Interest revenue	9,930	2,480
Interest expense	-	-
Total	111,331	2,480
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	130,099	(24,567)
Developers infrastructure contributions	776,719	607,457
Operating transfers	-	-
NET CHANGE IN ASSETS	906,818	582,890
NET ASSETS, BEGINNING OF YEAR	13,760,016	7,250,104
NET ASSETS, END OF YEAR	$ 14,666,834	$ 7,832,994

The Notes to the Financial Statements are an Integral part of this statement.

Garbage Fund	Secondary Water Fund	Storm Water Fund	Total Enterprise Funds	Motor Pool Fund
$ 1,163,239	$ 1,315,916	$ 285,548	$ 5,214,796	$ -
-	15,175	-	55,890	-
6,520	-	-	29,793	-
1,169,759	1,331,091	285,548	5,300,479	-
31,698	188,153	105,285	687,141	-
1,032,565	272,598	-	2,255,383	-
84,024	324,889	135,387	1,058,720	-
-	372,724	185,450	1,253,889	-
1,148,287	1,158,364	426,122	5,255,133	-
21,472	172,727	(140,574)	45,346	-
-	83,170	88,854	252,539	-
-	-	-	20,886	-
1,018	4,202	3,186	20,816	-
-	-	-	-	(910)
1,018	87,372	92,040	294,241	(910)
22,490	260,099	(48,534)	339,587	(910)
-	630,688	532,497	2,547,361	-
-	(186,230)	-	(186,230)	(168,602)
22,490	704,557	483,963	2,700,718	(169,512)
206,979	18,953,457	6,147,379	46,317,935	169,512
$ 229,469	$ 19,658,014	$ 6,631,342	$ 49,018,653	$ -

SYRACUSE CITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Culinary Water Fund	Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	$ 1,518,118	$ 985,608
Cash received from other activities	23,273	-
Cash payments for payroll and benefits	(210,104)	(151,901)
Cash payments for goods and services	(874,216)	(607,453)
Net cash provided by operating activities	457,071	226,254
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned (charged) on cash deposits	9,930	2,480
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers from (to) other funds	-	-
Cash lent from (borrowed to) other funds as pooled cash	-	-
Net cash provided by (used in) noncapital financing activities	-	-
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES:		
Impact fees	80,515	-
Cash payments for property and equipment purchases	(151,845)	(15,979)
Cash received from the sale of assets	86,424	-
Principal payments on debt	(113,000)	-
Net cash provided by (used in) noncapital financing activities	(97,906)	(15,979)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	369,095	212,755
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	2,029,859	389,886
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 2,398,954	$ 602,641
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$ 18,768	$ (27,047)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	443,460	252,255
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	13,012	(94)
Increase (decrease) in accounts payable and accrued liabilities	(18,169)	1,140
Total adjustments	438,303	253,301
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 457,071	$ 226,254
NON CASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Developers infrastructure contributions	$ 776,719	$ 607,457

The Notes to the Financial Statements are an integral part of this statement.

Garbage Fund	Secondary Water Fund	Storm Drain Fund	Proprietary Funds Total	Motor Pool Fund
$ 1,156,238	$ 1,329,951	$ 286,456	$ 5,276,371	$ -
6,520	-	-	29,793	-
(31,698)	(188,153)	(105,285)	(687,141)	-
(1,074,052)	(585,203)	(279,620)	(3,420,544)	-
57,008	556,595	(98,449)	1,198,479	-
1,018	4,202	3,186	20,816	(910)
-	(186,230)	-	(186,230)	-
-	-	-	-	910
-	(186,230)	-	(186,230)	910
-	83,170	88,854	252,539	-
-	(598,710)	-	(766,534)	-
-	-	-	86,424	-
-	-	-	(113,000)	-
-	(515,540)	88,854	(629,425)	-
58,026	(140,973)	(6,409)	1,033,065	-
179,783	1,197,850	741,364	4,538,742	-
$ 237,809	$ 1,056,877	$ 734,955	$ 5,031,236	$ -
$ 21,472	$ 172,727	$ (140,574)	$ 45,346	$ -
-	372,724	185,450	1,253,889	-
(7,001)	(1,140)	908	5,685	-
42,537	12,284	(144,233)	(106,441)	-
35,536	383,868	42,125	1,153,133	-
$ 57,008	$ 556,595	$ (98,449)	$ 1,198,479	$ -
$ -	$ 630,688	$ 532,497	$ 2,547,361	$ -

SYRACUSE CITY CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Syracuse City (the City) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements.

The following is a summary of the City's significant accounting policies.

A. Reporting Entity

The City is incorporated under the constitutional provisions of the State of Utah. The City operates under a Council-Mayor form of government. The Mayor and the five council members are elected at large with staggered terms. The Mayor is the administrative authority by statute. However, in Syracuse City, that responsibility has been delegated to the City Administrator. Council has budgetary authority over all city departments and is accountable for all fiscal matters. City sales taxes, property taxes, utility user fees and development impact fees fund the majority of the costs of providing services to citizens including general administrative, judicial services (justice court), planning and zoning, public safety (police and fire), public utilities (culinary water, secondary water, sewer and garbage collection), highways and streets, parks-recreation, and public improvements.

The Basic Financial Statements of the City include the financial statements for all activities of the City based on the criteria set forth in GASB Statement 14. In defining the governmental entity for financial reporting purposes other legally separate entities are considered for inclusion as component units of the City entity. The following are the factors to be considered:

1. financial accountability, meaning the City appoints a majority of an organization's governing body *and* either a) the City can impose its will on the organization, or b) the organization has the potential to provide specific financial benefits to, or impose specific financial burdens on the City.
2. whether a board or agency is fiscally dependent on the City
3. whether the relationship with the organization is such that it would be misleading to exclude it from the City's financial statements.

Blended Component Units - Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. The reporting entity of these financial statements includes the Syracuse City Redevelopment Agency and the Municipal Building Authority of Syracuse.

Syracuse City Redevelopment Agency (RDA) is governed by a six-member board comprised of the City Council and Mayor. Its sole purpose is a financing tool that allows Syracuse City to gather property tax increment dollars from increased property values to pay for improvements in designated redevelopment areas. Activities for the RDA are blended with the City's special revenue funds. Separate financial statements are not issued or required for the Authority. The RDA is considered to be a blended component unit because the City's governing body is also their governing body and they exist exclusively to accomplish specific purposes of the City Council.

Municipal Building Authority of Syracuse (MBA) is governed by a six-member board comprised of the City Council and Mayor. Its sole purpose is a financing tool that allows municipal facilities to be funded without requiring a vote of citizens. The MBA, as a separate entity, borrows monies and constructs municipal facilities which it owns. The City leases the structures from the MBA. These lease payments provide the revenue stream for the MBA to make the debt payments as they come due. The facilities are deeded to the government entity at the time the debt is extinguished. Activities for the MBA are blended with the City's special revenue funds. Separate financial statements are not issued or required for the Authority. The MBA is considered to be a blended component unit

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

because the City's governing body is also their governing body and they exist exclusively to accomplish specific purposes of the City Council.

Discretely Presented Component Units - Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City. No entities have been identified as discretely presented component units.

B. Government-wide and Fund Financial Statements

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds

Government-wide Financial Statements - The government-wide statements present information on all activities of the primary government and its component units. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of inter-fund activity have been eliminated from the government-wide statements except for the residual amounts due between governmental and business-type activities and amounts of interfund services provided and used are not eliminated in the process of consolidation.

The *Statement of Net Assets* presents the City's assets and liabilities, with the difference reported as net assets. Net assets are restricted when constraints placed upon them are either externally imposed or are imposed by constitutional provisions or enabling legislation. 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 that are specifically associated with a service, program or department and are therefore clearly identifiable within a specific function. The City does allocate insurance, legal fees, and other entity-wide expenses to individual funds. 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; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements - The financial transactions of the City are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for *governmental* and *proprietary funds*.

GASB 34 introduced the concept of *major funds* to the fund statements. Because governments typically have too many funds to include information on each individual fund with the basic financial statements, criteria has been established to identify those funds that are reported in separate columns *(major funds)* and those that are grouped together *(non-major funds)*. Syracuse City has chosen to present each of the funds in separate columns and thus designated all of its funds as "major". The Motor Pool Fund, RDA Fund, Special Improvement District Debt Service Fund, and the Storm Water Fund did not meet the criteria of a "*major fund*".

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government-wide and Fund Financial Statements (continued)

The City reports the following governmental funds:

- **General Fund** – This fund is the principal operating fund of the City. It is used to account for all financial resources not required to be accounted for in another fund.
- **RDA Fund** – This special revenue fund accounts for all activities of the Syracuse City Redevelopment Agency.
- **MBA Fund** – This special revenue fund accounts for all activities of the Municipal Building Authority of Syracuse.
- **Special Improvement District / Debt Service Fund** – This fund accounts for the receipt of property assessment payments and the repayment of sidewalk improvement debt.
- **Capital Improvements / Capital Projects Fund** – This fund accounts for the monies that are being accumulated to provide additional City facilities as growth creates specific needs.

The City reports the following proprietary funds:

- **Secondary Water Fund** – This fund accounts for the operations of the pressurized irrigation system throughout the City.
- **Culinary Water Fund** – This fund accounts for the operation of the culinary water service of the City.
- **Sewer Fund** – This fund accounts for the maintenance of the city portion of the North Davis Sewer District collection system.
- **Garbage Fund** – The fund accounts for the costs of the system of garbage collection and disposition.
- **Storm Sewer** – This fund accounts for the maintenance and construction of storm sewers throughout the City.
- **Motor Pool / Internal Service Fund** – Internal Service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City maintains a motor pool fund to allocate the capital cost of general government vehicles over the life of those vehicles. This fund is reported on the proprietary fund statements but is combined with governmental activities on the government-wide statements.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other taxes and fees are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary fund statements are also prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating items, such as interest expense and investment earnings, result from non-exchange transactions or ancillary activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus and Basis of Accounting (continued)

For business-type activities and enterprise funds, the City follows all GASB pronouncements and all Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those standards conflict with a GASB pronouncement.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. The government considers all revenues available if they are collected within 60 days of year end. Expenditures are generally recorded when the related liability is incurred.

D. Assets, Liabilities, and Fund Balances / Net Assets

Following are the City's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

Cash and Investments - Cash and cash equivalents consist of demand deposits with a local bank. The City invests any cash that is not anticipated to be required within two weeks in the Public Treasurers Investment Fund (PTIF) administered by the State of Utah Treasurer's Office. Original maturities with PTIF are considered to be less than three months, thus, all deposits and investments are recorded at cost which is also considered to be fair value.

Accounts Receivable - Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectible accounts has been established. Accounts Receivable from utility customers is offset by an allowance of estimated uncollectible accounts.

Taxes Receivable - Taxes receivable include accrued amounts for sales tax and property tax.

Sales tax collected on retail sales though-out the state, are forwarded to the Utah State Tax Commission. These taxes are processed centrally and distributed according to formula to each unit of government imposing a sales tax at the end of the second month after they have been collected by the retailer.

The property tax year runs from Jan 1st – Dec 31st of each year. Governing bodies actually establish a lien against properties as of the January 1st date even though the taxes are not due until November 30th. Each County bills and collects property taxes for all taxing entities within the County. Collections are distributed to the taxing entities monthly, with final settlement due March 31st of the subsequent year. The City records a receivable for those items actually collected by the County Treasurer but not yet transferred to the City and also the amount that is identified as a lien against the property to fund the coming year's services. This is shown as $1,568,632 of the taxes receivable and also a deferred income.

