

**SALT LAKE VALLEY EMERGENCY  
COMMUNICATIONS CENTER**

**BASIC FINANCIAL STATEMENTS**

**For the Fiscal Year Ended June 30, 2021**

**Together with Independent Auditor's Report**

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
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**KEDDINGTON & CHRISTENSEN, CPAS**  
CERTIFIED PUBLIC ACCOUNTANTS

Gary K. Keddington, CPA  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Salt Lake Valley Emergency Communications Center

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, 2021, and the related notes to the financial statements, which collectively comprise SLVECC's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the proprietary fund of SLVECC as of June 30, 2021, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in the appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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 a report dated October 18, 2021, on our consideration of SLVECC's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the 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.

*Keddington & Christensen, LLC*

Salt Lake City, Utah

October 18, 2021

# **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 years ended June 30, 2021 and 2020. Please read it in conjunction with the Center's basic financial statements that follow this section.

## **OVERVIEW OF THE CENTER**

The Salt Lake Valley Emergency Communications Center was established in 1988 under the Utah Interlocal Cooperation Act as a joint enterprise of several cities and Salt Lake County. The Center is located in West Valley City, Utah and is responsible for answering emergency 911 calls, and nonemergency ten-digit calls for 17 member agencies within Salt Lake County. The Center is managed by the Executive Director, who reports to the Board of Trustees (Board). The Board is comprised of individuals appointed from each of the member agencies.

The Center employs highly-trained, professional 911 call takers and police and fire dispatchers who collect vital information from those needing emergency assistance; determine proper response and equipment needed; and ensure that public safety responders with relevant qualifications arrive at the right address as quickly as possible. The management of the Center is committed to meeting the needs of our member agencies and the public who depend on the vital 911 services. The service we provide is often a matter of life and death, and is evolving with new technology, a growing population and increasing call volumes.

## **FINANCIAL HIGHLIGHTS**

- The assets of the Center exceeded its liabilities as of June 30, 2021 by \$9,422,092 (net position), consisting of \$9,002,293 net investment in capital assets, and unrestricted net position of \$419,799. In 2020, the assets of the Center exceeded its liabilities by \$8,112,241 (net position), consisting of \$4,811,743 net investment in capital assets, \$3,229,897 restricted for capital improvements, and unrestricted net position of \$70,601.
- The Center's net position increased during 2021 by \$1,309,851 and decreased by \$1,666,652 during 2020.
- During 2017, the Center embarked on a project, in cooperation with Salt Lake City and Salt Lake County, to develop a new valley-wide Computer Aided Dispatching, Record Management, Field Based Reporting and Mobile Public Safety software suite and associated hardware (the CAD Project). The new system will enhance public safety response within the Salt Lake Valley; allow agencies to share the same records data base; utilize the same mapping and field base reporting system on multi-jurisdictional responses; and create, add and modify reports and records from common mobile devices. During 2019, the Center changed the primary contractor on this project and in connection with that change, the Center received a settlement of \$4,250,000 and reduced the value of the work in process by approximately \$3.7 million, leaving work in process of \$1,888,745 associated with this project at June 30, 2019. The project has continued during 2020 and 2021 with another contractor.

## **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.

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

*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 did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

**FINANCIAL ANALYSIS**

To begin our analysis, a summary of the Center's Statement of Net Position is presented below.

**SLVECC's Net Position**

	2021	2020
Current and other assets	\$ 4,015,804	\$ 7,869,301
Capital assets	10,238,557	7,519,358
Total assets	14,254,361	15,388,659
Total deferred outflows of resources	1,625,132	1,854,757
Long-term liabilities outstanding	2,429,762	4,882,567
Other liabilities	1,607,200	2,971,959
Total liabilities	4,036,962	7,854,526
Total deferred inflows of resources	2,420,439	1,276,649
Net position:		
Net investment in capital assets	9,002,293	4,811,743
Restricted	-	3,229,897
Unrestricted	419,799	70,601
Total net position	\$ 9,422,092	\$ 8,112,241

As noted earlier, net position may serve, over time, as a useful indicator of the Center's financial position. As of June 30, 2021, the Center's assets exceeded liabilities by \$9,422,092. Net position as of June 30, 2020 was \$8,112,241.

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

The table below shows the changes in Net Position for the years ended June 30, 2021, and 2020.

