



**SALT LAKE VALLEY EMERGENCY
COMMUNICATIONS CENTER**

BASIC FINANCIAL STATEMENTS

For the Fiscal Year Ended June 30, 2026

Together with Independent Auditor's Report

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Statement of Net Position	7
Statement of Revenues, Expenses, and Changes in Net Position	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Required Supplementary Information:	
Schedule of the Proportionate Share of the Net Position	
Liability – Utah Retirement Systems	23
Schedule of Contributions – Utah Retirement Systems	24
Notes to the Required Supplementary Information.....	25



CERTIFIED PUBLIC
ACCOUNTANTS

Gary K. Keddington, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Salt Lake Valley Emergency Communications Center

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the proprietary fund of Salt Lake Valley Emergency Communications Center (SLVECC), as of and for the year ended June 30, 2026, and the related notes to the financial statements, which collectively comprise SLVECC's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the proprietary fund of SLVECC, as of June 30, 2026, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SLVECC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SLVECC's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SLVECC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SLVECC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2026, on our consideration of SLVECC'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of SLVECC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering SLVECC's internal control over financial reporting and compliance.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
September 14, 2026

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a discussion and analysis of the Salt Lake Valley Emergency Communication Center's financial performance which provides an overview of the Center's financial activities for the fiscal year ended June 30, 2026 to help readers understand the Center's financial health and why it changed since last year. Please read it in conjunction with the Center's basic financial statements that follow this section.

If you have questions about this report or need additional information, contact Tyson Montoya, Deputy Director of Administration and Finance at 5360 South Ridge Village Drive, West Valley City, Utah 84118, by phone at (801) 840-4007, or e-mail at the following address: tmontoya@vecc911.com.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Center's basic financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The Statement of Net Position presents information on all the Center's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Center is improving or deteriorating.

The Statement of Revenues, Expenses and Changes Net Position presents information showing how the Center's net position changed during the year presented. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods, such as earned but unused vacation leave.

The Statement of Cash Flows presents information about the Center's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where cash came from, what was cash used for, and what was the change in cash balance during the reporting period.

ANALYSIS OF THE CENTER'S FINANCES

	2026	2025
Current and other assets	\$ 6,536,298	\$ 4,446,883
Capital assets	12,117,335	12,284,444
Total assets	18,653,633	16,731,327
Total deferred outflows of resources	2,175,609	3,144,998
Long-term liabilities outstanding	6,589,015	8,322,051
Other liabilities	577,109	638,777
Total liabilities	7,166,124	8,960,828
Total deferred inflows of resources	2,231,930	676,311
Net position:		
Net investment in capital assets	7,378,279	7,870,302
Restricted	251,702	34,142
Unrestricted	3,801,207	2,334,742
Total net position	\$ 11,431,188	\$ 10,239,186

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER MANAGEMENT'S DISCUSSION AND ANALYSIS

To begin our analysis, a summary of the Center's Statement of Net Position is presented at the bottom of the previous page. It shows that as of June 30, 2026, the Center's total net position – assets and deferred outflows minus liabilities and deferred inflows – was approximately \$11.4 million, an increase of \$1.2 million or 11.6% compared with 2025. This increase was primarily due to an increase in unrestricted net position of approximately \$1.5 million or 62.8%. The increase was due to the financial performance of the Center, as described below.

SLVECC's Changes in Net Position

	2026	2025
Revenues:		
Operating revenues:		
911 service charges	\$ 9,437,189	\$ 9,114,306
Member billings	12,522,969	11,459,089
Miscellaneous	3,145,856	2,953,359
Nonoperating revenues:		
Interest income	176,174	137,669
Lease revenue	51,293	49,306
Total revenues	<u>25,333,481</u>	<u>23,713,729</u>
Operating expenses:		
Personnel	17,648,673	17,623,262
Utilities	574,937	585,956
Professional services	567,013	618,169
Supplies and maintenance	4,039,743	4,442,463
Depreciation	1,200,908	1,157,599
Nonoperating expenses:		
Interest expense	<u>110,205</u>	<u>115,726</u>
Total expenses	<u>24,141,479</u>	<u>24,543,175</u>
Increase (Decrease) in net position	1,192,002	(829,446)
Net position - beginning of year	<u>10,239,186</u>	<u>11,068,632</u>
Net position - end of year	<u><u>\$ 11,431,188</u></u>	<u><u>\$ 10,239,186</u></u>

As reflected in the table above, the Center's revenues exceeded expenses during the current fiscal year, resulting in an increase in net position. The favorable change in net position was primarily attributable to higher-than-anticipated 911 service charge revenues, a one-time State of Utah funding appropriation received in connection with the Center's compliance with Public Safety Answering Point (PSAP) requirements, and investment earnings that exceeded budgeted expectations. Additionally, personnel-related expenses were lower than anticipated due to staff vacancies experienced throughout the fiscal year. Collectively, these factors contributed to the increase in the Center's net position for the year.