Due to/Due from other funds - All cash and cash equivalents are accounted for in a pooled cash process. The money from each fund is combined to simplify the banking process. A particular fund may make disbursements of funds that have not physically been received. This technically requires that they draw from other fund's resources within the combined total. When this cash deficit occurs a *due to* account is charged in the funds requiring additional funds and a *due from* account is selected to offset the use of funds.

Other Assets - Deposits with vendors and returned checks being held are recorded as other assets.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Fund Balances / Net Assets (continued)

Capital Assets - The City defines capital assets as assets with an initial cost of $5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost where historical cost information is not available. Donated capital assets are recorded at estimated fair value on the date of donation.

Capital assets purchased or constructed by governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Water Stock is recorded as a capital asset. It is considered a key element of infrastructure rather than an investment instrument. Infrastructure improvements, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Years
Infrastructure Improvements	30
Buildings	30
Equipment	5 - 20

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Compensated Absences and Post-employment Benefits - City employees accrue vacation leave up to a maximum of 240 hours according to the following schedule:

Years of Service	Hours Accrued Per Pay Period
0 – 4 years	3.08 (10 days per year)
5 – 9 years	3.69 (12 days per year)
10 – 14 years	4.61 (15 days per year)
Over 14 years	6.15 (20 days per year)

Employees are allowed to carry up to 240 hours of unused vacation leave into the next calendar year, and all unused vacation leave is paid to employees upon termination. Employees may also earn compensatory time but only at the discretion of the city administrator. The rate is one and one-half hours for each hour worked, with a maximum accrual of 480 hours for public safety employees and 240 hours for all others.

Vacation and compensatory leave are recorded as expenditures when used in governmental funds and as expenses when earned in proprietary funds and in the government-wide statements. A liability for unused vacation and compensatory leave is recorded in the government-wide Statement of Net Assets.

Permanent full-time employees accrue sick leave at a rate of 3.69 hours for each two-week pay-period while part-time merit employees accrue sick leave at a pro-rated portion. Sick leave may accrue to a maximum of 1,040 hours. Sick leave is recorded as an expenditure/expense when used in all funds, and no liability is recorded for unused sick leave.

Upon retirement, the City will pay the employee for 20% of all unused sick leave hours. The employee who is terminated or resigns shall not be compensated for unused accrued sick leave.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Fund Balances / Net Assets (continued)

Long-term Obligations - In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

Net Assets/Fund Balances - The difference between assets and liabilities is *net assets* on the government-wide and proprietary fund statements, and *fund balance* on the governmental fund statements.

Fund Financial Statements

In February 2009, GASB issued Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. The statement is effective for years beginning after June 15, 2010. The statement applies only to fund financial statements and not to government-wide statements or proprietary fund statements. Proprietary fund equity is classified the same as in the government-wide statements. The fund balances may be classified as follows:

a. Non-spendable – Fund balances that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

b. Restricted fund balance – Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, by law through constitutional provisions or enabling legislation, or restrictions set by creditors, grantors, or contributors.

c. Committed fund balance – Fund balances are reported as committed when the Council formally designates the use of resources by ordinance or resolution for a specific purpose and cannot be used for any other purpose unless the City Council likewise formally changes the use.

d. Assigned fund balance – Fund balances are reported as assigned when the City Council or Management intends to use funds for a specific purpose. Normally funds are assigned by the appropriation process of setting the budget. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds.

e. Unassigned fund balance – Fund balances in the general fund are reported as unassigned when they are neither restricted, committed, nor assigned. They may be used for any governmental purpose.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spend first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Fund Balances / Net Assets (continued)

Government-wide Statements

The government-wide statements classify net assets in three components:

a. Invested in capital assets, net of related debt – Consists of 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.

b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the governmental fund statements, fund balances are classified as reserved or unreserved. Reserves represent those portions of fund balance that are not appropriable for expenditure or are legally segregated for a specific future use. Unreserved fund balances are available for future appropriation, though some portions may be designated to represent management's tentative plans for specific future uses.

It is the City's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

E. Revenues and Expenditures

Following are the City's significant policies related to recognition and reporting of certain revenues and expenditures:

Revenue Availability - Under the modified accrual basis of accounting, revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Syracuse City considers property tax revenues to be "available" if they are collected by the Treasurer's Tax Collection Agency Fund before year-end. Sales taxes are considered revenue when they have been collected at the point of sale. Grants are recognized as revenue when all eligibility requirements have been met. All other revenues are considered to be available if they are received within 60 days after year-end.

Expenditure Recognition - In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures, and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the City generally uses restricted resources first, then unrestricted resources.

F. Budgeting and Budgetary Control

Annual budgets are prepared and adopted before June 22nd for the calendar year commencing the following July 1st in accordance with the Uniform Fiscal Procedures Act for Utah Cities. Once a budget has been adopted, it remains in effect until it has been formally revised. If any obligations are contracted for in excess of the adopted budget, they are not a valid or enforceable claim against the City. Budgets are adopted on a basis consistent with generally accepted accounting principles.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Budgeting and Budgetary Control (continued)

Adopting the Annual Budget - Each Spring the budget officer submits a tentative operating budget to the City Council for the calendar year commencing the following July 1st. The operating budget includes proposed expenditures and the means of financing them. The tentative operating budget is reviewed and tentatively adopted by the City Council they also set a date for a public hearing at which time taxpayers' comments are heard. Copies of the proposed budget are made available for public inspection ten days prior to the budget hearing. After the budget hearing, the tentative budget, with any amendments is legally enacted through passage of a resolution. A copy of the budget is certified by the budget officer and filed with the State Auditor within thirty days of adoption. A copy of the budget is available to the public after adoption.

Control of budgeted expenditures is exercised, under state law, at the department level. Administrative control is maintained through detailed line-item budgets for all departments. All appropriations lapse at the end of the calendar year. Budgets for the General Fund, special revenue, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Budgets for proprietary funds are not legally required.

Modifying the Adopted Budget - Transfers of unexpended appropriations from one expenditure account to another in the same department can be made by consent of the department heads. Transfers of unexpended appropriations from one department to another department, as well as budget reductions for any department, may be made with consent of the Council. Expenditure appropriations of the General Fund may be increased by resolution only after a public hearing. Any other fund appropriation may be increased after giving public notice that the City Council will consider such a matter. Notice must be published seven days in advance of the meeting to consider the action. During the year the City modified various budgets using the above procedure.

Current Year Excess of Expenditures Over Appropriations - For the year ended June 30, 2011 the Capital Improvements Fund had expenditures that exceeded appropriations.

NOTE 2. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash includes amounts in demand deposits as well as time deposits. Investments are stated at cost or amortized cost, which approximates fair value. Each fund's portion of this pool is displayed as "Cash and Cash Equivalents". Deposits are not collateralized nor are they required to be by State statute.

The City follows the requirements of the Utah Money Management Act (the Act) in handling its depository transactions. The Act requires all deposits of City funds to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Utah Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. Utah statutes do not require deposits to be collateralized.

A. Deposits

Custodial credit risk – Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. Cash on hand at June 30, 2011 was $1,150. The carrying amount of deposits was $560,926 and the bank balance was $566,958. Of the bank balance, $566,958 was covered by federal depository insurance and $0 was uninsured and uncollateralized.

NOTE 2. **DEPOSITS AND INVESTMENTS** (continued)

B. Investments

The Money Management Act defines the types of securities authorized as appropriate investments for the City and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Statutes authorize the City to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes and other evidence of indebtedness of political subdivision of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund (PTIF).

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annototed, 1953*, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. 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 based upon the participant's average daily balance. The fair value of the PTIF Investment pool is approximately equal to the value of the pool shares.

As of June 30, 2011, all of the $6,424,484 of City investments were deposited with the PTIF. This investment matures in less than a year and is not rated.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City manages its exposure to declines in fair value by investing mainly in the Utah Public Treasurers Investment Fund and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the City's investments are noted in the previous table.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's policy for reducing its exposure to credit risk is to comply with the State's Money Management Act as previously discussed.

Concentration of credit risk – 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 policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar held in the portfolio. The City's investment in the Utah Public Treasurer's Investment Fund has no concentration of credit risk.

Custodial credit risk (investments) – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have a formal policy for custodial credit risk. The City's investment in the Utah Public Treasurer's Investment Fund has no custodial credit risk.

NOTE 2. DEPOSITS AND INVESTMENTS (continued)

Components of cash and investments (including interest earning deposits) at June 30, 2011 are as follows:

Cash on hand and on deposit:	
Cash on hand	$ 1,150
Cash on deposit	560,926
PTIF investment	6,424,484
Total cash and investments	$ 6,986,560
Cash and investments are included in the accompanying combined statement of net assets as follows:	
Cash and cash equivalents	$ 5,195,677
Restricted cash	1,790,883
Total cash and investments	$ 6,986,560

NOTE 3. ACCOUNTS RECEIVABLE

Receivables as of the fiscal year end, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-type Activities	Total
Receivables:			
Accounts Receivable	$ 87,354	$ -	$ 87,354
Taxes Receivable	2,252,147	-	2,252,147
Utility and Service Charges	-	549,341	549,341
Gross Receivables	2,339,501	549,341	2,888,842
Less: Allowance for Uncollectibles	(1,353)	(21,512)	(22,865)
Net Total Receivables	**$ 2,338,148**	**$ 527,829**	**$ 2,865,977**

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets, not being depreciated				
Land	$ 9,021,159	$ -	$ -	$ 9,021,159
Construction in Process	173,270	32,171	(173,270)	32,171
Total capital assets, not being depreciated	9,194,429	32,171	(173,270)	9,053,330
Capital assets, being depreciated				
Land Improvements	3,455,128	-	-	3,455,128
Buildings and Improvements	21,230,996	-	-	21,230,996
Equipment	4,123,638	40,885	-	4,164,523
Infrastructure	35,849,370	3,630,961	-	39,480,331
Total capital assets, being depreciated	64,659,132	3,671,846	-	68,330,978
Accumulated Depreciation for:				
Land Improvements	(331,961)	(115,171)	-	(447,132)
Buildings and Improvements	(2,257,073)	(707,700)	-	(2,964,773)
Equipment	(2,410,675)	(366,510)	-	(2,777,185)
Infrastructure	(13,344,899)	(1,092,945)	-	(14,437,844)
Total accumulated depreciation	(18,344,608)	(2,282,326)	-	(20,626,934)
Total capital assets, being depreciated, net	46,314,524	1,389,520	-	47,704,044
Governmental activities capital assets, net	$55,508,953	$1,421,691	$ (173,270)	$56,757,374

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 310,518
Public Safety	480,683
Public Works	1,183,710
Parks and Recreation	307,415
Total Depreciation Expense	$ 2,282,326

NOTE 4. CAPITAL ASSETS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets, not being depreciated				
Water Stock	$ 8,574,395	$ -	$ -	$ 8,574,395
Land	46,433	-	-	46,433
Construction in Process	205,856	-	(205,856)	-
Total capital assets, not being depreciated	8,826,684	-	(205,856)	8,620,828
Capital assets, being depreciated				
Land Improvements	1,004,658	-	-	1,004,658
Buildings	738,200	-	-	738,200
Equipment	1,121,711	81,574	-	1,203,285
Infrastructure	44,804,839	3,265,330	86,424	48,156,593
Total capital assets, being depreciated	47,669,408	3,346,904	86,424	51,102,736
Accumulated Depreciation for:				
Land Improvements	(114,679)	(20,093)	-	(134,772)
Buildings	(76,375)	(23,851)	-	(100,226)
Equipment	(729,219)	(99,291)	-	(828,510)
Infrastructure	(13,524,488)	(1,110,654)	20,886	(14,614,256)
Total accumulated depreciation	(14,444,761)	(1,253,889)	20,886	(15,677,764)
Total capital assets, being depreciated, net	33,224,647	2,093,015	107,310	35,424,972
Business-type activities capital assets, net	$42,051,331	$2,093,015	$ (98,546)	$44,045,800

Depreciation expense was charged to functions as follows:

Business-type Activities:	
Culinary Water	$ 443,460
Sewer	252,255
Secondary Water	372,724
Storm Water	185,450
Total Depreciation Expense	$ 1,253,889

NOTE 5. CUSTOMER DEPOSITS

Residential utility customers pay a $75 deposit when they sign up for utilities. This is held by the City until twelve consecutive timely utility payments are made. It is then refunded to the customer. As of June 30, 2011 the customer deposits balance held by the City was $75,336.