**SLVECC's Changes in Net Position**

	2021	2020
Revenues:		
Operating revenues:		
911 service charges	\$ 7,675,877	\$ 7,431,547
Member billings	8,369,483	7,893,864
Intergovernmental grants	-	534,322
Miscellaneous	553,150	231,570
Nonoperating revenues:		
Interest income	18,652	76,988
Lease revenue	60,180	66,232
Total revenues	<u>16,677,342</u>	<u>16,234,523</u>
Operating expenses:		
Personnel	12,941,997	13,556,006
Utilities	1,257,967	1,253,894
Professional services	517,464	530,206
Supplies and maintenance	1,886,104	1,720,891
Depreciation	734,340	776,233
Nonoperating expenses:		
Interest expense	46,799	63,945
Total expenses	<u>17,384,671</u>	<u>17,901,175</u>
Increase (Decrease) in net position	(707,329)	(1,666,652)
Net position - beginning of year	8,112,241	9,778,893
Prior Period Adjustment	2,017,180	-
Net position - end of year	<u>\$ 9,422,092</u>	<u>\$ 8,112,241</u>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Capital Assets

At the end of fiscal year 2021, there was a \$10,238,557 net investment in capital assets. During 2021, there was a total of \$3,728,167 in capital asset additions consisting of approximately \$3,507,156 of work in process related to the CAD Project and approximately \$971,848 in computer equipment and related software, less depreciation of \$734,340. During 2020, capital assets increased by approximately \$971,848 consisting of approximately \$117,000 related to the installation of a new fire alert system in member fire stations, approximately \$434,000 related to the CAD Project and approximately \$420,000 in computer equipment and software, less depreciation of \$776,000.

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

**SLVECC's Capital Assets, Net of Accumulated Depreciation**

	2021	2020
Land	\$ 100,000	\$ 100,000
Work in process	5,555,301	2,048,145
Buildings	2,478,176	2,723,962
Improvements other than buildings	-	-
Equipment, furnitures and fixtures	2,105,080	2,372,623
Total	\$ 10,238,557	\$ 7,244,730

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, 2021 the Center had long-term obligations outstanding related to compensated absences due to employees totaling \$864,523, compared to \$874,650 and \$563,692 in 2020 and 2019, respectively.

As of June 30, 2021, the Center had a net pension liability totaling \$328,975 compared to \$2,335,890 at June 30, 2020 and \$3,271,847 at June 30, 2019.

During 2018, the Center issued \$1,820,000 in revenue bonds to fund a fire station alert system. The total outstanding balance of those bonds at June 30, 2021 is \$1,075,000.

The Center has entered into several different capital lease agreements for the acquisition of computer equipment. The total balance of those capital leases as of June 30, 2021 is \$161,264, \$347,027 at June 30, 2020 and \$815,573 at June 30, 2019.

The following summarizes the long-term debt activity for the Center for fiscal years 2021, and 2020.

**SLVECC's Outstanding Debt**

	2021	2020
Capital lease obligations	\$ 161,264	\$ 347,027
Revenue bonds payable	1,075,000	1,325,000
Compensated absences	864,523	874,650
Total	\$ 2,100,787	\$ 2,546,677

The Center has no bond rating.

Additional information on the Center's Long-Term Debt can be found in Note D on pages 15 and 16 of this report.



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

**CONTACTING THE CENTER'S FINANCIAL MANAGEMENT**

This financial report is designed to provide a general overview of the Center's finances and to demonstrate the Center's accountability for the money it receives. If you have questions about this report or need additional information, contact the Center's Deputy Director of Administration and Finance at 5360 South Ridge Village Drive, West Valley City, Utah 84118, by phone at (801) 840-4033, or e-mail at the following address: [cjensen@vecc911.com](mailto:cjensen@vecc911.com).

