



UNIFIED FIRE AUTHORITY BOARD MINUTES

NOVEMBER 18, 2025, 7:30 AM

Electronically via Zoom Webinar/UFA Headquarters-3380 South 900 West SLC, UT 84119

- Call to Order

Quorum present

Chair Fotheringham called the meeting to order at 7:30 am.

- Public Comment

None

Public comment was available live and with a posted email address.

- Minutes Approval

a. October 21, 2025

Mayor Knopp made a motion to approve the October 21, 2025, minutes as submitted. Mayor Gettel seconded the motion, and all voted in favor; none opposed.

- Consent Agenda

a. Review of October Disbursements

CFO Hill presented the October 2025 disbursements to the board. October includes all three annual financing payments: two to JPMorgan and one to Bank of America. Tony stated that these are routine yearly payments. Mayor Fotheringham asked about the increase in travel-related expenses. CFO Hill explained that the increase is due to UFA's wildland firefighters traveling to wildland incidents. These expenses are reimbursable to UFA once the season's fire bills are complete.

Mayor Gettel made a motion to approve the October disbursements as submitted. Mayor Knopp seconded the motion, and all voted in favor; none opposed.

- Quarterly Financial Report

CFO Hill presented the first quarterly report of the 25/26 budget to the UFA Board. Starting with the General Fund Revenue, UFA has collected \$19.4 million in member fees, and all members are current. Ambulance revenue of \$2.3 million has been collected. \$1.3 million in other revenues collected, making the total revenue collected \$24.1 million for the first quarter of the FY25/26 budget.

CFO Hill reviewed the General Fund Expenditures, emphasizing the actual expenditures column.

Encumbrances total \$4.7 million in committed purchasing orders. Tony reviewed the personnel costs with

the board. The actual expenditures are \$19.9 million, the annual budget is \$80.6 million, and the budget is tracking under 25% spent, which is appropriate for quarter one.

CFO Hill discussed the Overtime Budget with the board, stating that overtime appears slightly over due to Wildland Deployments, and that those costs will be reimbursed. Overall, the net overtime is lower than in previous years due to the addition of a second recruit camp, which ensured full staffing.

Tony reviewed the Wildland Fund, highlighting revenues of \$3 million and expenditures of \$2.6 million. The Wildland Fund has performed well, as it was an active wildland season.

CFO Hill reviewed the Emergency Management Fund, highlighting revenues of \$1.4 million, expenditures of \$677,000, and noted that EM receives its primary revenue twice per year, causing early-year variances.

CFO Hill reviewed the Capital Replacement Fund with the board, noting that most expenditures currently appear as encumbrances. The recently secured \$22 million in financing will now begin to be spent down. Any negative encumbrances are prior-year purchase orders that will clear as the purchases are finalized.

Mayor Fotheringham asked CFO Hill about the large amount of vehicle maintenance used so far. Tony explained that this is normal for the Wildland Division and the higher expenditures are due to an active season, but that the costs will be reimbursed.

Mayor Knopp made a motion to approve the quarterly financial report, including the list of expenditures for the last quarter as presented. Council Member Jackson seconded the motion, and all voted in favor; none opposed.

- Public Hearing to Receive and Consider Comments on Proposed Amendments to the 25/26 Fiscal Year Budget

Before the public hearing began, CFO Hill highlighted the proposed amendments to the 25/26 fiscal year budget with the UFA Board. Tony reminded the board that this is the first of the three amendments usually completed in the fiscal year, covering grant updates, true-ups, and structural adjustments.

General Fund amendments included the EMS Per Capita grant, which added \$ 5,000 in revenue and corresponding expenditures. EMS School had lower enrollment than projected, and this amendment reduces revenue and costs to actual levels.

Wildland and Camp Williams amendments are due to increases in deployment revenue. \$285,000 will be added to Wildland, and \$200,000 will be added to Camp Williams in the line items of personnel overtime

and vehicle maintenance. There is a slight \$7,000 increase that will be moved into the Capital Lease to align with the actual financing.

CFO Hill discussed the fund balance designations, stating that the Camp Williams fund balance will commit \$138,000 to future purchases and that Emergency Management will commit \$150,000 for future building capital.

Mayor Fotheringham asked CFO Hill about the Emergency Coordination Center regarding the building's ownership. Tony reminded the board that Salt Lake County owns the building and that the UFA rents the office space from the county.