NOTE 6. LONG-TERM LIABILITIES

Changes in Long-term Liabilities (including compensated absences) for the year ended June 30, 2011 were as follows:

Governmental Activities:	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Amounts Due Within One Year
2005 Park Development Bond	$ 1,515,000	$ -	$ (125,000)	$ 1,390,000	$ 130,000
2006 MBA Facilities Bond	8,715,000	-	(335,000)	8,380,000	350,000
2008 MBA Fire Station Bond	5,742,000	-	(221,000)	5,521,000	230,000
Compensated Absences	273,897	247,357	(220,715)	300,539	61,344
Unamortized Bond Premiums	158,133	-	(8,863)	149,270	-
Total Governmental Activities	16,404,030	247,357	(910,578)	15,740,809	771,344

Business-type Activities:	Balance July 1, 2010	Additions	Reductions	Balance June 30, 2011	Amounts Due Within One Year
Water Revenue Note 1992A	165,000	-	(55,000)	110,000	55,000
Water Revenue Note 1992B	174,000		(58,000)	116,000	58,000
Total Business-type Activities	339,000	-	(113,000)	226,000	113,000
Total Long-term Liabilities	$ 16,743,030	$ 247,357	$(1,023,578)	$ 15,966,809	$ 884,344

The compensated absence liability of governmental activities is liquidated in the General Fund, special revenue fund, or internal service fund where the related employing department operates. Additional information related to these long-term liabilities is found in the following tables including debt service requirements to maturity.

A. Park Development Sales Tax Revenue Bonds, Series 2005

On April 5, 2005, the City issued $2,100,000 in Park Development Sales Tax Revenue Bonds for the purpose of financing the acquisition of water shares; the construction of a water reservoir; improvements to the secondary water system; park improvements and other City-owned capital improvements. Park Development Bonds payable at June 30, 2011 consists of the following:

2005 Park Development Sales Tax Revenue Bonds Payable

Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2011
4/28/2005	1/1/2020	3.0 - 4.3%	$ 2,100,000	$ 1,390,000
		Total Water Revenue Bonds Payable		$ 1,390,000

NOTE 6. LONG-TERM LIABILITIES (continued)

A. Park Development Sales Tax Revenue Bonds, Series 2005 (continued)

Year Ended June 30,	Debt Service Requirement to Maturity		
	Principal	Interest	Total
2012	$ 130,000	$ 56,793	$ 186,793
2013	135,000	51,983	186,983
2014	140,000	46,853	186,853
2015	150,000	41,253	191,253
2016	155,000	35,103	190,103
2017-2020	680,000	73,773	753,773
Totals	$ 1,390,000	$ 305,758	$ 1,695,758

B. Municipal Building Authority Lease Revenue Bonds, Series 2006

On December 20, 2006, the MBA issued $9,350,000 in Lease Revenue Bonds for the purpose of financing the construction of a new city hall, a public works addition, and the remodel of public safety structures. MBA Lease Revenue Bonds payable at June 30, 2011 consists of the following:

2006 Municipal Building Authority Lease Revenue Bonds Payable				
Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2011
4/28/2005	4/1/2028	4.0 - 5.0%	$ 9,350,000	$ 8,380,000
		Total Lease Revenue Bonds Payable		$ 8,380,000

Year Ended June 30,	Debt Service Requirement to Maturity		
	Principal	Interest	Total
2012	$ 350,000	$ 358,866	$ 708,866
2013	365,000	344,866	709,866
2014	375,000	330,266	705,266
2015	390,000	315,266	705,266
2016	415,000	295,766	710,766
2017-2021	2,330,000	1,203,664	3,533,664
2022-2026	2,840,000	687,475	3,527,475
2027-2028	1,315,000	89,325	1,404,325
Totals	$ 8,380,000	$ 3,625,494	$ 12,005,494

NOTE 6. LONG-TERM LIABILITIES (continued)

C. Municipal Building Authority Lease Revenue Bonds, Series 2008

On March 18, 2008, the MBA issued $5,954,000 in Lease Revenue Bonds for the purpose of financing the construction of a new city fire station. MBA Lease Revenue Bonds payable at June 30, 2011 consists of the following:

2008 Municipal Building Authority Lease Revenue Bonds Payable

Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2011
3/18/2008	3/15/2028	4.13%	$ 5,954,000	$ 5,521,000
		Total Lease Revenue Bonds Payable		$ 5,521,000

Debt Service Requirement to Maturity

Year Ended June 30,	Principal	Interest	Total
2012	$ 230,000	$ 228,017	$ 458,017
2013	240,000	218,518	458,518
2014	250,000	208,606	458,606
2015	260,000	198,281	458,281
2016	271,000	187,543	458,543
2017-2021	1,532,000	760,333	2,292,333
2022-2026	1,875,000	416,800	2,291,800
2027-2028	863,000	53,814	916,814
Totals	$ 5,521,000	$ 2,271,912	$ 7,792,912

D. Water Revenue Notes, Series 1992

During January 1992, the City issued $2,200,000 in Water Revenue Notes with the State of Utah. These are zero interest notes available to local units of government for the purpose of water conservation through improved delivery systems. The City used the proceeds from these notes to construct a storage reservoir and upgrade the main transmission lines throughout the City. Water Revenue Notes Payable at June 30, 2011 consists of the following:

1992 Water Revenue Notes Payable

Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2011
4/28/1992	1/1/2013	no rate	$ 1,100,000	$ 110,000
4/28/1992	1/1/2013	no rate	1,100,000	116,000
		Total Water Revenue Bonds Payable		$ 226,000

Debt Service Requirement to Maturity

	Series 1992A		Series 1992B		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	$ 55,000	$ -	$ 58,000	$ -	$ 113,000	$ -
2013	55,000	-	58,000	-	113,000	-
	$ 110,000	$ -	$ 116,000	$ -	$ 226,000	$ -

NOTE 7. INTERFUND TRANSFERS

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in another fund. This year's transfers were as follows:

The General Fund transferred $14,567 to the Special Improvement District Fund as the City's portion of the District.

The Secondary Water Fund transferred $186,230 to the General Fund payments for the Park Development Sales Tax Bond.

The Capital Improvements Fund transferred $306,908 to the Motor Pool Fund to cover the cash deficit in that fund and allow the Motor Pool Fund to be closed. The Motor Pool Fund transferred all their assets that had a net book value of $475,510 into the General Fixed Asset Fund, which is included in the government-wide statements, to complete the closing of the Motor Pool Fund.

NOTE 8. THEATER DEVELOPMENT AGREEMENT

Under Utah law, a city has the authority to participate with a developer to the extent of the future benefit from sales and property tax generated by a proposed development. The Syracuse City Council entered into an agreement with HBN Real Estate LLC in fiscal year 2009. The City agreed to participate in their development of a theater complex. The financial commitment of the city is not to exceed $750,000. As of June 30, 2011 the participation of the City has been $712,001. Participation from the City has been in the form of both not charging impact fees and also paying for specific improvements that are the developer's responsibility. These costs have been incurred in various impact fee funds. These impact fee funds must be made whole by the general fund over the next several (maximum 20) years.

NOTE 9. 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; injuries to employees; and natural disasters. Since 1985 the City has purchased commercial insurance through the Utah Local Governments Insurance Trust to mitigate the costs of these risks. The City's responsibility extends only to the payment of premiums and deductibles of $1,000 on general liability claims. There have been no significant reductions in insurance coverage. This year's premium of $71,780 is part of administrative costs. Settlement amounts have not exceeded insurance coverage for the current year or the prior three years.

NOTE 10. RETIREMENT PLANS

A. Pension Plans

Syracuse City contributes to the Local Government Noncontributory Retirement System, the Firefighters Retirement System, and the Public Safety Noncontributory Retirement System collectively, the Systems), all of which are cost-sharing multiple-employer defined benefit pension plans. The Systems are administered by Utah Retirement Systems (URS) under the direction of the URS Board, which consists of the State Treasurer and six members appointed by the governor. URS is established under and governed by Title 49 of *Utah Code Annotated, 1953*, as amended (UCA). URS publishes an annual financial report that includes financial statements and required supplementary information for all retirement systems and deferred compensation plans administered by it. Copies of the report may be obtained by writing to Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102; by calling 1-800-365-8772.

NOTE 10. RETIREMENT PLANS (continued)

A. Pension Plans (continued)

Retirement benefits, as specified by UCA Title 49, cover substantially all employees of the State, public education, and other political subdivisions of the State. Only the State Legislature can modify benefits. The Systems provide pension, death, and disability benefits for employees who meet all eligibility requirements. Employees are eligible for retirement benefits upon attainment of the age specified for their employment classification or a combination of age plus years of service. A brief summary of eligibility, benefits, and contribution rates of the Systems is provided in the table below.

	Local Government Noncontributory System	Firefighters System	Public Safety Noncontributory System
Highest Average Salary	Highest 3 Years	Highest 3 Years	Highest 3 Years
Years of Service and Age of Eligibility	30 years any age 25 years any age (a) 20 years age 60 (a) 10 years age 62 (a) 4 years age 65	20 years any age 10 years age 60 4 years age 65	20 years any age 10 years age 60 4 years age 65
Benefit Percent per Year of Service	2.00% per year	2.50% per year up to 20 years 2.00% per year over 20 years Benefit cannot exceed 70% of final average salary.	2.50% per year up to 20 years 2.00% per year over 20 years Benefit cannot exceed 70% of final average salary.
Annual Cost of Living Adjustment	up to 4.00%	up to 2.50%	up to 2.50%
2011 Rates as Percent of Covered Payroll:			
Employer	13.37%	15.05%	26.13%
Member	0.00%	1.72%	0.00%
Actual City Contributions Made, by year (ended 6/30):			
2011	$239,080	$76,967	$213,023
2010	$223,689	$69,411	$188,848
2009	$248,159	$67,628	$180,510

Expenditures or expenses for retirement costs are recorded in the City's funds as contributions are made to the Systems. Contributions made each year were equal to the contributions required by the City's contract with URS. Therefore, the City has no liability for pension obligations.

NOTE 10. RETIREMENT PLANS (continued)

B. Deferred Compensation Plans

The City participates in a 401(k) Plan and a 457 Plan (collectively, the Plans), both of which are defined contribution plans administered by URS. The Plans are in addition to the retirement benefits outlined above. Voluntary contributions may be made to the Plans subject to URS and Internal Revenue Service limitations. The City has for many years contributed a matching amount up to 4 percent of eligible employees' salaries to the 401(k) Plan, and employees may contribute to both Plans up to maximum percentages allowed by IRS regulations. As budget cuts were implemented in February 2009, this matching contribution was suspended for the time being.