## **BASIC FINANCIAL STATEMENTS**

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

**Assets**

Current Assets

Cash and cash equivalents	\$ 2,616,999
Intergovernmental receivable	1,337,657
Prepaid expenses	<u>61,148</u>
Total Current Assets	<u>4,015,804</u>

Noncurrent Assets

Nondepreciable capital assets	5,655,301
Depreciable capital assets, net of accumulated depreciation	<u>4,583,256</u>
Total Noncurrent Assets	<u>10,238,557</u>

**Total Assets**

14,254,361

**Deferred Outflows of Resources**

Pension related	<u>1,625,132</u>
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**Total Assets and Deferred Outflows of Resources**

\$ 15,879,493

**Liabilities**

Current Liabilities

Accounts payable	\$ 147,090
Accrued liabilities	285,100
Unearned revenue	1,175,010
Capital lease obligations - current	161,264
Revenue bonds - current	255,000
Compensated absences - current	<u>589,791</u>
Total Current Liabilities	<u>2,613,255</u>

Noncurrent Liabilities

Revenue bonds - net of current	820,000
Compensated absences - net of current	274,732
Net pension liability	<u>328,975</u>
Total Noncurrent Liabilities	<u>1,423,707</u>

**Total Liabilities**

4,036,962

**Deferred Inflows of Resources**

Pension related	<u>2,420,439</u>
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**Net Position**

Net investment in capital assets	9,002,293
Unrestricted	<u>419,799</u>

**Total Net Position**

9,422,092

**Total Liabilities, Deferred Inflows of Resources and Net Position**

\$ 15,879,493

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, 2021**

<b>Operating Revenues</b>	
Charges for services:	
911 service charges	\$ 7,675,877
Member billings	8,369,483
Miscellaneous	553,150
<b>Total Operating Revenues</b>	<u>16,598,510</u>
<b>Operating Expenses</b>	
Personnel	12,941,997
Utilities	1,257,967
Professional services	517,464
Supplies and maintenance	1,886,104
Depreciation	734,340
<b>Total Operating Expenses</b>	<u>17,337,872</u>
<b>Operating Income (Loss)</b>	<u>(739,362)</u>
<b>Nonoperating Revenues (Expenses)</b>	
Interest income	18,652
Lease revenue	60,180
Interest expense	(46,799)
<b>Total Nonoperating Revenues (Expenses)</b>	<u>32,033</u>
<b>Change in Net Position</b>	(707,329)
<b>Net Position, Beginning</b>	8,112,241
<b>Prior Period Adjustment</b>	<u>2,017,180</u>
<b>Net Position, Ending</b>	<u>\$ 9,422,092</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, 2021**

<b>Cash flows from operating activities</b>	
Receipts from 911 service charges	\$ 7,654,001
Receipts from member billings	9,397,667
Payments to suppliers	(3,681,143)
Payments to employees and related benefits	(13,674,055)
Other receipts	553,150
	<hr/>
<b>Net cash provided (used) by operating activities</b>	<b>249,620</b>
<b>Cash flows from capital and related financing activities</b>	
Purchase of capital assets	(3,728,166)
Principal paid on revenue bonds	(250,000)
Interest paid on revenue bonds	(39,088)
Principal paid on capital lease obligations	(185,763)
Interest paid on capital lease obligations	(13,058)
	<hr/>
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(4,216,075)</b>
<b>Cash flows from investing activities</b>	
Lease revenue collected	60,180
Interest income collected	18,652
	<hr/>
<b>Net cash provided (used) by investing activities</b>	<b>78,832</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,887,623)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>6,504,622</b>
	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 2,616,999</b>
	<hr/> <hr/>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>	
Operating income (loss)	\$ (739,362)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	734,340
Changes in assets and liabilities:	
Receivables	(21,876)
Prepaid expenses	(18,667)
Changes in net pension liability and related deferred inflows and outflows	(633,500)
Unearned revenue	1,028,184
Accounts payable, net of prior period adjustment	(941)
Accrued liabilities	(98,558)
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<b>Net cash provided (used) by operating activities</b>	<b>\$ 249,620</b>
	<hr/> <hr/>

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.

Operating revenues and expenses are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expense not related to capital and related financing, noncapital financing, or investing activities. The Center's net position is reported in three parts – net investment in capital assets, restricted, if any, and unrestricted.

#### Receivables

Receivables consist of amounts due from member agencies, 911 franchise taxes, governmental grants, and miscellaneous other items. An allowance for doubtful accounts is not considered necessary as of June 30, 2021.

#### 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 period operating expenses, whereas additions and improvements are capitalized.

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital assets and depreciation (continued)

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 position 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 position 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.