SIGNIFICANT CAPITAL ASSET AND LONG-TERM FINANCING ACTIVITY

Capital Assets

At the end of fiscal year 2026, there was \$11,865,633 in capital assets. During 2026, there were a total of \$782,098 in capital asset additions consisting of building improvements and equipment. At the end of fiscal year 2025, there was \$12,284,444 in capital assets. Decrease in capital assets is due to the depreciation expense of \$1,200,907 being higher than capital asset additions.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER MANAGEMENT'S DISCUSSION AND ANALYSIS

SLVECC's Capital Assets, Net of Accumulated Depreciation

	2026	2025
Land	\$ 100,000	\$ 100,000
Buildings	5,131,332	5,506,831
Improvements other than buildings	115,282	93,148
Equipment, furnitures and fixtures	6,519,019	6,584,465
Total	<u>\$ 11,865,633</u>	<u>\$ 12,284,444</u>

Additional information on the Center's capital assets can be found in Note C on page 14 of this report.

Debt

As of June 30, 2026, the Center had long-term obligations outstanding related to compensated absences due to employees totaling \$1,574,619, compared to \$1,622,018 in 2025.

During 2018, the Center issued \$1,820,000 in revenue bonds to fund a fire station alert system. This debt was refunded as part of the 2022 issuance of revenue bonds for the Center's capital project. The total outstanding balance of the 2022 bonds at June 30, 2026 is \$4,163,000.

During 2026, the Center has entered into a financed purchase agreement for the acquisition of computer equipment. The total balance of those financings as of June 30, 2026 is \$324,354.

The following summarizes the long-term debt activity for the Center for fiscal years 2026, and 2025.

SLVECC's Outstanding Debt

	2026	2025
Revenue bonds payable	\$ 4,163,000	\$ 4,380,000
Financed purchases	324,354	-
Compensated absences	1,574,619	1,622,018
Net pension liability	527,042	2,320,033
Total	<u>\$ 6,589,015</u>	<u>\$ 6,002,018</u>

The Center has no bond rating.

Additional information on the Center's Long-Term Debt can be found in Note D on pages 14 through 16 of this report.

CURRENTLY KNOW FACTS, DECISIONS, OR CONDITIONS

Management is aware of two matters that are expected to have a significant effect on the Center's financial position and results of operations in the subsequent fiscal year. The anticipated financial effects of these matters have been incorporated into the Center's adopted budget for the upcoming fiscal year.

Capital Improvements

The Center has planned approximately \$263,000 in capital expenditures for several facility-related improvements. These projects include replacement or improvements to the rooftop HVAC unit (RRTU), repaving of asphalt surfaces on the Center's campus, and completion of ballistic reinforcement improvements to the facility. The Center intends to

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER MANAGEMENT'S DISCUSSION AND ANALYSIS

fund these projects using existing available resources, which will result in a reduction in cash and other resources available for future purposes while providing for necessary improvements to the Center's facilities.

Tow Call Revenues

Recent legislation authorizes Public Safety Answering Points (PSAPs) to assess a \$9.00 fee for qualifying officer-initiated and private-property-impound (PPI) tow calls beginning September 1, 2026. Based on the Center's current annual volume of approximately 40,000 qualifying tow calls, management estimates that this fee could generate approximately \$360,000 in additional annual revenue if call volumes remain consistent with current levels. Actual revenues will depend on the number of qualifying tow calls and amounts ultimately billed and collected. Management has incorporated the anticipated financial effect of this new revenue source into the Center's budget for the upcoming fiscal year.