Account balances of the Plans are fully vested to the participants at the time of deposit. All assets and income of the Plans are held by URS for the exclusive benefit of the participants or their beneficiaries. For the year ended June 30, 2011 Syracuse City contributed $21,141 to employees' 401(k) Plans. These contributions were not matching contributions, but were for employees of the City that had met the criteria to exempt out of the URS defined benefit retirement plans or are already receiving a defined benefit retirement through URS and received contributions to their 401(k) Plans in lieu of contributions to a URS defined benefit retirement plan.

NOTE 11. CONTINGENCIES

The City has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

NOTE 12. SYRACUSE CITY REDEVELOPMENT AGENCY (RDA)

The Syracuse City Redevelopment Agency was established in 1992 to target specific areas of the City that were planned for improvements. The Agency funds identified improvements to the project area properties. These improvements are authorized to be funded using the concept of property tax increment. This funding is provided by taking the property tax dollars that are paid on any increased value of the properties and improvements from the time the project was identified as those properties are developed until the defined amount has been recovered. These improvements act as a publicly funded stimulation to the project area intended to encourage private development of those areas.

The Agency has established two project areas, 1700 South established in 1993 and 750 West established in 2004. This is the fifth year for each of the projects to receive tax increment payments from the property tax system. Infrastructure improvements have been made to the 1700 South project and road improvements are in place on the 750 West project.

These Redevelopment Projects collected $421,094 in tax increment monies in the fiscal year ended June 30, 2011. The collections were used to repay the developer for improvements on the 1700 South project and to reimburse Syracuse City for its funding of the road improvements on the 750 West project.

NOTE 13. MUNICIPAL BUILDING AUTHORITY OF SYRACUSE (MBA)

The Municipal Building Authority of Syracuse was established in August 2006 to allow the City to streamline the funding and construction of city facilities. The MBA borrows funding, constructs facilities, and leases them to the City. The lease payments made by the City provide the revenue for the MBA to make the debt payments. Eventually the debt is paid off and the properties are then deeded to the City.

The initial lease agreement between the City and the MBA is for the new City Hall, an addition to the City Shops, and remodeled/enlarged public safety facilities from the existing City Hall and Public Safety buildings. Bonds were issued in December 2006 and construction has been completed on all structures.

A supplemental lease agreement was entered into between the City and the MBA in 2007. This adds a new fire station to the group of buildings constructed on behalf of the City by the MBA. Bonds for the financing of this facility were issued in March 2008 by the MBA and all construction has been completed.

NOTE 14. SUBSEQUENT EVENTS

After the end of the fiscal year the City entered into a four year capital lease to finance the purchase of some new vehicles, the lease has a net present value of $388,000. The City also purchased a new fire truck for $217,395.

SYRACUSE CITY CORPORATION

SUPPLEMENTAL INFORMATION

SYRACUSE CITY

SPECIAL IMPROVEMENT DISTRICT - DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
REVENUE:				
Assessments principal	$ 359	$ 359	$ -	$ (359)
Assessments interest	200	200	-	(200)
Investment interest	441	441	-	(441)
Total	1,000	1,000	-	(1,000)
EXPENDITURES:				
General government:				
Operating supplies	1,000	1,000	-	1,000
Total	1,000	1,000	-	1,000
EXCESS (DEFICIENDY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	-	-	-
OTHER FINANCING SOURCES - Transfer in	-	-	14,567	(14,567)
NET CHANGE IN FUND BALANCE	-	-	14,567	14,567
FUND BALANCE, BEGINNING OF YEAR	(14,567)	(14,567)	(14,567)	-
FUND BALANCE, END OF YEAR	$ (14,567)	$ (14,567)	$ -	$ 14,567

SYRACUSE CITY

CAPITAL IMPROVEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES:				
Franchise tax	$ 1,258,100	$ 1,210,000	$ 1,228,857	$ 18,857
Cell tower lease	60,000	60,000	64,309	4,309
Interest	3,500	3,500	1,494	(2,006)
Contributions	-	-	12,011	12,011
Miscellaneous	2,000	2,000	1,380	(620)
Total	1,323,600	1,275,500	1,308,051	32,551
EXPENDITURES:				
Capital Projects	-	20,000	32,171	(12,171)
MBA Lease payments	1,173,600	1,173,600	1,172,921	679
Total	1,173,600	1,193,600	1,205,092	(11,492)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	150,000	81,900	102,959	21,059
OTHER FINANCING USES - Transfer out	(150,000)	(335,000)	(306,908)	28,092
NET CHANGE IN FUND BALANCE	-	(253,100)	(203,949)	49,151
FUND BALANCE, BEGINNING OF YEAR	393,932	393,932	393,932	-
FUND BALANCE, END OF YEAR	$ 393,932	$ 140,832	$ 189,983	$ 49,151

SYRACUSE CITY

CULINARY WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
OPERATING REVENUE:				
Water sales	$ 1,400,000	$ 1,450,000	$ 1,483,902	$ 33,902
Connection fees	29,250	29,250	21,204	(8,046)
Other	15,000	20,000	23,273	3,273
Total	1,444,250	1,499,250	1,528,379	29,129
OPERATING EXPENDITURES:				
Public works:				
Salaries, wages, and benefits	214,365	213,565	210,104	3,461
Contractual services	420,000	394,000	393,229	771
Operations	461,200	538,800	462,818	75,982
Depreciation	350,000	465,000	443,460	21,540
Total	1,445,565	1,611,365	1,509,611	101,754
OPERATING INCOME (LOSS)	(1,315)	(112,115)	18,768	130,883
NONOPERATING REVENUES (EXPENSES):				
Culinary water impact fees	220,000	220,000	80,515	(139,485)
Sale of Capital Assets	-	86,500	20,886	(65,614)
Interest revenue	4,806	10,500	9,930	(570)
Total	224,806	317,000	111,331	(205,669)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	223,491	204,885	130,099	(74,786)
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Developers infrastructure contributions	-	-	776,719	776,719
NET CHANGE IN ASSETS	223,491	204,885	906,818	701,933
NET ASSETS, BEGINNING OF YEAR	12,593,992	12,593,992	13,760,016	1,166,024
NET ASSETS, END OF YEAR	$ 12,817,483	$ 12,798,877	$ 14,666,834	$ 1,867,957

SYRACUSE CITY
SEWER UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
OPERATING REVENUE:				
Sewer service charges	$ 959,400	$ 959,400	$ 966,191	$ 6,791
Connection fees	30,000	30,000	19,511	(10,489)
Total	989,400	989,400	985,702	(3,698)
OPERATING EXPENDITURES:				
Public Works:				
Salaries, wages, and benefits	156,009	156,009	151,901	4,108
Contracted services	560,000	560,000	556,991	3,009
Operating expenses	59,300	60,300	51,602	8,698
Depreciation	210,000	260,000	252,255	7,745
Total	985,309	1,036,309	1,012,749	23,560
OPERATING INCOME (LOSS)	4,091	(46,909)	(27,047)	19,862
NONOPERATING REVENUES (EXPENSES):				
Interest	-	2,000	2,480	480
Total	-	2,000	2,480	480
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	4,091	(44,909)	(24,567)	20,342
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Developers Infrastructure contributions	-	-	607,457	607,457
NET CHANGE IN ASSETS	4,091	(44,909)	582,890	627,799
NET ASSETS, BEGINNING OF YEAR	7,250,104	7,250,104	7,250,104	-
NET ASSETS, END OF YEAR	$ 7,254,195	$ 7,205,195	$ 7,832,994	$ 627,799

SYRACUSE CITY
GARBAGE UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
OPERATING REVENUE:				
Garbage collection fees	$ 1,120,000	$ 1,148,000	$ 1,163,239	$ 15,239
Other	4,000	7,000	6,520	(480)
Total	1,124,000	1,155,000	1,169,759	14,759
OPERATING EXPENDITURES:				
Public Works:				
Salaries, wages, and benefits	36,846	36,846	31,698	5,148
Contractual services	1,006,000	1,026,000	1,032,565	(6,565)
Operating expenses	81,500	91,500	84,024	7,476
Depreciation	-	-	-	-
Total	1,124,346	1,154,346	1,148,287	6,059
OPERATING INCOME (LOSS)	(346)	654	21,472	20,818
NONOPERATING REVENUES (EXPENSES):				
Interest	-	1,000	1,018	18
Total	-	1,000	1,018	18
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	(346)	1,654	22,490	20,836
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Transfer to/from other funds	-	-	-	-
NET CHANGE IN ASSETS	(346)	1,654	22,490	20,836
NET ASSETS, BEGINNING OF YEAR	206,979	206,979	206,979	-
NET ASSETS, END OF YEAR	$ 206,633	$ 208,633	$ 229,469	$ 20,836

SYRACUSE CITY

SECONDARY WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
OPERATING REVENUE:				
Water Sales	$ 1,287,200	$ 1,308,000	$ 1,315,916	$ 7,916
Connection fees	25,000	27,000	15,175	(11,825)
Total	1,312,200	1,335,000	1,331,091	(3,909)
OPERATING EXPENDITURES:				
Public Works:				
Salaries, wages, and benefits	189,591	189,591	188,153	1,438
Water and pumping	277,000	277,000	272,598	4,402
Operating expenses	301,400	334,650	324,889	9,761
Depreciation	380,000	380,000	372,724	7,276
Total	1,147,991	1,181,241	1,158,364	22,877
OPERATING INCOME (LOSS)	164,209	153,759	172,727	18,968
NONOPERATING REVENUES (EXPENSES):				
Impact fees	150,000	150,000	83,170	(66,830)
Interest revenue	-	2,500	4,202	1,702
Interest expense	(3,000)	(3,000)	-	3,000
Total	147,000	149,500	87,372	(62,128)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	311,209	303,259	260,099	(43,160)
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Developers infrastructure contributions	-	-	630,688	630,688
Transfer to/from other funds	(186,230)	(186,230)	(186,230)	-
NET CHANGE IN ASSETS	124,979	117,029	704,557	587,528
NET ASSETS, BEGINNING OF YEAR	18,953,457	18,953,457	18,953,457	-
NET ASSETS, END OF YEAR	$ 19,078,436	$ 19,070,486	$ 19,658,014	$ 587,528

SYRACUSE CITY

STORM WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			
	Original	Final	Actual	Variance With Final Budget
OPERATING REVENUES:				
Storm water user fees	$ 285,000	$ 285,000	$ 285,548	$ 548
Total	285,000	285,000	285,548	548
OPERATING EXPENDITURES:				
Payroll & benefits	110,715	110,715	105,285	5,430
Operating costs	160,050	160,050	135,387	24,663
Depreciation	200,000	200,000	185,450	14,550
Capital outlay	-	-	-	-
Total	470,765	470,765	426,122	44,643
OPERATING INCOME (LOSS)	(185,765)	(185,765)	(140,574)	45,191
NONOPERATING REVENUES (EXPENSES):				
Storm water impact fees	150,000	150,000	88,854	(61,146)
Interest	2,000	2,000	3,186	1,186
Total	152,000	152,000	92,040	(59,960)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	(33,765)	(33,765)	(48,534)	(14,769)
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Developers infrastructure contributions	-	-	532,497	532,497
NET CHANGES IN ASSETS	(33,765)	(33,765)	483,963	517,728
NET ASSETS, BEGINNING OF YEAR	6,147,379	6,147,379	6,147,379	-
NET ASSETS, END OF YEAR	$ 6,113,614	$ 6,113,614	$ 6,631,342	$ 517,728

SYRACUSE CITY

MOTOR POOL FUND - INTERNAL SERVICE FUND

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
OPERATING REVENUE:				
Department charges	$ -	$ -	$ -	$ -
Total	-	-	-	-
OPERATING EXPENDITURES:				
General government:				
Depreciation	131,000	131,000	-	131,000
Total	131,000	131,000	-	131,000
OPERATING INCOME (LOSS)	(131,000)	(131,000)	-	131,000
NONOPERATING REVENUES (EXPENSES):				
Interest expense	(19,000)	(19,000)	(910)	18,090
Total	(19,000)	(19,000)	(910)	18,090
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS:	(150,000)	(150,000)	(910)	149,090
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Transfers in	150,000	150,000	306,908	156,908
Transfers out	-	-	(475,510)	(475,510)
NET CHANGE IN ASSETS	-	-	(169,512)	(169,512)
NET ASSETS, BEGINNING OF YEAR	169,512	169,512	169,512	-
NET ASSETS, END OF YEAR	$ 169,512	$ 169,512	$ -	$ (169,512)

STATISTICAL SECTION

This part of Syracuse City Corporation's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents **Page**

FINANCIAL TRENDS 82

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

REVENUE CAPACITY 93

These schedules contain information to help the reader assess the City's most significant local revenue sources, the sales tax and property tax.