CFO Hill discussed the Emergency Management Amendments with the Board. \$470,000 will be moved for one-time projects funded by the EM fund balance, along with amendments to the grants. There will be \$11,900 in sponsorship revenue for the upcoming conference, as well as a \$150,000 transfer from EM to the Capital Fund.

CFO Hill discussed the capital replacement fund amendments with the board, stating that UFA received a lower interest rate than budgeted, which reduced the capital lease payment by \$124,000. \$2,000 was added for the bond attorney review. In this fund, the ambulance cots and lower-load systems will be reclassified to the correct account.

CFO Hill informed the Board that the Wildland Fund will receive \$1,000,000 from the BLM to fund the wildland fire station that will be built on the UFA Fire Training site.

Mayor Gettel made a motion to open the public hearing to receive and consider comments on proposed amendments to the 25/26 fiscal year budget. Council Member Huish seconded the motion, and a roll call vote was taken.

Roll Call Vote

Bailey	-	Jackson	YES
Bourke	YES	Kanter	-
Buroker	YES	Knopp	YES
Butterfield	-	Overson	YES
Fotheringham	YES	Stewart	-
Gettel	YES	Weichers	-
Harris	YES	Westmoreland	YES
Henderson	YES		
Huish	YES		
Hull	-		

Chair Fotheringham asked for any public comment in person or online. Seeing none, Council Member Jackson made a motion to close the public hearing to receive and consider comments on proposed amendments to the 25/26 fiscal year budget. Council Member Huish seconded the motion, and a roll call vote was taken.

Bailey	-	Jackson	YES
Bourke	YES	Kanter	-
Buroker	YES	Knopp	YES
Butterfield	-	Overson	YES
Fotheringham	YES	Stewart	YES
Gettel	YES	Weichers	-
Harris	YES	Westmoreland	YES
Henderson	YES		
Huish	YES		
Hull	-		

- Consider Resolution 11-2025A, Approving a Budget Amendment to the 25/26 Fiscal Year Budget

Mayor Gettel made a motion to approve resolution 11-205A, amending the 25/26 fiscal year budget as presented. Council Member Huish seconded the motion, and a roll call vote was taken.

Bailey	-	Jackson	YES
Bourke	YES	Kanter	-
Buroker	YES	Knopp	YES
Butterfield	-	Overson	YES
Fotheringham	YES	Stewart	YES
Gettel	YES	Weichers	-
Harris	YES	Westmoreland	YES
Henderson	YES		
Huish	YES		
Hull	-		

- Committee Updates

- a. Benefits and Compensation

No meeting was held

Chair election will take place in January 2026

Next meeting will be 01/22/26 9:00 am

- b. Governance Committee-Chair Gettel

No meeting was held

c. Finance Committee-Chair Henderson

No meeting was held

Next meeting will be 12/01/25 1:30 pm

- Administration and Planning Report-AC Russell

- a. HB48

AC Russell emphasized the importance of keeping the Board members informed as HB48 implementation moves forward. FM Watkins stated that the high-risk WUI map will take effect on January 1, 2026, and will show the state-assessed fee for high-risk properties. The fee is expected to be in the \$50-\$100 range per taxable structure.

FM Watkins clarified that the State high-risk WUI map and the local WUI boundary maps adopted under the 2006 Utah WUI code are related but separate. The State map will drive the fee applied by the State; the local map defines where WUI building and fire code provisions apply, as adopted by each city or town. FM Watkins talked about the Structure Exposure Score (SES). The State will provide SES data, such as fuel load, topography, and ember exposure.

Board members expressed continued concern about clarity and emphasized the need for simple, direct tools to help municipalities and residents know what to do regarding the bill. FM Watkins will continue to work with the liaisons to support the municipalities.

- Operations Report-AC Dern

- a. Operations Report

UFA has responded to nearly 35,000 calls so far this year, including 3,300 in October. Data shows that UFA is expected to handle about 1,800 more calls in 2025 than in 2024. Page two of the report compares 2025 to 2024 month by month. Station 101 was the busiest in October, responding to 356 incidents, followed by Station 118 with 228 incidents. Most of the call volume comes from EMS calls.

- b. Standards of Cover (SOC) Update

AC Dern informed the board that the 2023 standards of the cover document is being updated and will be ready in the spring of 2026. The SOC document is UFA's service-level roadmap that helps identify risks and gaps, assess how well UFA is performing, and determine the level of service communities expect.