BASIC FINANCIAL STATEMENTS

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
STATEMENT OF NET POSITION
June 30, 2026

Assets

Current Assets

Cash and cash equivalents	\$ 3,897,535
Intergovernmental receivable - current	1,696,042
Lessor receivable	626,601
Prepaid expenses	<u>316,120</u>
Total Current Assets	<u>6,536,298</u>

Noncurrent Assets

Nondepreciable capital assets	100,000
Depreciable capital assets, net of accumulated depreciation	11,765,633
Net pension asset	<u>251,702</u>
Total Noncurrent Assets	<u>12,117,335</u>

Total Assets

18,653,633

Deferred Outflows of Resources

Pension related	<u>2,175,609</u>
-----------------	------------------

Total Assets and Deferred Outflows of Resources

\$ 20,829,242

Liabilities

Current Liabilities

Accounts payable	\$ 37,072
Accrued liabilities	476,797
Unearned revenue	63,240
Financed purchases - current	92,504
Revenue bonds - current	223,000
Compensated absences - current	<u>763,701</u>
Total Current Liabilities	<u>1,656,314</u>

Noncurrent Liabilities

Financed purchases - net of current	231,850
Revenue bonds - net of current	3,940,000
Compensated absences - net of current	810,918
Net pension liability	<u>527,042</u>
Total Noncurrent Liabilities	<u>5,509,810</u>

Total Liabilities

7,166,124

Deferred Inflows of Resources

Pension related	1,605,329
Lease related	<u>626,601</u>
Total Deferred Inflows of Resources	<u>2,231,930</u>

Net Position

Net investment in capital assets	7,378,279
Restricted for:	
Pensions	251,702
Unrestricted	<u>3,801,207</u>
Total Net Position	<u>11,431,188</u>

Total Liabilities, Deferred Inflows of Resources and Net Position

\$ 20,829,242

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

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2026

Operating Revenues	
Charges for services:	
911 service charges	\$ 9,437,189
Member billings	12,522,969
Miscellaneous	3,145,856
Total Operating Revenues	<u>25,106,014</u>
Operating Expenses	
Personnel	17,648,673
Utilities	574,937
Professional services	567,013
Supplies and maintenance	4,039,743
Depreciation	1,200,908
Total Operating Expenses	<u>24,031,274</u>
Operating Income (Loss)	<u>1,074,740</u>
Other Nonoperating Revenues (Expenses)	
Interest income	176,174
Lease revenue	51,293
Interest expense	(110,205)
Total Other Nonoperating Revenues (Expenses)	<u>117,262</u>
Change in Net Position	1,192,002
Net Position, Beginning	<u>10,239,186</u>
Net Position, Ending	<u>\$ 11,431,188</u>

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

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2026

Cash flows from operating activities	
Receipts from 911 service charges	\$ 9,446,343
Receipts from member billings	12,586,209
Payments to suppliers	(5,442,013)
Payments to employees and related benefits	(17,131,950)
Other receipts	3,145,856
Net cash provided (used) by operating activities	2,604,445
Cash flows from capital and related financing activities	
Purchase of capital assets	(457,742)
Principal paid on revenue bonds	(217,000)
Interest paid on revenue bonds	(110,205)
Net cash provided (used) by capital and related financing activities	(784,947)
Cash flows from investing activities	
Lease revenue collected	51,293
Interest income collected	176,174
Net cash provided (used) by investing activities	227,467
Net increase (decrease) in cash and cash equivalents	2,046,965
Cash and cash equivalents at beginning of year	1,850,570
Cash and cash equivalents at end of year	\$ 3,897,535
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income (loss)	\$ 1,074,740
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	1,200,908
Changes in assets and liabilities:	
Receivables	9,154
Prepaid expenses	(83,499)
Net pension asset and liability and related deferred inflows and outflows	512,210
Unearned revenue	63,240
Accounts payable	(176,821)
Accrued liabilities	51,912
Compensated absences	(47,399)
Net cash provided (used) by operating activities	\$ 2,604,445
Non-cash capital and related financing activities	
Capital assets acquired through financed purchase	\$ 324,354

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

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Center's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Center are discussed below.

Reporting entity

The Center's basic financial statements include the financial position and results of operations of the Center. A review of other units of local government, using the criteria set forth in generally accepted accounting principles, indicates there are no additional entities or funds for which the Center has reporting responsibilities. Management has determined the Center should not be considered a component unit of its member agencies for the following reasons:

- The Center has separate legal standing from its member agencies.
- None of the member agencies appoint the voting majority of the Center's Board of Trustees. The Center's Board of Trustees consists of 17 members – each member agency appointing one board member.
- The financial statements of its member agencies would not be misleading or incomplete without the inclusion of the Center's financial statements.

Basic Financial Statements and Basis of Accounting

The Center is an enterprise fund and categorized as a business-type activity, where the intent is that costs of providing goods or services to the member agencies on a continuing basis be financed or recovered primarily through member billings and 911 service charges that are imposed by the member agencies for use by the Center.