**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, 2021 are as follows:

<b>Cash on hand and on deposit:</b>	
Cash on deposit	\$ 1,095,952
PTIF investments	1,521,047
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<b>Total cash and investments</b>	<b>\$ 2,616,999</b>
	<hr/>
<b>Cash and investments are included in the accompanying combined statement of net position as follows:</b>	
Cash and cash equivalents	\$ 2,616,999
	<hr/>
<b>Total cash and investments</b>	<b>\$ 2,616,999</b>
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## SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER NOTES TO THE FINANCIAL STATEMENTS

### NOTE B DEPOSITS AND INVESTMENTS (Continued)

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, 2021, \$818,508 of the Center's \$1,144,428 balance of 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.

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 on a monthly basis. Additional information is available at the Utah State Treasurer's Office.



**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE B DEPOSITS AND INVESTMENTS (Continued)**

For the year ended June 30, 2021, the Center had investments of \$1,521,047 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, 2021, 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>
<b>Cash on hand and on deposit:</b>					
Cash on deposit	\$ 1,095,952	1	\$ 1,095,952	N/A	N/A
Utah State Public Treasurer's Investment Fund	<u>1,521,047</u>	1.00335237	<u>1,526,146</u>	N/A	< 3 mos.
<b>Total cash on hand and deposit</b>	<u><u>\$ 2,616,999</u></u>		<u><u>\$ 2,622,098</u></u>		

The Center's PTIF investments is classified as level 2 and is calculated by applying the June 30, 2021 fair value factor, as calculated by the Utah State Treasurer, to the Center's balance in the fund.

**NOTE C CAPITAL ASSETS**

Capital asset activity is summarized as follows:

	<u>July 1, 2020 Restated</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2021</u>
Capital assets not being depreciated:				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Work in process	<u>2,048,145</u>	<u>3,507,156</u>	<u>-</u>	<u>5,555,301</u>
Total capital assets not being depreciated	<u>2,148,145</u>	<u>3,507,156</u>	<u>-</u>	<u>5,655,301</u>
Capital assets being depreciated:				
Buildings	7,373,567	-	-	7,373,567
Improvements other than buildings	173,467	-	-	173,467
Equipment, furniture, and fixtures	<u>13,214,249</u>	<u>221,011</u>	<u>(139,876)</u>	<u>13,295,384</u>
Total capital assets being depreciated	<u>20,761,283</u>	<u>221,011</u>	<u>(139,876)</u>	<u>20,842,418</u>
Less accumulated depreciation:				
Buildings	(4,649,605)	(245,786)	-	(4,895,391)
Improvements other than buildings	(173,467)	-	-	(173,467)
Equipment, furniture, and fixtures	<u>(10,841,626)</u>	<u>(488,554)</u>	<u>139,876</u>	<u>(11,190,304)</u>
Total accumulated depreciation	<u>(15,664,698)</u>	<u>(734,340)</u>	<u>139,876</u>	<u>(16,259,162)</u>
Total capital assets, net of accumulated depreciation	<u><u>\$ 5,096,585</u></u>	<u><u>\$ (513,329)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,583,256</u></u>

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE D LONG-TERM OBLIGATIONS**

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

	<u>July 1, 2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2021</u>	<u>Due Within One Year</u>
<b>Revenue bonds from direct placements</b>					
Series 2018 bonds	\$ 1,325,000	\$ -	\$ (250,000)	\$ 1,075,000	\$ 255,000
<b>Capital lease obligations</b>	347,027	-	(185,763)	161,264	161,264
<b>Compensated absences</b>	874,650	342,550	(352,677)	864,523	589,791
<b>Total long-term debt</b>	<u>\$ 2,546,677</u>	<u>\$ 342,550</u>	<u>\$ (788,440)</u>	<u>\$ 2,100,787</u>	<u>\$ 1,006,055</u>

The revenue bonds consist of \$1,820,000 Series 2018 Revenue bonds, due serially through 2025 including interest at 2.95%. As of June 30, 2021, annual debt service requirements to maturity on the bonds are as follows:

<b>Revenue Bonds from Direct Placements</b>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 255,000	\$ 31,712	\$ 286,712
2023	265,000	24,190	289,190
2024	275,000	16,372	291,372
2025	280,000	8,260	288,260
	<u>\$ 1,075,000</u>	<u>\$ 80,534</u>	<u>\$ 1,155,534</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)	\$ (739,362)
Add: Depreciation	734,340
Add: Interest income	18,652
Add: Lease revenue	<u>60,180</u>
Net revenues	<u>\$ 73,810</u>
Aggregate debt service for 2022	<u>\$ 286,712</u>
Ratio of net revenues to aggregate debt service for 2022	0.26
Minimum ratio	1.25

At June 30, 2021, the Center was not in compliance with the rate covenant. The Center has addressed this by increasing member assessments during fiscal 2022 and anticipates that the increase will provide net revenues sufficient to satisfy the rate covenant requirement.