The Standards of Cover Committee will have a working draft version of the document for Command Staff to review in December. The document will be reviewed with all the municipalities for update in mid-January via the UFA liaisons. UFA will schedule meetings with each city's leadership to review local performance, risks, and proposed benchmarks. AC Dern thanked BC Fossum, BC Torgerson, and Captain Hobbs for their

work on the document. UFA Board Members expressed their appreciation and noted that the standards of cover provide valuable data that helps with future decisions.

c. Staffing Update

AC Dern reported positive progress on staffing and mandatory overtime, maintaining the overtime line item in the budget. Mandatory overtime has continued to decline due to the implementation of a second recruit camp over the last few years. This has allowed staff to fill vacancies earlier and avoid carrying vacancies for long periods. UFA is currently short in the rank of Paramedic, and staff is looking at strategies to encourage existing firefighters to pursue paramedic training. Staff are considering a Paramedic lateral hire in the summer of 2026.

Council Member Buroker asked if personnel have expressed concerns about fewer overtime opportunities, as that can impact income. Chief Burchett stated that Command Staff has worked closely with the labor group to identify a target level of voluntary overtime and minimal mandatory coverage. The goal has been to balance having adequate overtime opportunities and avoiding excessive mandatory shifts.

Chair Fotheringham stated that he and Mayor Gettel attended Camp 60's graduation and noted that five of the 20 new firefighters are women, which is higher than historical data and a significant trend. He commented on the strong culture of camaraderie and leadership displayed at the ceremony and encouraged the board members to attend future ceremonies.

Fire Chief Report-Chief Burchett

a. Update on Health Insurance Contingent Funding

Chief Burchett provided an update on UFA's contingent funding and talked about the model with Select Health. Three years ago, UFA adopted a contingent funding approach with guidance from Gallagher, in part as a bridge between traditional fully insured and self-insured models. Under this model, UFA and Select Health reconcile actual costs against premiums at year-end, and UFA can pay up to 5% if claims are high or save up to 10% if claims are low.

Gallagher noted earlier in the year that UFA's claims are trending higher than usual, driven by several high-cost claims. UFA has been advised to expect to pay approximately \$360,000 at the end of the year. UFA will pay 80% of these costs, and employees will pay 20%, collected via a January payroll deduction. Staff will continue to monitor renewal rates and overall cost-effectiveness of the contingent model.

b. REMS Unit Update

Chief Burchett highlighted the wildland Rapid Extrication Module Support (REMS) unit. The REMS team is a 5-6-person team that provides highly technical extrication of injured firefighters from remote, rugged terrain on wildland incidents. UFA was able to staff the unit this wildland season and will continue to send

the unit next season, as all costs are reimbursable. The training and experience are excellent for the Heavy Rescue and Wildland program.

Chief Burchett talked about the funeral of one of Salt Lake City's Fire Department firefighters. UFA is helping with the funeral by staffing some Salt Lake City fire stations so their units can attend. The Board Members expressed condolences to SLCFD.

Reminder that the December Board meeting is a week earlier than usual to accommodate holiday schedules. The meeting will be held on December 9, 2025.

Closed Session

None

Adjournment

Council Member Stewart moved to adjourn the November 18, 2025, UFA Board Meeting. Council Member Hull seconded the motion, and all voted in favor; none opposed.

BOARD MEMBERS IN ATTENDANCE

Mayor Dustin Gettel

Council Member Cheri Jackson

Mayor Paul Fotheringham

Mayor Kristie Overson

Mayor Dan Knopp

Council Member Jared Henderson

Mayor Roger Bourke

Council Member Tyler Huish

Council Member Tish Buroker

Council Member Trish Hull

Mayor Tom Westmoreland

Council Member Sheldon Stewart

BOARD MEMBERS ABSENT

Council Member Mike Weichers

Council Member Chrystal Butterfield

Deputy Mayor Catherine Kanter

Council Member Kathleen Bailey

Council Member Catherine Harris

STAFF IN ATTENDANCE

Chief Dominic Burchett

CLO Brian Roberts

CFO Tony Hill

Clerk Micayla Dinkel

ATTENDEES

AC Dern

AC Russell

AC Robinson

DC Widdison

Bill Brass

FM Watkins

DOC Easton
Courtney Samuel
Rachel Anderson

DC Greensides
Captain Park

BC Fossum

DRAFT



UNIFIED FIRE AUTHORITY BOARD OF DIRECTORS 2026 MEETING SCHEDULE

Meeting Start Time 7:30 a.m.