The Center's financial statements are presented on the full accrual, economic resource basis of accounting which recognizes all long-term assets and receivables as well as long-term debt and obligations. Revenues are recognized when earned and expenses are recognized when incurred.

The Center distinguishes *operating* revenues and expenses from *noncapital subsidies*, and other *nonoperating* revenues and expenses. Nonoperating revenues and expenses are any (1) contributions to permanent and term endowments; (2) finance related revenues and expenses; (3) gain and losses from disposals of capital assets and inventory; (4) investment income and expenses; and (5) subsidies received and provided. A *subsidy* represents amounts received from or provided to another party. Amounts received from another party are considered a subsidy if it is unrelated to the services provided by the Center and keeps the fees charged at the same amount or lower if the subsidy was not received. Amounts provided to the other party are considered a subsidy if it is unrelated to the goods or services provided by those parties and will generally result in the Center charging higher fees in the future. All revenues and expenses not meeting the definitions of nonoperating revenues and expenses are reported as operating revenues and expenses.

The Center's net position is reported in three parts – net investment in capital assets, restricted, and unrestricted.

Receivables

Receivables consist of amounts due from member agencies, 911 franchise taxes, governmental grants, and other miscellaneous items. An allowance for doubtful accounts is not considered necessary as of June 30, 2026.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date of less than 90 days.

Capital assets and depreciation

Capital assets are defined by the Center as assets with an initial individual cost of more than \$5,000 and an estimated useful life of 3 years or more. The Center records its capital assets at cost. Contributed capital assets are valued at their estimated fair market value on the date of contribution. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Maintenance and repairs are charged to current operating expenses, whereas additions and improvements are capitalized.

Depreciation of property and equipment has been provided using the straight-line method over the following estimated useful lives:

Buildings	30 yrs.
Improvements other than buildings	10 yrs.
Equipment, furniture, and fixtures	3 – 10 yrs.

Pensions

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

Deferred outflows/inflows of resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (an expense) until then.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Estimates

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

Lease Receivable

Lease receivable amounts consist of the balances that are expected to be received over the life of the Agency's leasing arrangements. See Note E for further information.

Change in Accounting Principle

For 2026, the Center implemented Governmental Accounting Standards Board Statement (GASBS) No. 103, *Financial Reporting Model Improvements*. This Statement establishes new financial reporting requirements, and modifies existing requirements, related to the Center's presentation of its management's discussion and analysis; and statement of revenues, expenses, and changes in net position. No financial statement line items were affected by its application in 2026.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE B DEPOSITS AND INVESTMENTS

The Center's deposit and investment policy is to follow the Utah Money Management Act; however, the Center does not have a separate deposit and investment policy that addresses specific types of deposit and investment risks to which the Center is exposed. Investments are stated at cost, which approximate fair value.

Components of cash and investments (including interest earning deposits) at June 30, 2026 are as follows:

Cash on hand and on deposit:	
Cash on deposit	\$ 140,469
PTIF investments	3,757,066
Total cash and investments	\$ 3,897,535
Cash and investments are included in the accompanying combined statement of net position as follows:	
Cash and cash equivalents	\$ 3,897,535
Total cash and investments	\$ 3,897,535

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

Custodial credit risk – deposits is the risk that in the event of a bank failure, the Center's deposits may not be returned to it. As of June 30, 2026, \$288,201 of the Center's \$538,201 balance of bank deposits was exposed to custodial credit risk because it was uninsured and uncollateralized.

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

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

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of an investment. The Center manages its exposure by investing mainly in the Utah Public Treasurer's Investment Fund and by adhering to the Utah Money Management Act. The Act requires that the remaining term to maturity may not exceed the period of availability of the funds to be invested.

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

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE B DEPOSITS AND INVESTMENTS (Continued)

The Center invests in the Public Treasurer's Investment Fund (PTIF) which is a voluntary external local governmental investment pool managed by the Utah State Treasurer's Office and is audited by the Utah State Auditor. No separate report as an external investment pool has been issued for the PTIF. The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act, (Utah Code Title 51, Chapter 7). The PTIF invests in high-grade securities which are delivered to the custody of the Utah State Treasurer, assuring a perfected interest in the securities, and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances. The maximum weighted average life of the portfolio does not exceed 90 days.

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. The PTIF allocates income and issues statements monthly. Additional information is available at the Utah State Treasurer's Office.