DEBT CAPACITY 99

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHICS AND ECONOMIC INFORMATION 102

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

OPERATING INFORMATION 104

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

SYRACUSE CITY
GOVERNMENT-WIDE REVENUES
Last Eight Fiscal Years

Fiscal Year	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Taxes	Unrestricted Investment Earnings	Miscellaneous	Total
2010-11	$ 8,410,723	$ -	$ 5,493,654	$ 5,959,508	$ 32,237	$ 600,118	$ 20,496,240
2009-10	7,668,076	115,149	5,107,748	5,667,730	31,268	1,025,895	19,615,866
2008-09	7,485,359	255,432	-	5,597,745	198,054	707,227	14,243,817
2007-08	6,986,464	-	144,000	5,340,527	582,373	840,803	13,894,167
2006-07	5,920,326	865,103	386,843	4,132,221	679,690	2,935,145	14,919,328
2005-06	5,441,945	814,478	1,503,364	3,503,382	427,447	4,559,759	16,250,375
2004-05	4,823,724	673,663	51,196	2,749,144	178,844	2,948,371	11,424,942
2003-04	4,255,492	585,427	-	2,247,177	103,713	2,894,597	10,086,406

Note:
Financial reports were only available for the last eight fiscal years.

SYRACUSE CITY CORPORATION
GOVERNMENT-WIDE EXPENSES BY FUNCTION
Last Eight Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works [1]	Parks and Recreation	Interest and Fiscal Charges	Culinary Water Utility [2]	Sewer Utility [2]	Garbage Utility [2]	Secondary Water Utility	Storm Water Utility [1]	Total
2010-11	$ 2,093,864	$ 3,843,940	$ 2,114,678	$ 1,298,632	$ 684,474	$ 1,509,611	$ 1,012,749	$ 1,148,287	$ 1,158,364	$ 426,122	$ 15,290,721
2009-10	1,663,029	3,723,979	2,121,006	1,083,622	696,289	1,296,665	992,129	1,072,037	1,084,825	536,507	14,270,088
2008-09	2,106,972	3,944,700	3,809,582	1,159,929	783,675	1,315,738	899,303	1,071,645	1,139,891		16,231,435
2007-08	1,685,040	3,463,722	3,898,914	1,004,514	248,078	3,331,631	-	-	1,109,224	-	14,741,123
2006-07	1,741,641	2,677,933	1,994,719	1,091,158	198,925	3,043,470	-	-	846,015	-	11,593,861
2005-06	942,801	2,749,374	1,517,152	796,333	142,648	2,986,192	-	-	1,129,502	-	10,264,002
2004-05	951,595	2,277,896	1,325,077	559,582	93,907	2,483,785		-	824,374	-	8,516,216
2003-04	999,187	1,650,640	1,631,681	485,077	116,070	2,275,780			759,798	-	7,918,233

Note:

Financial reports were only available for the last eight fiscal years.

[1] Prior to FY 2010, the Storm Water Utility Fund was combined with Public Works.

[2] Prior to FY 2009, the Sewer Utility Fund and Garbage Utility Fund were combined with the Culinary Water Utility Fund.

SYRACUSE CITY CORPORATION

GENERAL GOVERNMENTAL REVENUES AND OTHER FINANCING SOURCES

Last Eight Fiscal Years

FISCAL YEAR	TAXES	LICENSES AND PERMITS	IMPACT FEES	INTERGOV-ERNMENTAL	MANAGEMENT AND ADMIN FEES [1, 2]	CHARGES FOR SERVICES	FINES AND FORFEITURES	INTEREST AND MISC	TOTAL
2010-11	$ 4,333,403	$ 245,223	$ 226,713	$ 845,653	$ 642,000	$ 996,036	$ 331,246	$ 92,583	$ 7,712,857
2009-10	4,199,180	321,654	482,160	821,797	$ -	907,170	295,248	67,410	7,094,619
2008-09	4,253,282	357,501	388,245	888,120	$ -	675,457	261,720	138,000	6,962,325
2007-08	4,097,863	344,859	589,458	1,090,769	-	602,888	218,843	183,278	7,127,958
2006-07	3,132,601	819,988	1,547,289	1,231,946	-	579,603	208,880	267,987	7,788,294
2005-06	2,562,266	913,927	2,348,471	1,640,732	-	582,145	197,755	267,468	8,512,824
2004-05	2,002,561	749,411	1,348,894	724,859	-	559,906	179,377	73,556	5,638,564
2003-04	1,790,455	709,376	1,481,496	609,626	-	480,870	183,592	71,221	5,326,636

Note:

General government is limited to the City's general fund.

Financial reports were only available for the last eight fiscal years.

[1] Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenditures in the general fund.

[2] Beginning in FY 2011, a management fee was charged to the redevelopment fund. This is included in management and admin fees above.

SYRACUSE CITY CORPORATION

GENERAL GOVERNMENTAL EXPENDITURES (Budget Basis) AND OTHER USES BY FUNCTION

Last Eight Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works	Parks and Recreation	Capital Outlay [2]	Debt Service	Other Financing Uses [1]	Total
2010-11	$ 1,689,503 [3]	$ 3,369,555	$ 1,282,843	$ 1,025,804	$ -	$ 192,669	$ 14,567	$ 7,574,944
2009-10	1,174,765	3,221,583	1,136,292	955,982	-	192,980	124,000	6,805,602
2008-09	1,576,733	3,303,895	1,311,144	923,204	1,088,081	396,163	114,500	8,713,720
2007-08	1,522,231	3,186,613	2,172,362	916,204	825,112	362,768	603,377	9,588,667
2006-07	1,587,366	2,567,880	689,921	838,031	1,919,101	366,068	107,465	8,075,832
2005-06	849,138	2,051,473	882,886	583,255	3,504,683	464,571	272,608	8,608,614
2004-05	893,866	1,665,896	887,202	559,085	3,066,146	-	49,034	7,121,229
2003-04	953,575	1,418,379	805,440	448,822	722,082	-	-	4,348,298

Notes:

General government is limited to the City's general fund

Financial reports were only available for the last eight fiscal years.

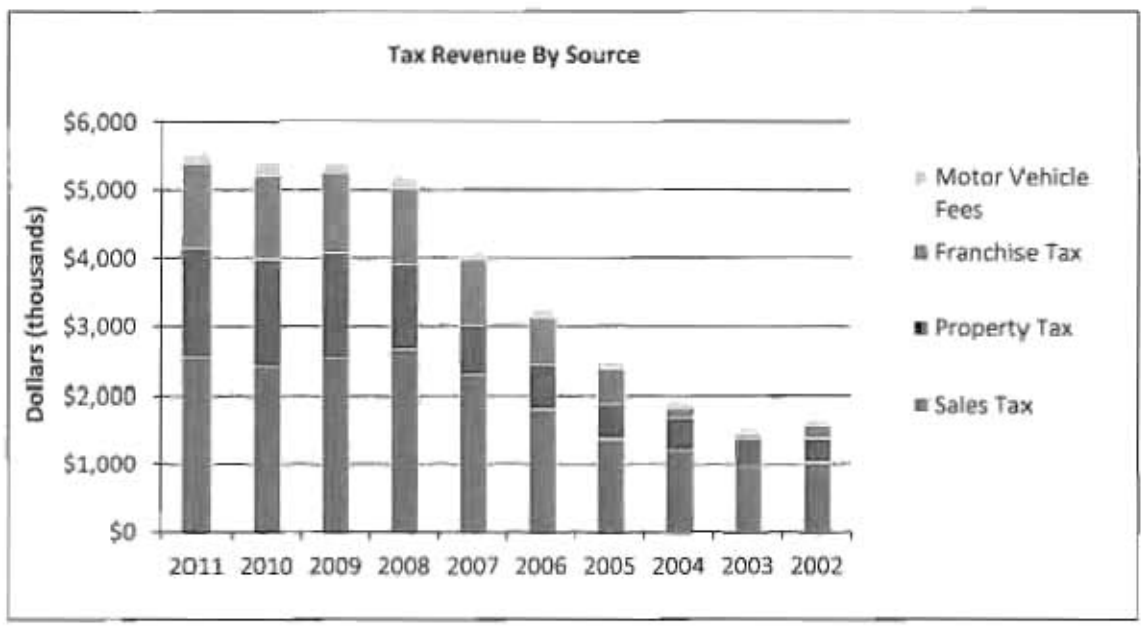
[1] Other financing uses includes transfers to other funds.

[2] Beginning in FY 2010, capital outlay expenditures are included under the function for which they were acquired.

[3] Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenditures in the general fund.

SYRACUSE CITY CORPORATION
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

Fiscal Year	Sales Tax	Property Tax	Franchise Tax	Motor Vehicle Fees	Total
2011	$ 2,551	$ 1,606	$ 1,229	$ 177	$ 5,563
2010	$ 2,429	$ 1,569	$ 1,209	$ 202	$ 5,409
2009	2,543	1,535	1,165	175	5,418
2008	2,655	1,265	1,107	178	5,205
2007	2,299	719	956	114	4,088
2006	1,805	635	695	122	3,257
2005	1,366	525	490	111	2,492
2004	1,208	480	142	102	1,932
2003	980	403	71	89	1,543
2002	1,034	347	200	78	1,659



SYRACUSE CITY CORPORATION
NET ASSETS BY COMPONENT
Last Eight Fiscal Years
(Amounts Expressed in Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Governmental activities								
Invested in capital assets, net of related debt	$ 41,578	$ 39,654	$ 42,374	$ 38,986	$ 27,251	$ 30,562	$ 23,606	$ 20,879
Restricted	811	727	867	6,675	9,615	2,374	5,324	4,518
Unrestricted	811	314	726	672	514	2,260	447	(43)
Total governmental activities net assets	$ 43,200	$ 40,695	$ 43,967	$ 46,333	$ 37,380	$ 35,196	$ 29,377	$ 25,354
Business-type activities								
Invested in capital assets, net of related debt	$ 43,820	$ 41,712	$ 35,180	$ 34,458	$ 27,598	$ 25,486	$ 22,679	$ 18,812
Restricted	970	714	136	900	1,464	1,346	2,508	2,068
Unrestricted	4,229	3,892	2,385	1,964	2,797	1,949	177	372
Total business-type activities net assets	$ 49,019	$ 46,318	$ 37,701	$ 37,322	$ 31,859	$ 28,781	$ 25,364	$ 21,252
Primary government								
Invested in capital assets, net of related debt	$ 85,398	$ 81,366	$ 77,554	$ 73,444	$ 54,849	$ 56,048	$ 46,285	$ 39,691
Restricted	1,781	1,441	1,003	7,575	11,079	3,720	7,832	6,586
Unrestricted	5,040	4,206	3,111	2,636	3,311	4,209	624	329
Total primary government net assets	$ 92,219	$ 87,013	$ 81,668	$ 83,655	$ 69,239	$ 63,977	$ 54,741	$ 46,606

Note:

Financial reports were only available for the last eight fiscal years.