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE D LONG-TERM OBLIGATIONS (Continued)**

Pledged revenues

The 2018 bonds were used to finance a fire alert system installed at member entities' fire stations. Revenues have been pledged for debt service payments through 2025. Total revenues through 2025 have not been estimated. Operating revenues in the current year totaled \$16,598,510 and debt service for the bonds was \$289,088.

**NOTE E CAPITAL LEASE OBLIGATIONS**

The Center has entered into two other lease agreements for financing the acquisition of certain computer equipment. These lease agreements qualified as capital leases for accounting purposes and, have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through these capital leases are as follows at June 30, 2021:

	<b>Amount</b>
Equipment, furniture, and fixtures	\$ 545,995
Less: Accumulated depreciation	(389,491)
	\$ 156,504

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2021 are as follows:

<u>Year</u>	<b>Amount</b>
2022	\$ 166,766
Total minimum lease payment	166,766
Less: amount representing interest	(5,502)
Present value of minimum lease payments	\$ 161,264

**NOTE F LEASE REVENUE**

The Center is currently leasing a radio room to Utah Communications Agency Network (UCAN) under an operating lease agreement. Under the terms of the lease, UCAN is required to make quarterly payments until December 31, 2040. The quarterly payments will be \$12,330 until July 1, 2025, and every fifth year thereafter during the term of the lease, the lease amount will increase by 4%.

In addition, the Center is leasing a storage facility to UCAN under an operating lease agreement. The annual lease amount under this lease agreement is \$22,872 until October 31, 2022, at which time the lease expires unless both parties agree to extend the term of the lease.

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE F LEASE REVENUE (Continued)**

The following is a schedule of the future minimum lease receipts under the terms of these leases:

<u>Year</u>	<u>Amount</u>
2022	\$ 72,192
2023	72,192
2024	56,944
2025	49,320
2026	49,320
Thereafter	715,140
	<u><u>\$ 1,015,108</u></u>

**NOTE G COMPENSATED ABSENCES**

Full-time, regular employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Center. Accumulated unpaid amounts are accrued when benefits vest to employees and the unpaid liability is reflected as compensated absences payable.

**NOTE H PENSION PLANS**

General Information about the Pension Plan

*Plan description:* Eligible plan participants are provided with pensions through the Utah Retirement Systems. 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, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple-employer, cost-sharing, public employee retirement system.

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](http://www.urs.org).

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE H PENSION PLANS (Continued)**

Summary of Benefits by System

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

Retirement benefits are as follows:

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

Contributory Rate Summary

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

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

Utah Retirement System	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	N/A	15.80%	0.89%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	18.47%	N/A
Tier 2 DC Only			
211 - Local Government	N/A	6.69%	10.00%

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

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE H PENSION PLANS (Continued)**

Contributory Rate Summary (Continued)

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

<b>System</b>	<b>Employer Contributions</b>	<b>Employee Contributions</b>
Noncontributory System	\$ 786,582	N/A
Tier 2 Public Employees System	649,933	\$ -
Tier 2 DC Only System	22,742	N/A
Total Contributions	<u>\$ 1,459,257</u>	<u>\$ -</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, 2021, we reported a net pension asset of \$0 and a net pension liability of \$328,975.

	<u>Measurement Date: December 31, 2020</u>			<u>Proportionate Share</u>	<u>Change</u>
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>December 31, 2019</u>	
Noncontributory System	\$ -	\$ 293,663	0.5725075%	0.6048016%	-0.0322941%
Tier 2 Public Employees System	-	35,312	0.2455151%	0.2510906%	-0.0055755%
Total Net Pension Asset / Liability	<u>\$ -</u>	<u>\$ 328,975</u>			

The net pension asset and liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended June 30, 2020, we recognized pension expense of \$817,596.