For the year ended June 30, 2026, the Center had investments of \$3,757,066 with the PTIF. This investment matures in less than one year and is not rated.

Fair Value of Investments

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

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

At June 30, 2026, the Center had the following cash and investments:

	<u>Carrying Value</u>	<u>Fair Value Factor</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Avg. Maturity</u>
Cash on hand and on deposit:					
Cash on deposit	\$ 140,469	1.00000000	\$ 140,469	N/A	N/A
Utah State Public Treasurer's Investment Fund	<u>3,757,066</u>	1.00218353	<u>3,765,270</u>	N/A	< 3 mos.
Total cash on hand and deposit	<u><u>\$ 3,897,535</u></u>		<u><u>\$ 3,905,739</u></u>		

The Center's PTIF investments is classified as level 2 and is calculated by applying the June 30, 2026 fair value factor, as calculated by the Utah State Treasurer, to the Center's balance in the fund.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE C CAPITAL ASSETS

Capital asset activity is summarized as follows:

	<u>June 30, 2025</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2026</u>
Capital assets not being depreciated:				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Total capital assets not being depreciated	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Capital assets being depreciated:				
Buildings	11,590,955	75,928	-	11,666,883
Improvements other than buildings	273,965	27,911	-	301,876
Equipment, furniture, and fixtures	<u>19,001,328</u>	<u>678,257</u>	<u>-</u>	<u>19,679,585</u>
Total capital assets being depreciated	<u>30,866,248</u>	<u>782,096</u>	<u>-</u>	<u>31,648,344</u>
Less accumulated depreciation:				
Buildings	(6,084,124)	(451,427)	-	(6,535,551)
Improvements other than buildings	(180,817)	(5,777)	-	(186,594)
Equipment, furniture, and fixtures	<u>(12,416,862)</u>	<u>(743,704)</u>	<u>-</u>	<u>(13,160,566)</u>
Total accumulated depreciation	<u>(18,681,803)</u>	<u>(1,200,908)</u>	<u>-</u>	<u>(19,882,711)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 12,184,445</u>	<u>\$ (418,812)</u>	<u>\$ -</u>	<u>\$ 11,765,633</u>

NOTE D LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations:

	<u>June 30, 2025</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2026</u>	<u>Due Within One Year</u>
Revenue bonds from direct placements					
Series 2022 bonds	\$ 4,380,000	\$ -	\$ (217,000)	\$ 4,163,000	\$ 223,000
Financed purchase from direct borrowing					
Cisco equipment	-	324,354	-	324,354	92,504
Compensated absences *	1,622,018	-	(47,399)	1,574,619	763,701
Net pension liability	<u>2,320,033</u>	<u>-</u>	<u>(1,792,991)</u>	<u>527,042</u>	<u>-</u>
Total long-term debt	<u>\$ 8,322,051</u>	<u>\$ 324,354</u>	<u>\$ (2,057,390)</u>	<u>\$ 6,589,015</u>	<u>\$ 1,079,205</u>

* The change in the compensated absences liability is presented as a net change.

Revenue Bonds from Direct Placements

The revenue bonds consist of \$5,000,000 Series 2022 Revenue and Refunding Bonds, due serially through 2042 with interest at 2.58%. The bonds were issued to refund the Series 2018 Revenue Bonds and to finance improvements to the Center's facility.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE D LONG-TERM OBLIGATIONS (Continued)

As of June 30, 2026, annual debt service requirements to maturity on the bonds are as follows:

Revenue Bonds from Direct Placements

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 223,000	\$ 107,406	\$ 330,406
2028	218,000	101,652	319,652
2029	224,000	96,028	320,028
2030	230,000	90,248	320,248
2031	236,000	84,314	320,314
2032 - 2036	1,273,000	327,118	1,600,118
2037 - 2041	1,447,000	154,130	1,601,130
2042	312,000	8,050	320,050
	<u>\$ 4,163,000</u>	<u>\$ 968,946</u>	<u>\$ 970,086</u>

Significant events of default consist of (a) failure to pay principal or interest when due; (b) failure to fulfill all obligations; and (c) bankruptcy, reorganization, arrangement, insolvency, or liquidation proceedings. Upon the occurrence of an event of default, all outstanding principal and interest on the bond may become due and payable.