SYRACUSE CITY CORPORATION
CHANGES IN NET ASSETS
Last Eight Fiscal Years
(Amounts Expressed In Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Expenses								
Governmental activities:								
General government	$ 2,094	$ 1,663	$ 2,107	$ 1,685	$ 1,741	$ 943	$ 952	$ 999
Public safety	3,844	3,724	3,94$	3,464	2,678	2,749	2,278	1,651
Public works [1]	2,115	2,121	3,809	3,899	1,995	1,517	1,325	1,632
Parks and recreation	1,299	1,084	1,160	1,004	1,091	796	559	485
Interest and fiscal charges	684	696	784	248	199	143	94	116
Total governmental activities expenses	10,036	9,288	11,805	10,300	7,704	6,148	$,208	4,883
Business-type activities:								
Culinary water utility	1,510	1,297	1,316	3,332	3,044	2,986	2,484	2,276
Sewer utility	1,013	992	899	-	-	-	-	-
Garbage utility	1,148	1,072	1,071	-	-	-	-	-
Secondary water utility	1,158	1,085	1,140	1,109	846	1,130	824	759
Storm water utility	426	536	-	-	-	-	-	-
Total business-type activities expenses	5,255	4,982	4,426	4,441	3,890	4,116	3,308	3,035
Total primary government expenses	$ 15,291	$ 14,270	$ 16,231	$ 14,741	$ 11,594	$ 10,264	$ 8,516	$ 7,918
Program Revenues								
Governmental activities:								
Charges for services:								
General government	$ 1,397	$ 809	$ 808	$ 730	$ 1,291	$ 466	$ 440	$ 430
Public safety	433	205	296	275	127	139	159	154
Public works	804	924	1,500	1,446	41	960	805	738
Parks and recreation	476	436	288	415	149	129	89	77
Operating grants and contributions	-	115	91	-	865	814	674	585
Capital grants and contributions	2,946	2,771	-	44	387	1,323	51	-
Total governmental activities program revenues	6,056	5,260	2,983	2,910	2,860	3,831	2,218	1,984
Business-type activities:								
Charges for services:								
Culinary water utility [2]	1,528	1,549	1,343	3,030	3,315	2,993	2,750	2,339
Sewer utility [2]	986	989	845	-	-	-	-	-
Garbage utility [2]	1,170	1,137	1,113	-	-	-	-	-
Secondary water utility	1,331	1,335	1,292	1,090	997	755	580	518
Storm water utility [3]	286	284	-	-	-	-	-	-
Capital grants and contributions	2,547	2,337	165	100	-	180	-	-
Total business-type activities program revenues	7,848	7,631	4,758	4,220	4,312	3,928	3,330	2,857
Total primary government program revenues	$ 13,904	$ 12,891	$ 7,741	$ 7,130	$ 7,172	$ 7,759	$ 5,548	$ 4,841

SYRACUSE CITY CORPORATION
CHANGES IN NET ASSETS
Last Eight Fiscal Years
(Amounts Expressed in Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Net (expense)/revenue:								
Governmental activities	$ (3,980)	$ (4,028)	$ (8,822)	$ (7,390)	$ (4,844)	$ (2,317)	$ (2,990)	$ (2,899)
Business-type activities	2,593	2,649	332	(221)	422	(188)	22	(178)
Total primary government net expense	$ (1,387)	$ (1,379)	$ (8,490)	$ (7,611)	$ (4,422)	$ (2,505)	$ (2,968)	$ (3,077)
General Revenues and Other Changes in Net Assets								
Governmental activities.								
Taxes								
Property taxes	$ 2,180	$ 2,030	$ 1,890	$ 1,579	$ 877	$ 757	$ 636	$ 582
Sales taxes	2,551	2,429	2,543	2,655	2,299	1,805	1,366	1,208
Franchise taxes	1,229	1,209	1,165	1,107	956	941	746	457
Impact fees	227	482	232	262	1,877	3,112	1,677	1,801
Unrestricted investment earnings	11	10	143	440	484	299	117	68
Other revenues (uses) not restricted to specific programs	100	42	147	8,957	342	1,307	2,470	1,572
Transfers	186	190	336	1,343	193	-	-	-
Total governmental activities	6,484	6,392	6,456	16,343	7,028	8,221	7,012	5,688
Business-type activities								
Impact fees	253	502	328	479	993	1,000	962	897
Unrestricted investment earnings	21	21	55	142	196	128	62	36
Other revenues (uses) not restricted to specific programs	21		-	6,406	1,660	2,535	3,066	1,274
Transfers	(186)	(190)	(336)	(1,343)	(193)	-	-	-
Total business-type activities	109	333	47	5,684	2,656	3,663	4,090	2,207
Total primary government	$ 6,593	$ 6,725	$ 6,503	$ 22,027	$ 9,684	$ 11,884	$ 11,102	$ 7,895
Change in Net Assets								
Governmental activities	$ 2,504	$ 2,364	$ (2,366)	$ 8,953	$ 2,184	$ 5,904	$ 4,022	$ 2,789
Business-type activities	2,702	2,982	379	5,463	3,078	3,475	4,112	2,029
Total primary government	$ 5,206	$ 5,346	$ (1,987)	$ 14,416	$ 5,262	$ 9,379	$ 8,134	$ 4,818

Note:

Financial reports were only available for the last eight fiscal years.

[1] Prior to FY 2010, the Storm Water Utility Fund was combined with Government Activities - Public Works.

[2] Prior to FY 2009, the Sewer Utility Fund and Garbage Utility Fund were combined with the Culinary Water Utility Fund.

SYRACUSE CITY CORPORATION

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Eight Fiscal Years

(Amounts Expressed in Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Revenues								
Taxes	$ 5,983	$ 5,693	$ 5,622	$ 5,340	$ 4,132	$ 3,258	$ 2,493	$ 1,932
Licenses and permits	245	322	358	345	820	914	749	709
Impact fees	227	482	620	852	1,877	3,111	1,677	1,801
Intergovernmental	846	937	979	1,135	1,232	2,140	730	610
Administrative Fees [1]	579	-	-	-	-	-	-	-
Charges for services	996	907	954	603	580	582	560	481
Fines and forfeitures	331	295	262	219	209	198	179	184
Investment earnings	12	8	143	440	484	299	117	67
Management Fee [2]	63	-	-	-	-	-	-	-
Miscellaneous	162	227	192	137	115	146	94	188
Total revenues	9,444	8,871	9,130	9,071	9,449	10,648	6,599	5,972
Expenditures								
General government [2]	1,836	1,183	1,582	1,529	1,588	852	899	955
Public safety	3,370	3,222	3,304	3,187	2,568	2,051	1,666	1,419
Public works	1,283	1,253	1,615	2,257	804	883	710	627
Parks and recreation	1,026	956	924	916	1,054	583	457	448
Capital outlay	124	405	6,521	9,043	6,886	7,810	3,359	739
Other	-	-	-	39	43	67	-	-
Debt service:								
Principal retirement	681	778	700	774	364	440	321	311
Interest and fiscal charges	684	706	777	114	124	143	77	93
Total expenditures	$ 9,004	$ 8,503	$ 15,423	$ 17,859	$ 13,431	$ 12,829	$ 7,489	$ 4,592

SYRACUSE CITY CORPORATION

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Eight Fiscal Years

(Amounts Expressed in Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
Excess of revenues over (under) expenditures	$ 440	$ 368	$ (6,293)	$ (8,788)	$ (3,982)	$ (2,181)	$ (890)	$ 1,380
Other financing sources (uses)								
Proceeds from borrowings	-	-	-	5,924	9,576	1,000	2,100	-
Transfers in	201	414	1,258	1,117	258	362	49	-
Transfers out	(322)	(340)	(1,062)	(959)	(65)	(206)	(49)	-
Total other financing sources (uses)	(121)	74	196	6,082	9,769	1,156	2,100	-
Net change in fund balances	$ 319	$ 442	$ (6,097)	$ (2,706)	$ 5,787	$ (1,025)	$ 1,210	$ 1,380
Debt service as a percentage of noncapital expenditures	15.4%	18.3%	16.6%	10.1%	7.5%	11.6%	9.6% #	10.5%

Note:

Financial reports were only available for the last eight fiscal years.

[1] Beginning in FY 2011, administrative fees charged to utilities funds were shown as a revenue instead of an offset to expenses in the general fund.

[2] Beginning in FY 2011, a management fee was charged to the redevelopment fund. The expenditure is included in general government.

SYRACUSE CITY CORPORATION
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Eight Fiscal Years
(Amounts Expressed in Thousands)

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
General fund:								
Nonspendable	$ 17	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted	383	-	-	-	-	-	-	-
Committed	71	-	-	-	-	-	-	-
Unassigned	1,000	-	-	-	-	-	-	-
Total general fund	$ 1,471	$ -	$ -	$ -	$ -	$ -	$ -	$ -
All other governmental funds:								
Restricted	$ 428	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Committed	$ 10	-	-	-	-	-	-	-
Assigned	190	-	-	-	-	-	-	-
Total all other governmental funds	$ 628	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Fiscal Year							
	2011	2010	2009	2008	2007	2006	2005	2004
General fund:								
Reserved	$ -	$ 474	$ 259	$ 1,046	$ 2,740	$ 2,308	$ 2,819	$ 2,606
Designated, unreserved	-	48	24	-	-	-	-	-
Unreserved	-	625	285	430	797	1,323	594	189
Total general fund	$ -	$ 1,147	$ 568	$ 1,476	$ 3,537	$ 3,631	$ 3,413	$ 2,795
All other governmental funds:								
Reserved	$ -	$ 254	$ 608	$ 5,629	$ 6,874	$ 66	$ 1,114	$ 1,025
Designated, unreserved reported in:	$ -							
Special revenue funds	-	-	-	-	-	-	-	-
Unreserved, reported in:	-							
Special revenue funds	-	(15)	206	-	-	-	1	-
Debt service funds	-	-	-		-	-	51	-
Capital projects funds	-	394	494	868	268	1,196	1,338	887
Total all other governmental funds	$ -	$ 633	$ 1,308	$ 6,497	$ 7,142	$ 1,262	$ 2,504	$ 1,912

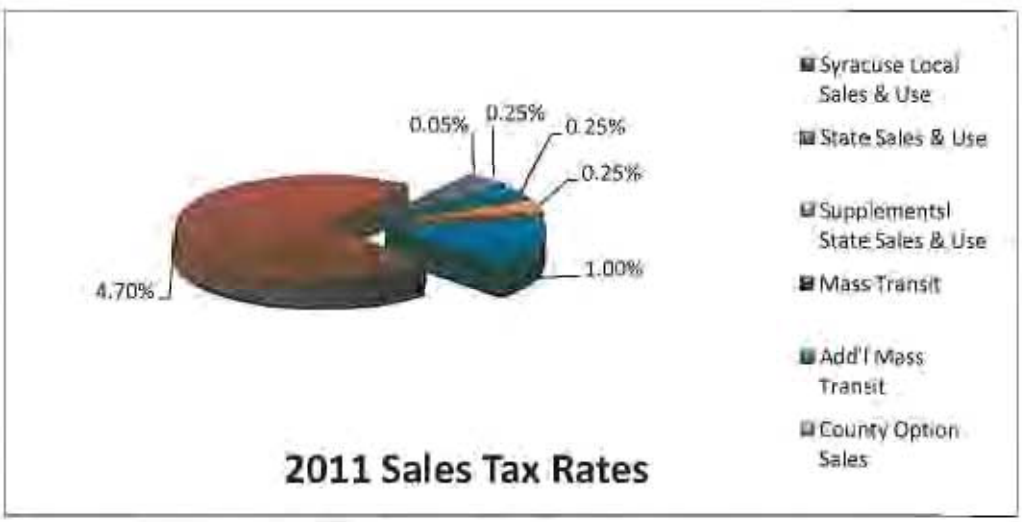
Note:

Financial reports were only available for the last eight fiscal years.