At June 30, 2021, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 426,475	\$ 16,169
Changes in assumptions	44,665	39,698
Net difference between projected and actual earnings on pension plan investments	-	2,247,565
Changes in proportion and differences between contributions and proportionate share of contributions	422,642	117,007
Contributions subsequent to the measurement date	731,350	-
Total	<u>\$ 1,625,132</u>	<u>\$ 2,420,439</u>

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE H PENSION PLANS (Continued)**

Combined Pension Assets, Liabilities, Expense, and

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

\$731,350 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2020.

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
2021	\$ (287,869)
2022	(166,088)
2023	(781,017)
2024	(362,430)
2025	12,107
Thereafter	58,640

Actuarial assumptions

The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 – 9.75 percent, average, including inflation
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 improvement assumption 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.

The actuarial assumptions used in the January 1, 2020, valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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.

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE H PENSION PLANS (Continued)**

Actuarial assumptions (Continued)

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

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

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

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

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

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 5,091,255	\$ 293,663	\$ (3,705,851)
Tier 2 Public Employees System	594,194	35,312	(392,218)
<b>Total</b>	<u>\$ 5,685,449</u>	<u>\$ 328,975</u>	<u>\$ (4,098,069)</u>

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



**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE I 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:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>401(k) Plan</b>			
Employer Contributions	\$ 173,679	\$ 179,592	\$ 88,202
Employee Contributions	97,838	100,543	72,210
<b>457(b) Plan</b>			
Employer Contributions	\$ 2,367	\$ 15,389	\$ 7,899
Employee Contributions	8,326	20,887	21,859
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 6,565	\$ 1,350	\$ 1,300

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 \$419,323 in 2021 (\$388,547 by employees and the Center in 2020).

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 \$340,290 in 2021 (\$33,483 in 2020).

**NOTE J 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 2021, 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.

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE J RISK MANAGEMENT (Continued)**

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 K COMMITMENTS AND CONTINGENCIES**

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

**NOTE L PRIOR PERIOD ADJUSTMENTS**

Beginning net position has been restated to record the following prior period adjustments:

- Adjustment to correct utilities expenses not recorded in the prior year, which decreased net position by \$68,780.
- Adjustment to correct a liability to Salt Lake City Corporation that was overstated in the prior year, which increased net position by \$2,085,960.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**UTAH RETIREMENT SYSTEMS**  
**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>		
2014	0.4723578%	0.1472733%
2015	0.4707546%	0.2015308%
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%
<u>Proportionate share of the net pension liability (asset)</u>		
2014	\$ 2,051,089	\$ (4,463)
2015	2,663,928	(440)
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
<u>Covered payroll</u>		
2014	\$ 3,935,254	\$ 723,138
2015	3,756,542	1,302,273
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
<u>Proportionate share of the net pension liability (asset) as a percentage of its covered payroll</u>		
2014	52.12%	-0.62%
2015	70.91%	-0.03%
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%
<u>Plan fiduciary net position as a percentage of the total pension liability (asset)</u>		
2014	90.2%	103.5%
2015	87.8%	100.2%
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%

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

**SALT LAKE VALLEY EMERGENCY COMMUNICATIONS CENTER**  
**SCHEDULE OF CONTRIBUTIONS**  
**UTAH RETIREMENT SYSTEMS**  
**Last 10 Years\***

<u>For the year ended December 31,</u>	<u>Noncontributory System</u>	<u>Tier 2 Public Employees System **</u>	<u>Tier 2 Public Employees DC Only System **</u>
<u>Actuarial Determined Contributions</u>			
2014	\$ 684,965	\$ 91,550	\$ 1,083
2015	709,690	144,581	1,701
2016	621,101	235,243	4,372
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
<u>Contributions in relation to the contractually required Contributions</u>			
2014	\$ 684,965	\$ 91,550	\$ 1,083
2015	709,690	144,581	1,701
2016	621,101	235,243	4,372
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
<u>Contribution deficiency (excess)</u>			
2014	\$ -	\$ -	\$ -
2015	-	-	-
2016	-	-	-
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
<u>Covered payroll</u>			
2014	\$ 4,006,120	\$ 654,480	\$ 19,434
2015	3,892,551	968,502	25,311
2016	3,405,159	1,588,632	71,630
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
<u>Contributions as a percentage of covered payroll</u>			
2014	17.10%	13.99%	5.57%
2015	18.23%	14.93%	6.72%
2016	18.24%	14.81%	6.10%
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%

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

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