The Center is also required to establish rates sufficient to pay the operating expenses and to provide net revenues in an amount not less than 125% of the aggregate annual debt service requirement for the upcoming fiscal year. The following summarizes the debt service coverage calculation for the bonds:

Operating Income (Loss)	\$ 1,074,740
Add: Depreciation	1,200,908
Add: Interest income	176,174
Add: Lease revenue	51,293
Net revenues	<u>\$ 2,503,115</u>
Aggregate debt service for 2027	<u>\$ 330,406</u>
Ratio of net revenues to aggregate debt service for 2027	7.58
Minimum ratio	1.25

At June 30, 2026, the Center was in compliance with the rate covenant.

Pledged revenues

The 2018 bonds were used to finance a fire alert system installed at member entities' fire stations and the 2022 bonds refunded the 2018 bonds and financed improvements to the Center. Revenues have been pledged for debt service payments through 2042. Total revenues through 2042 have not been estimated. Operating revenues in the current year totaled \$25,106,014 and debt service for the bonds, was \$327,205.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE D LONG-TERM OBLIGATIONS (Continued)

Financed Purchases from Direct Borrowings

In February 2026, the Center entered into a zero-interest financed purchase agreement for \$324,354 to finance the purchase of upgraded network equipment. Annual principal payments begin on July 1, 2026 and are required until maturity on July 1, 2028. Significant events of default consist of (a) failure to pay principal when due; and (g) the initiation of bankruptcy proceedings by the Center. Upon the occurrence of an event of default, the balance of the financing may become due and payable by the Center.

As of June 30, 2026, annual debt service requirements to maturity on the financing are as follows:

Financed Purchase from Direct Borrowing

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2027	\$ 92,504	\$ -	\$ 92,504
2028	115,925	-	115,925
2029	115,925	-	115,925
	<u>\$ 324,354</u>	<u>\$ -</u>	<u>\$ 324,354</u>

NOTE E LESSOR AGREEMENT

On July 1, 2020, the Center, as a lessor, renewed a lease agreement with the Utah Communications Authority (UCA), the lessee, to rent a building to house UCA's radio equipment at the Center's facility. The lease calls for an initial term of 20.5 years commencing July 1, 2020 to and including December 31, 2040. In accordance with the provisions of GASB Statement No. 87, the lease was retroactively measured as of July 1, 2020 with a lease term of 20.5 years and an interest rate of 3%, which is approximately the rate at which the Center was recently able to issue bonds.

Rent is payable on the first day of each quarter beginning on July 1, 2020, with quarterly payments of \$12,330 until July 1, 2025, and every fifth year thereafter during the term of the lease, the quarterly payments will increase by 4%. The Center collected \$51,293 from UCA for the year ended June 30, 2026, which includes \$31,895 in lease revenue and \$19,398 in lease interest revenue.

NOTE F COMPENSATED ABSENCES

Full-time, regular employees are granted sick and vacation benefits in varying amounts to specified maximums depending on tenure with the Center. Accumulated unpaid amounts are accrued when management determines benefits are more likely than not to be used and the unpaid liability is reflected as compensated absences payable.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE G PENSION PLANS

General Information about the Pension Plan

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. Participation in Utah Retirement Systems (URS) are comprised of the following Pension Trust Funds:

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

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

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

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

Summary of Benefits by System

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

Retirement benefits are as follows:

System	Final Average Salary	Years of Service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4.0%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* Actuarial reductions are applied.

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

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE G PENSION PLANS (Continued)

Contribution Rate Summary

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

Contribution Rates as of June 30, 2026 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Noncontributory System			
15 Local Government - Tier 1 - DB System	-	15.97%	-
111 Local Government - Tier 2 - DB Hybrid System	0.81%	14.19%	-
211 Local Government - Tier 2 - 401(k) Option	-	4.19%	10.00%

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

Contribution Summary

For fiscal year ended June 30, 2026, the employer and employee contributions to the Systems were as follows:

System	<u>Employer</u>	<u>Employee</u>
Noncontributory System	\$ 603,699	\$ -
Tier 2 Public Employees System	1,000,706	57,123
Tier 2 DC Only System	28,540	13
Total Contributions	<u>\$ 1,632,945</u>	<u>\$ 57,136</u>

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

Combined Pension Assets, Liabilities, Expense, and

Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2026, we reported a net pension liability of \$527,042 and a net pension asset of \$251,702.