UFA Headquarters - 3380 South 900 West, Salt Lake City, UT 84119 (unless otherwise noted)

The UFA Board meets every 3rd Tuesday of each month as noted below

January 20, 2026

February 17, 2026

March 17, 2026

April 21, 2026

May 19, 2026

June 16, 2026

July 21, 2026

August 18, 2026

September 15, 2026

October 20, 2026

November 17, 2026

December 8, 2026

(changed to accommodate holiday schedules)

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL UFA MEETINGS.

In accordance with the Americans with Disabilities Act, UFA will make reasonable accommodations for participation in the meetings. Please call the clerk at least three working days prior to the meeting at 801-743-7213. Motions relating to any of the foregoing, including final action, may be taken at the meetings. The meetings will be held electronically to allow members of the UFA Board to participate.



UNIFIED FIRE AUTHORITY

ANNUAL FINANCIAL REPORT

June 30, 2025

UNIFIED FIRE AUTHORITY ANNUAL FINANCIAL REPORT

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CERTIFIED PUBLIC
ACCOUNTANTS

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Unified Fire Authority
Salt Lake City, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of Unified Fire Authority (UFA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise UFA'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 governmental activities, the business-type activities, and each major fund of UFA, as of June 30, 2025, 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 UFA 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 UFA'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 UFA'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 UFA'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.

Change in Accounting Principle

As described in Note 16 to the financial statements, UFA adopted new accounting guidance, GASB Statement No. 101, Compensated Absences. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated November 25, 2025, on our consideration of UFA'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 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 UFA'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 UFA's internal control over financial reporting and compliance.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
November 25, 2025

A photograph of a police officer in a dark blue uniform interacting with a group of children. The officer is standing next to a red fire truck, which has "Seag" and "5166" visible on its side. The children are looking up at the officer with interest. The scene is outdoors, and the image is overlaid with a semi-transparent white box containing the text "MANAGEMENT'S DISCUSSION AND ANALYSIS".

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Unified Fire Authority (UFA), we offer readers of UFA's financial statements this narrative overview and analysis of the financial activities of UFA for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the notes to the financial statements.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

UFA's *government-wide net position* (the amount by which assets and deferred outflows exceeded its liabilities and deferred inflows) as of June 30, 2025, was \$98,092,511. Net position increased \$888,266 in 2025 over the previous year's numbers (see table on page 7).

UFA reported combined ending fund balance for governmental funds of \$26,477,874 as of June 30, 2025, (8% increase compared to \$24,580,054 in 2024). The increase is primarily due to excess ambulance and investment revenues as well as cost savings, offset by budgeted use of committed fund balances for capital replacement cash purchases. The total *spendable fund balance* on June 30, 2025, was \$25,189,512, which represents 26% of total fund expenditures. Of the total spendable fund balance, \$16,413,580 is available for appropriation and spending (*unassigned fund balance*), \$1,810,230 is assigned for future purchases, and \$6,965,702 is committed. Unassigned fund balance includes \$4,675,045 (5% of fiscal year 2025 general fund revenues) required by the State of Utah to be retained as fund balance, leaving a balance of \$11,738,535 available for appropriation. Total unassigned fund balance in 2025 increased \$2,214,156 (33%). Management believes the current unassigned fund balance to be a good indicator of UFA's positive financial position.

During the fiscal year ending June 30, 2025, UFA station crews responded to 12,318 fire-related calls and 25,920 medical calls, for a total of 38,238 calls (compared to 35,947 total calls in prior year). The average number of calls per station increased from 1,448 in 2024 to 1,530 in 2025.

UFA's 25,920 medical calls generated 13,448 billable ambulance transports, compared to 12,702 in 2024. Actual ambulance call volume during the year resulted in gross billings of \$32 million (13% increase from \$28 million in 2024). The increase resulted from an increase transport volume (5%) as well as higher transport base rates. Transport base rates are adjusted annually as allowed by the State of Utah (8% increase compared to prior year). Earned revenues, net of adjustments and allowances, increased 23% to more than \$13.5 million in the fiscal year ended June 30, 2025. As of year-end, net receivables related to ambulance service were approximately \$2.7 million.