Beginning in FY 2011, the fund balance categories were reclassified as a result of implementing GASB Statement 54. Fund balance has not been restated for prior years.

SYRACUSE CITY CORPORATION
SALES TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	Syracuse City Local Sales & Use	State Sales & Use	Supplemental State Sales & Use	Mass Transit	Additional Mass Transit	County Option Sales	Total for Syracuse Residents
2011	1.00%	4.70%	0.05%	0.25%	0.25%	0.25%	6.50%
2010	1.00%	4.70%	0.05%	0.25%	0.25%	0.25%	6.50%
2009	1.00%	4.70%	0.05%	0.25%	0.25%	0.25%	6.50%
2008	1.00%	4.65%	0.05%	0.25%	0.25%	0.25%	6.45%
2007	1.00%	4.75%	-	0.25%	0.25%	0.25%	6.50%
2006	1.00%	4.75%	-	0.50%	-	0.25%	6.50%
2005	1.00%	4.75%	-	0.50%	-	0.25%	6.50%
2004	1.00%	4.75%	-	0.50%	-	0.25%	6.50%
2003	1.00%	4.75%	-	0.50%	-	0.25%	6.50%
2002	1.00%	4.75%	-	0.50%	-	0.25%	6.50%



Note:
Rates are given as of the second quarter of each year.
Source:
Utah State Tax Commission - Sales Tax Division

SYRACUSE CITY CORPORATION

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

(Amounts Expressed in Thousands)

Fiscal Year	Real Property: Real Estate	Real Property: Building	Personal Property: Mobile Homes	Personal Property: Other	Centrally Assessed Property	Total Taxable Assessed Value	Total Direct City Tax Rate	Estimated Actual Market Value	Assessed Value as a Percentage of Actual Value
2011	$ 336,032	$ 681,079	$ -	$ 19,412	$ 15,426	$ 1,051,949	1.631	$ 1,771,644	59.38%
2010	$ 339,540	$ 637,430	$ -	$ 21,423	$ 20,827	$ 1,019,220	1.613	$ 1,719,161	59.29%
2009	425,187	597,489	18	21,169	19,464	1,063,327	1.500	n/a	n/a
2008	243,935	581,033	13	14,650	17,586	857,217	1.500	n/a	n/a
2007	195,090	474,826	12	12,574	16,385	698,887	1.043	n/a	n/a
2006	154,208	396,532	2	12,246	12,301	575,289	1.043	n/a	n/a
2005	135,244	346,820	2	11,406	10,151	503,623	1.043	n/a	n/a
2004	127,846	297,069	2	10,999	9,979	445,895	1.047	n/a	n/a
2003	117,484	256,690	5	11,679	9,570	395,428	1.023	n/a	n/a
2002	102,866	218,574	5	10,438	8,461	340,344	1.021	n/a	n/a

Notes:

Taxable property value is based on the calendar year ending six months before the fiscal year ends.

Estimated actual market value is not available for the prior eight years.

Total property value is excluding fee-in-lieu.

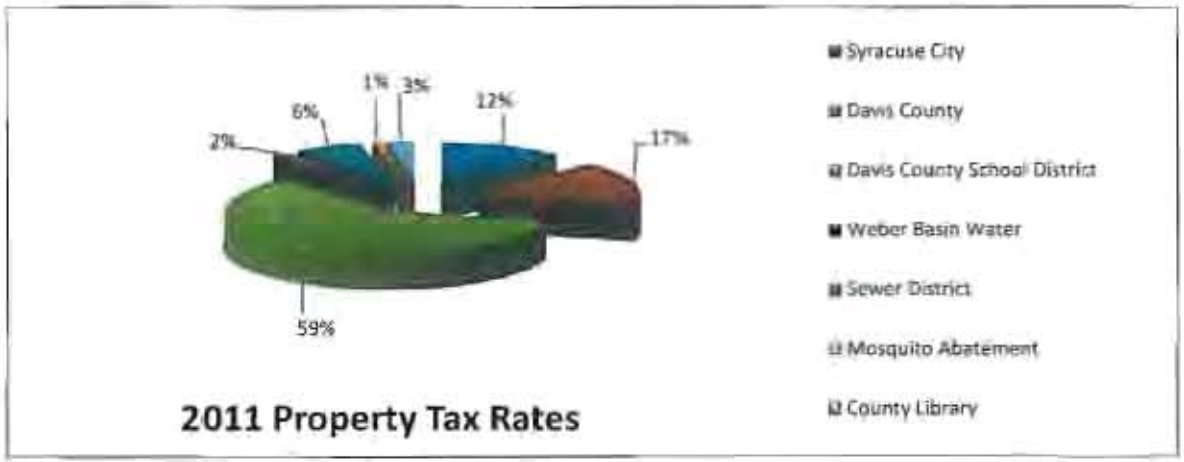
Sources:

Utah State Tax Commission - Property Tax Division website

Davis County

SYRACUSE CITY CORPORATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Eight Fiscal Years
(Per $1,000 Assessed Valuation)

Fiscal Year	Syracuse City	Davis County	Davis County School District	Weber Basin Water Conservancy District	North Davis County Sewer District	Davis County Mosquito Abatement District	County Library	Total Levy for Syracuse Residents
2011	1.631	2.213	7.860	0.207	0.864	0.097	0.363	13.235
2010	1.613	2.108	7.118	0.188	0.763	0.093	0.348	12.231
2009	1.500	1.997	6.764	0.181	0.763	0.088	0.332	11.625
2008	1.500	2.189	7.176	0.200	0.763	0.099	0.375	12.302
2007	1.043	1.739	7.305	0.178	0.763	0.086	0.403	11.517
2006	1.043	1.921	7.684	0.193	0.763	0.091	0.426	12.121
2005	1.043	1.948	7.821	0.198	0.763	0.093	0.432	12.298
2004	1.047	1.954	7.731	0.196	0.763	0.094	0.434	12.219



Notes:

Overlapping rates are those of local and county governments that apply to property owners within Syracuse City. Not all overlapping rates apply to all Syracuse City property owners (e.g., the rates for special districts apply only to the property owners whose property is located within the geographic boundaries of the special district).

Tax rates were only available for the last eight fiscal years.

Source:

Utah State Tax Commission - Property Tax Division web site

SYRACUSE CITY CORPORATION
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Two Years Ago
(Amounts Expressed in Thousands)

		2011			2009		
Taxpayer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Wal-Mart	Retail	$ 20,042	1	1.91%	$ 15,339	1	1.44%
Syracuse School Development	Education	$ 10,702	2	1.02%	$ 4,827	5	0.45%
Pacificorp	Utility	9,000	3	0.86%	13,734	2	1.29%
Antelope LC	Medical	8,653	4	0.82%	6,799	3	0.64%
Boyer Syracuse Associates	Retail properties	6,137	5	0.58%	6,769	4	0.64%
Gailey Tree LLC	Business properties	5,026	6	0.48%			
Shadowpoint LLC	Retail properties	4,763	7	0.45%	4,714	6	0.44%
RC Willey	Retail	4,623	8	0.44%	2,701	10	0.25%
Benchmark Real Estate Company	Residential properties	4,405	9	0.42%	3,873	7	0.36%
Syracuse Stadium Cinemas LLC	Business properties	4,170	10	0.40%			
Questar Gas	Utility				3,301	8	0.31%
Glen Eagle Golf Club LC	Recreation				3,052	9	0.29%
Total taxable value of 10 largest taxpayers		77,521		7.37%	65,109		6.12%
Total taxable value of other taxpayers		974,428		92.63%	998,218		93.88%
Total taxable value of all taxpayers		$ 1,051,949		100.00%	$ 1,063,327		100.00%

Note:

Information from nine years ago was unavailable so the 2009 tax year was used.

Source:

Davis County Clerk/Auditor's office

SYRACUSE CITY CORPORATION
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years

Tax Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collection of Previous years Taxes	Total Tax Collections	Percent of Total Tax Collected to Total Levy
2011	1,715,729	$ 1,577,797	91.96%	$ 27,934	1,605,731	93.59%
2010	1,644,002	1,515,516	92.18%	53,035	1,568,551	95.41%
2009	1,594,991	1,501,503	94.14%	33,483	1,534,986	96.24%
2008	1,285,826	1,235,036	96.05%	29,718	1,264,754	98.36%
2007	728,939	708,662	97.22%	10,566	719,228	98.67%
2006	600,026	571,439	95.24%	19,536	590,975	98.49%
2005	525,279	503,363	95.83%	22,087	525,450	100.03%
2004	466,852	441,469	94.56%	38,512	479,981	102.81%
2003	404,523	378,242	93.50%	24,843	403,085	99.64%
2002	347,491	346,326	99.66%	1,084	347,410	99.98%

Notes:

Collection of previous years taxes are monies received for any previous tax year during the current fiscal year. Details of the tax year for which the collection was levied is not available.

Source:

Davis County Treasurer's office

SYRACUSE CITY CORPORATION
PROPERTY VALUE AND NEW CONSTRUCTION
Last Ten Fiscal Years
(Dollar Values Expressed in Thousands)

	Real Property Taxable Value [1]				Residential Construction [2]		Commercial Construction [2]		Other Construction [2]	
Year	Commercial	Residential	Other	Total	Units	Value	Units	Value	Units	Value
2011	$ 115,544	$ 851,112	$ 50,455	$ 1,017,111	69	$ 15,260	12	$ 958	240	$ 1,882
2010	$ 93,539	$ 828,723	$ 54,708	$ 976,970	96	$ 20,963	33	$ 4,171	283	$ 2,394
2009	78,859	863,778	80,039	1,022,676	69	16,864	26	62,129	285	2,479
2008	62,037	700,164	62,768	824,969	255	57,161	37	16,496	262	2,297
2007	38,629	621,074	10,214	669,917	471	100,152	18	19,383	221	2,305
2006	38,576	506,167	5,998	550,741	492	90,495	7	9,615	220	1,664
2005	1,748	475,575	4,741	482,064	484	82,544	6	156	216	2,260
2004	31,261	389,017	4,637	424,915	626	76,151	6	5,048	194	1,732
2003	27,664	301,938	44,572	374,174	519	56,804	9	434	155	1,440
2002	27,253	253,335	40,852	321,440	484	51,764	10	2,602	120	981

Note:
Taxable property value, construction units and construction values are based on the calendar year ending six months before the fiscal year ends.