System	<u>Measurement Date: December 31, 2025</u>			<u>Proportionate Share</u>	<u>change</u>
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Dec. 31, 2024</u>	
Noncontributory System	\$ 251,702	\$ -	0.5143777%	0.5372676%	-0.0228899%
Tier 2 Public Employees System	-	527,042	0.2137678%	0.2066447%	0.0071231%
Total Net Pension Asset/Liability	<u>\$ 251,702</u>	<u>\$ 527,042</u>			

The net pension asset and liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2025, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2026, we recognized pension expense of \$2,144,357.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE G PENSION PLANS (Continued)

Combined Pension Assets, Liabilities, Expense, and

Deferred Outflows and Inflows of Resources Related to Pensions (Continued)

At June 30, 2026, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,057,606	\$ 2,623
Changes in assumptions	187,701	-
Net difference between projected and actual earnings on pension plan investments	-	1,585,164
Changes in proportion and differences between contributions and proportionate share of contributions	119,923	17,542
Contributions subsequent to the measurement date	810,379	-
Total	<u>\$ 2,175,609</u>	<u>\$ 1,605,329</u>

\$810,379 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2025.

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

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2026	\$ 890,894
2027	(557,998)
2028	(479,161)
2029	(441,664)
2030	76,129
Thereafter	271,701

Actuarial assumptions

The total pension liability in the December 31, 2025, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.5 – 9.5 percent, average, including inflation
Investment Rate of Return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE G PENSION PLANS (Continued)

Actuarial assumptions (Continued)

The actuarial assumptions used in the January 1, 2025, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of
Equity securities	35%	6.68%	2.34%
Debt securities	20%	2.06%	0.41%
Real Assets	18%	5.26%	0.95%
Private equity	12%	9.80%	1.18%
Absolute return	15%	3.96%	0.59%
Cash and cash equivalents	0%	0.49%	0.00%
Totals	100%		5.47%
	Inflation		2.50%
	Expected arithmetic nominal return		7.97%

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, and a real return of 4.35% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The table at the top of the next page presents the proportionate share of the net pension liability calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1.00 percentage-point lower (5.85 percent) or 1.00 percentage point higher (7.85 percent) than the current rate

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER

NOTES TO THE FINANCIAL STATEMENTS

NOTE G PENSION PLANS (Continued)

Actuarial assumptions (Continued)

System	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 5,182,695	\$ (251,702)	\$ (4,871,361)
Tier 2 Public Employees System	2,072,781	527,042	(679,125)
Total	\$ 7,255,476	\$ 275,340	\$ (5,550,486)

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

NOTE H DEFERRED COMPENSATION PLANS

Defined Contribution Savings Plans

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

The Center participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401(k) Plan, 457(b) Plan, Roth IRA Plan

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

	2026	2025	2024
401(k) Plan			
Employer Contributions	\$ 175,694	\$ 156,813	\$ 180,772
Employee Contributions	139,283	108,104	106,068
457(b) Plan			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	22,295	15,479	6,993
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 15,750	\$ 12,827	\$ 10,700

In addition, the Center offers its employees participation in a defined contribution deferred compensation plan created in accordance with Internal Revenue Code Section 401(a) (the 401(a) plan). All employees of the Center are eligible and encouraged to participate in the 401(a) plan. The employee is fully vested in the plan after 5 years of service. The Center will contribute up to 6.2% of the employee's eligible salary to the plan on behalf of the employee. Contributions to the plan by employees and the Center were \$736,036 in 2026 (684,726 by employees and the Center in 2025).

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
NOTES TO THE FINANCIAL STATEMENTS

NOTE H DEFERRED COMPENSATION PLANS (Continued)

The Center also offers its full-time employees' voluntary participation in a deferred compensation plan in accordance with Internal Revenue Code Section 457 which is separate from the 457 plan administered through the Utah Retirement Systems. Contributions to the plan by employees were \$265,909 in 2026 (\$262,075 in 2025).

NOTE I RISK MANAGEMENT

The Center 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. The Center carries commercial insurance for all of these risks of loss, except natural disasters other than earthquakes. During 2025, the Center did not decrease any levels of insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

Expenses and claims not covered by insurance are recognized when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

NOTE J COMMITMENTS AND CONTINGENCIES

There are pending legal claims in which the Center is involved. Management estimates the potential remaining claims against the Center resulting from such litigation not covered by insurance would not materially affect the financial position of the Center.