UFA's Wildland Fund reported wildland fee revenues of \$5 million as of June 30, 2025 (39% increase over 2024). Net increase in net position totaled \$1,395,201 (64%). Wildfire suppression crews worked in Utah, California, Idaho, Minnesota, Montana, North Carolina, Nevada, Oregon, Washington, and Wyoming during the 2025 season.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to UFA's basic financial statements. UFA's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements: The *government-wide financial statements* are designed to provide readers with a broad overview of UFA's finances, in a manner similar to a private-sector business. The *statement of net position* presents information on all UFA'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 UFA is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement on an accrual basis. Cash flow from such transactions could impact future fiscal periods.

The government-wide financial statements identify functions of UFA that are principally supported by taxes and intergovernmental revenues, as *governmental activities*. Revenues designed to recover all or a significant portion of the activity costs are identified as *business-type activities*. Using resources of 427 field firefighter allocations and operating from 24 stations, UFA provides these governmental activities: fire suppression, fire prevention, training, EMS support, hazmat services, arson/bomb investigations, and emergency management conducted primarily within the UFA service area. The business-type activity of UFA is wildfire suppression that is conducted largely outside UFA's service area on a contract basis with other governmental agencies.

Fund financial statements: A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. UFA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. UFA uses both governmental funds and a proprietary fund.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* in the fund financial statements with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

UFA maintains three major governmental funds: the General fund, the Special Revenue fund, and the Fire Capital Projects fund. UFA also maintains the Emergency Services Capital Projects fund, a non-major governmental fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for these funds.

Proprietary funds (also referred to as "enterprise funds") provide the same type of information as the government-wide financial statements, only in more detail. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. UFA currently operates a single enterprise fund for wildland fire suppression services.

Notes to the Financial Statements: The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information (RSI): UFA adopts an annual appropriated budget for its funds. Budgetary comparison statements (pages 46-47) have been provided for the general and special revenue funds to demonstrate compliance with the budget. RSI also includes required schedules for other post-employment benefits as well as pension plans (pages 48-53).

FINANCIAL ANALYSIS OF UFA AS A WHOLE

Net Position

As noted earlier, net position may serve over time as a useful measurement to assist with understanding the financial position of UFA. As of June 30, 2025, assets and deferred outflows exceeded liabilities and deferred inflows by \$98,092,511 (an increase of \$888,266 over 2024).

Summary of Statement of Net Position For the Fiscal Years Ended June 30,

	Governmental Activities		Business-Type Activities		Total Primary Government		Total \$ Change	Total % Change
	2025	2024	2025	2024	2025	2024		
Assets								
Current and other assets	\$ 83,293,203	\$ 82,674,411	\$ 3,712,422	\$ 2,115,118	\$ 87,005,625	\$ 84,789,529	\$ 2,216,096	3%
Capital assets	28,054,481	29,059,530	131,325	286,961	28,185,806	29,346,491	(1,160,685)	-4%
Total Assets	111,347,684	111,733,941	3,843,747	2,402,079	115,191,431	114,136,020	1,055,411	1%
Deferred Outflows of Resources	18,133,857	14,224,802	258,463	104,544	18,392,320	14,329,346	4,062,974	28%
Liabilities								
Current and other liabilities	4,666,911	5,235,375	444,585	314,131	5,111,496	5,549,506	(438,010)	-8%
Long-term liabilities	29,999,752	25,534,950	258,071	15,773	30,257,823	25,550,723	4,707,100	18%
Total Liabilities	34,666,663	30,770,325	702,656	329,904	35,369,319	31,100,229	4,269,090	14%
Deferred Inflows of Resources	120,207	159,719	1,713	1,173	121,920	160,892	(38,972)	-24%
Net Position								
Invested in capital assets, net of related debt	17,401,578	16,879,969	131,325	284,748	17,532,903	17,164,717	368,186	2%
Restricted	1,288,362	3,029,134	-	-	1,288,362	3,029,134	(1,740,772)	-57%
Unrestricted	76,004,731	75,119,596	3,266,516	1,890,798	79,271,247	77,010,394	2,260,853	3%
Total Net Position	\$ 94,694,671	\$ 95,028,699	\$ 3,397,841	\$ 2,175,546	\$ 98,092,512	\$ 97,204,245	\$ 888,267	1%

Current assets increased 8% during the fiscal year ended June 30, 2025. Cash increased over \$1.3 million primarily due to revenues exceeding estimates (ambulance fees and investment income) as well as cost savings, offset by usage of restricted cash for capital outlay purchases. Other current assets increased over \$1.4 million (receivables increased over \$1.3 million primarily related to EMAC deployment receivables, higher ambulance billings and wildland fees receivable as well as personnel costs receivable from a related party, prepaid increased \$30,160, and inventory increased \$59,896).