Sources:
[1] Utah State Tax Commission - Property Tax Division
[2] Syracuse City Community & Economic Development department

SYRACUSE CITY CORPORATION

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Eight Fiscal Years

	Governmental Activities						Business-Type Activities				
Fiscal Year	MBA Revenue Bonds	Sales Tax Revenue Bonds	Special Assessment Bonds	Excise Tax Road Bonds	Capital Improvement Loan	Property Note	Capital Lease	Water Revenue Notes	Total Primary Government	Percentage of Personal Income	Per Capita
2011	$ 13,901,000	$ 1,390,000	$ -	$ -	$ -	$ -	$ -	$ 226,000	15,517,000	2.87%	537.75
2010	14,457,000	1,515,000	-	-	-	-	-	339,000	16,311,000	5.90%	723.61
2009	14,999,000	1,640,000	111,000	-	-	-	-	452,000	17,202,000	6.14%	780.14
2008	15,304,000	1,760,000	216,000	170,000	-	-	-	565,000	18,015,000	6.78%	854.97
2007	9,350,000	1,875,000	315,000	330,000	1,000,000	-	-	678,000	13,548,000	5.55%	594.98
2006	-	1,990,000	409,000	485,000	1,000,000	-	138,148	791,000	4,813,148	2.17%	269.72
2005	-	2,100,000	497,000	635,000	-	92,000	270,727	904,000	4,498,727	2.21%	275.83
2004	-	-	581,000	780,000	-	184,000	397,963	1,017,000	2,959,963	1.54%	206.47

Notes:

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

See the Schedule of Demographic and Economic Statistics for personal income and population data.

Financial reports were only available for the last eight fiscal years.

SYRACUSE CITY CORPORATION
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of June 30, 2011

Governmental Unit	General Bonded Debt Outstanding	Est. Percentage Applicable to Syracuse City	Estimated Share of Overlapping Debt
North Davis County Sewer District [1]	$ 46,313,000	14.31%	$ 6,628,977
State of Utah [2]	3,128,890,000	0.53%	16,682,525
Weber Basin Water Conservancy District [1]	26,749,989	2.97%	793,364
Davis County [2]	20,835,000	6.49%	1,353,108
Davis County School District [2]	398,175,000	6.49%	25,859,076
Overlapping debt			$ 51,317,050
Syracuse City bonded debt		100.00%	-
Total direct and overlapping general bonded obligation debt			$ 51,317,050

Note:

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by taking Syracause City's taxable property value and dividing by the governmental unit's taxable property value.

Sources:

[1] Individual governmental units

[2] Davis County CAFR 2010

SYRACUSE CITY CORPORATION
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(Amounts Expressed in Thousands)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt Limit	$ 42,078	$ 40,769	$ 42,533	$ 34,289	$ 27,955	$ 23,012	$ 20,145	$ 17,836	$ 15,817	$ 13,614
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 42,078	$ 40,769	$ 42,533	$ 34,289	$ 27,955	$ 23,012	$ 20,145	$ 17,836	$ 15,817	$ 13,614
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Total assessed value		$ 1,051,949
Debt limit (4% of total assessed value)		$ 42,078
Debt applicable to limit:		
Total bonded debt	$ 15,291	
Less:		
Special assessment bonds	-	
Revenue bonds	(15,291)	
Amounts available for repayment of general obligation bonds	-	
Other deductions allowed by law	-	
Total net debt applicable to limit		-
Legal debt margin		$ 42,078

SYRACUSE CITY CORPORATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Year	Population [1]	Personal Income [1]	Per Capita Personal Income	Unemployment Rate [2]	Total Public School Enrollment [3]
2010	24,331	$ 539,960,800	22,192	6.7%	66,071
2009	22,541	276,303,598	12,258	5.9%	65,452
2008	22,050	279,942,855	12,696	3.3%	65,014
2007	21,071	265,852,664	12,617	2.6%	64,553
2006	19,494	243,901,527	12,512	2.9%	62,832
2005	17,845	221,728,661	12,425	4.0%	62,349
2004	16,310	203,607,585	12,484	4.7%	60,614
2003	14,336	191,901,589	13,386	5.1%	60,025
2002	12,615	187,587,086	14,870	5.0%	58,900
2001	10,996	183,190,513	16,660	3.9%	58,754

Notes:

Figures for 2010 are from the 2010 US Census.

Population figures from 2001-2009 are estimates as of July 1 based on the 2000 US Census' population estimates.

Personal Income figures, other than 2010, are estimates based on annual growth rates for the State of Utah

Unemployment figures are rates for Davis County. Information on a city level is not available.

Sources:

[1] U S Census Bureau - 2010 Figures

[2] Davis County Comprehensive Annual Financial Report 2010

[3] State of Utah - State Office of Education web sites

SYRACUSE CITY CORPORATION
PRINCIPAL EMPLOYERS
Prior Year and Ten Years Ago

		Fiscal Year			
		2011		2001	
Employer	Type of Business	Employees	Rank	Employees	Rank
Hill Air Force Base	United States Air Force / Logis	10,000 - 14,999	1	15,000 - 20,000	1
Lagoon, Inc	Amusement Park	1,000 - 1,999	2	500 - 999	3
Lifetime Products	Manufacturing / Retail	1,000 - 1,999	2	500 - 999	3
ATK Space Systems	Manufacturing	500 - 999	3		
Barrett Business Services	Waste Management	500 - 999	3		
Davis County School District	Public Education	500 - 999	3	5,000 - 6,999	2
Davis Hospital	Medical	500 - 999	3	500 - 999	3
Lakeview Hospital	Medical	500 - 999	3		
Smith's Marketplace Dist.	Retail	500 - 999	3	250 - 499	4
Lofthouse Bakery	Manufacturing	500 - 999	3		
Utility Trailer Manufacturing	Manufacturing	500 - 999	3		
Davis County	County Government			500 - 999	3
Albertson's	Retail			500 - 999	3
Icon Health & Fitness	Retail			500 - 999	3
Amusement Services	Retail			500 - 999	3
JC Penney Catelog	Retail			500 - 999	3
Wal-Mart	Retail			250 - 499	4

Notes:

The Utah Department of Workforce Services provides employment information on a county basis.

Syracuse City is the fifth largest city in Davis County.

Source:

Department of Workforce Services website - http://jobs.utah.gov

SYRACUSE CITY CORPORATION
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
Last 2 Fiscal Years

	Full-time Employees as of June 30	
	2011	2010
Function		
General government	17	17
Public safety		
Firefighters	11	11
Police		
Officers	19	18
Civilians	2	2
Public works	13	12
Parks and recreation	7	8
Total	69	68

Note:

Syracuse City began presenting these statistics in 2010. Comparative data prior to 2
is not available.

Sources:

Payroll departmental data

SYRACUSE CITY CORPORATION
OPERATING INDICATORS BY FUNCTION
Current Fiscal Year

	Fiscal Year	
	2011	2010
Function		
Police		
Total incidents	7,698	6,641
Citations written	2,614	2,105
Total violations included on citations	3,335	2,756
Theft incidents	465	364
Assault incidents	351	215
Fire		
Number of calls dispatched	850	764
Streets		
Street sweeping:		
Miles	627	1,919
Hours	211	509
Water		
Service connections	6,677	6,534
Average daily consumption (gallons)	1,634,638	1,402,504
Recreation		
Community center memberships	1,261	852
Sports programs participants	4,134	3,998

Note:

Syracuse City began presenting these statistics in 2010. Comparative data prior to that time is not available.

Sources:

Various City departmental data

SYRACUSE CITY CORPORATION
CAPITAL STATISTICS BY FUNCTION
Current Fiscal Year

	Fiscal Year	
	2011	2010
Function		
Police		
Stations	1	1
Patrol units	10	10
Fire		
Stations	1	1
Streets		
Streets (miles)	97	97
Streetlights	395	341
Parks and recreation		
Community centers	1	1
Parks	12	12
Park acreage	107	107
Trails (acreage)	29	29
Covered picnic areas	10	10
Baseball/Softball diamonds	4	4
Soccer fields	3	2
Tennis courts	2	2
Gymnasiums	2	1

Note:

Syracuse City began presenting these statistics in 2010. Comparative data prior to that time is not available.

Sources:

Various City departmental data

INDEPENDENT AUDITOR'S REPORTS ON COMPLIANCE AND INTERNAL CONTROL

Wood · Richards

Royce J. Richards, J. D., CPA
Lynn J. Wood, CPA
Ryan R. Child, CPA

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and City Council
Syracuse City

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Syracuse City as of and for the year ended June 30, 2011, which collectively comprise Syracuse City's basic financial statements and have issued our report thereon dated September 22, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Syracuse City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Syracuse City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Syracuse City's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Syracuse City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

2490 Wall Avenue Ogden, Utah 84401 Phone (801) 621-0440 Fax (801) 399-9264

We noted certain other matters that we reported to management of Syracuse City, in a separate letter dated September 22, 2011.

This report is intended solely for the information and use of management and the Mayor, City Council, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Wood Richards & Associates

Ogden, UT
September 22, 2011

Wood · Richards

Royce J. Richards, J. D., CPA
Lynn J. Wood, CPA
Ryan R. Child, CPA

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
IN ACCORDANCE WITH THE *STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE*

The Honorable Mayor and City Council
Syracuse City, Utah

We have audited Syracuse City's compliance with general and major state program compliance requirements described in *State of Utah Legal Compliance Audit Guide* for the year ended June 30, 2011. The general compliance requirements applicable to the City are identified as follows:

Public Debt	Liquor Law Enforcement
Cash Management	Purchasing Requirements
B & C Road Funds	Budgetary Compliance
Other General Compliance Issues	Truth in Taxation & Property Tax Limitations
Uniform Building Code Standards	Impact Fees
URS Compliance	Asset Forfeiture
Fund Balance	Justice Court

The City received the following major assistance programs from the State of Utah:

C Road Funds (Department of Transportation)
Liquor Law Enforcement (State Tax Commission)

Compliance with the requirements referred to above is the responsibility of the City's management. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above could have a material effect on the major assistance programs or general compliance requirements identified above. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, Syracuse City, Utah, complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with the State of Utah Legal Compliance Audit Guide and which is described in the accompanying schedule of findings as item #11-01.

2498 Wall Avenue Ogden, Utah 84401 Phone (801) 621-0440 Fax (801) 399-9264

Management's response to the finding identified in our audit is described in the schedule of findings. We did not audit the management's response and accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the City, the City Council, the Mayor, and the Office of the Utah State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

Wood Richards & Associates

September 22, 2011

Finding #11-01 – State Compliance – Justice Courts Compliance

Finding: Utah State Code requires that the CORIS "Transaction Reversal Report" be reviewed by a second clerk/employee to verify that the transaction reversals (voids) are appropriate and provide adequate separation of duties. Currently no documented review is being performed by a separate clerk/employee. Further, State Code also requires that documented proof is obtained for any credits posted against a defendant's account. This documented proof of compliance would include the following: completion of community service, completion of an alcohol treatment, valid registration, proof of insurance, etc. Currently, no documented proof is obtained when a credit is posted to a defendant's fine/bail.

Recommendation: We recommend that on a quarterly basis a clerk/employee that does not post transaction reversals (voids) prints off the CORIS "Transaction Reversal Report" and review all reversals (voids) for appropriateness. After this review has been completed the report should be signed/initialed to document that the review occurred. We also recommend that when a defendant comes in with proof of completion of compliance that a copy of the documentation is obtained and attached to the defendant's docket when a credit is issued to their fine/bail.

Response: The city concurs with this recommendation and effective immediately the finance director will review the transaction reversal report on a quarterly basis. The city will also obtain and keep on file documentation for any credits issued to a defendant's account.