REQUIRED SUPPLEMENTARY INFORMATION

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
UTAH RETIREMENT SYSTEMS
June 30, 2026 – Last 10 Years

<u>Measurement Date: December 31,</u>	<u>Noncontributory System</u>	<u>Tier 2 Public Employees Retirement System</u>
<u>Proportion of the net pension liability (asset)</u>		
2016	0.4205496%	0.2203179%
2017	0.4146947%	0.2268641%
2018	0.4315271%	0.2201876%
2019	0.6048016%	0.2510906%
2020	0.5725075%	0.2455151%
2021	0.5735078%	0.2286799%
2022	0.5707604%	0.2340307%
2023	0.5478579%	0.2135085%
2024	0.5372676%	0.2066447%
2025	0.5143777%	0.2137678%
<u>Proportionate share of the net pension liability (asset)</u>		
2016	\$ 2,700,443	\$ 24,576
2017	1,816,902	20,001
2018	3,177,646	94,301
2019	2,279,418	56,472
2020	293,663	35,312
2021	(3,284,540)	(96,786)
2022	977,569	254,835
2023	1,270,792	415,569
2024	1,703,738	616,295
2025	(251,702)	527,042
<u>Covered payroll</u>		
2016	\$ 3,243,476	\$ 1,806,767
2017	3,047,852	2,218,611
2018	3,149,949	2,572,503
2019	4,541,035	3,490,312
2020	4,190,877	3,925,141
2021	4,198,968	4,246,599
2022	4,270,811	5,107,591
2023	4,296,478	5,519,925
2024	4,214,692	6,119,641
2025	3,915,503	6,902,524
<u>Proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>		
2016	83.26%	1.36%
2017	59.61%	0.90%
2018	100.88%	3.67%
2019	50.20%	1.62%
2020	7.01%	0.90%
2021	-78.22%	-2.28%
2022	22.89%	4.99%
2023	29.58%	7.53%
2024	40.42%	10.07%
2025	-6.43%	7.64%
<u>Plan fiduciary net position as a percentage of the total pension liability (asset)</u>		
2016	87.3%	95.1%
2017	91.9%	97.4%
2018	87.0%	90.8%
2019	93.7%	96.5%
2020	99.2%	98.3%
2021	108.7%	103.8%
2022	97.5%	92.3%
2023	96.9%	89.6%
2024	96.0%	87.4%
2025	100.6%	91.6%

SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
SCHEDULE OF CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS
June 30, 2026 – Last 10 Years

For the year ended June 30,	Noncontributory System	Tier 2 Public Employees System *	Tier 2 Public Employees DC Only System *
<u>Actuarial Determined Contributions</u>			
2017	\$ 558,213	\$ 291,800	\$ 8,201
2018	588,907	378,026	8,257
2019	704,754	476,880	11,731
2020	809,362	574,460	21,247
2021	786,582	649,933	22,742
2022	776,312	744,743	26,347
2023	755,597	853,233	23,340
2024	788,207	903,677	27,332
2025	679,866	1,020,550	25,667
2026	603,699	1,000,706	28,540
<u>Contributions in relation to the contractually required Contributions</u>			
2017	\$ 558,213	\$ 291,800	\$ 8,201
2018	588,907	378,026	8,257
2019	704,754	476,880	11,731
2020	809,362	574,460	21,247
2021	786,582	649,933	22,742
2022	776,312	744,743	26,347
2023	755,597	853,233	23,340
2024	788,207	903,677	27,332
2025	679,866	1,020,550	25,667
2026	603,699	1,000,706	28,540
<u>Contribution deficiency (excess)</u>			
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026	-	-	-
<u>Covered payroll</u>			
2017	\$ 3,062,764	\$ 1,961,768	\$ 150,105
2018	3,217,677	2,483,898	111,525
2019	3,812,960	3,067,809	157,660
2020	4,389,531	3,664,672	313,936
2021	4,268,672	4,113,499	338,172
2022	4,213,463	4,634,370	393,824
2023	4,208,112	5,329,373	377,064
2024	4,386,237	5,644,452	441,555
2025	4,006,283	6,718,567	494,546
2026	3,780,207	7,052,198	681,143
<u>Contributions as a percentage of covered payroll</u>			
2017	18.23%	14.87%	5.46%
2018	18.30%	15.22%	7.40%
2019	18.48%	15.54%	7.44%
2020	18.44%	15.68%	6.77%
2021	18.43%	15.80%	6.72%
2022	18.42%	16.07%	6.69%
2023	17.96%	16.01%	6.19%
2024	17.97%	16.01%	6.19%
2025	16.97%	15.19%	5.19%
2026	15.97%	14.19%	4.19%

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

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

NOTE A CHANGES IN ASSUMPTIONS – PENSION PLAN

There were no changes in the actuarial assumptions or methods since the prior actuarial valuation.