Other assets decreased \$505,181 in 2025, resulting from UFA's net pension asset reported as part of UFA's application of GASB 68 (\$51,316,067 compared to \$51,821,248 in 2024). For more information on pension plans, see Note 9.

Capital assets, net of depreciation, decreased nearly \$1.2 million (4%) compared to 2024 because depreciation expense (\$4,169,347) and net disposals (\$25,799) exceeded capital additions (\$3,034,461) during fiscal year 2025. For more information on UFA's capital assets, see note 4 on page 28.

As a result of the application of GASB 68, UFA recognizes deferred outflows and inflows of resources related to pensions. Deferred outflows of resources increased from 2024 to 2025 by \$4,062,974. Deferred inflows of resources related to pensions decreased \$38,972 as of June 30, 2025.

Current liabilities on June 30, 2025, decreased \$438,010 (8%) compared to balances on June 30, 2024. Total accounts payable decreased \$158,151 (12%) due to an improvement to our vendor payment process as well as outstanding amounts due in 2024 for capital outlay purchases. Accrued liabilities decreased \$273,332 (7%) from 2024 to 2025, primarily due to delays in 2024 with processing June after-payroll checks in following UFA's transition in payroll software systems.

Total long-term liabilities increased from 2024 to 2025 by more than \$4.7 million (18%). The net pension liability increased by \$603,060 from 2024 to 2025. Other post-employment benefits (OPEB) liability decreased \$94,288 (7%). Compensated absence liability obligations increased \$7.7 million compared to June 30, 2024. The majority of that increase (\$7.4 million) is related to the adoption of GASB No. 101 Compensated Absences, resulting in UFA reporting a liability for full sick leave accruals compared to sick leave accruals eligible for payout at termination. Compensated absence balances also increased \$600,642 due to annual activity. Financed purchase obligations decreased by UFA's principal payments made totaling \$3,276,782 (24%) during the fiscal year ending June 30, 2025. Lease liability obligations decreased \$18,659 from 2024 to 2025. Software-based information technology arrangements (SBITAs) decreased \$112,694 due to subscription payments made (\$367,699) offset by a new software subscription arrangements for EMS training and fleet management software (\$255,055). See Notes 5, 6, 7, 8, 9, and 11 for more information regarding long-term liabilities.

UFA's net investment in capital assets is \$17,532,903 (18% of total net position). Net investment in capital assets increased \$368,186 (2%) in 2025 due to capital acquisitions and debt payments exceeding net asset disposals and depreciation/amortization. Although UFA's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position decreased \$1,740,772 (57%) from 2024 to 2025. The decrease resulted primarily from usage of funds from UFA's October 2021 and 2022 debt issuances. Restricted amounts are related to supplies and equipment inventory (\$1,185,725) held at UFA's warehouse, and funds paid to vendors prior to receipt of good and/or services (\$102,637).

Unrestricted net position may be used to meet UFA's ongoing financial obligations to citizens and creditors. As of June 30, 2025, unrestricted net position was \$79,271,246 (3% increase over 2024). The increase is mainly due to recognition of GASB 68 activity related to pension obligations (\$2.5 million), excess ambulance and investment revenues, as well as cost savings, offset by a decrease related to the adoption of GASB No. 101 (\$7.4 million).

Summary of Changes in Net Position For the Fiscal Years Ended June 30,

	Governmental Activities		Business-Type Activities		Total Primary Government		Total % Change
	2025	2024	2025	2024	2025	2024	
Program Revenues							
Charges for services	\$ 96,165,437	\$ 87,709,369	\$ 5,023,169	\$ 3,548,917	\$ 101,188,606	\$ 91,258,286	11%
Grants and contributions	737,875	418,506	98,056	134,348	835,931	552,854	51%
General Revenues							
Unrestricted net							
investment earnings	1,216,842	1,257,153	34,231	34,274	1,251,073	1,291,427	-3%
Other	3,932,534	5,298,858	77,705	36,997	4,010,239	5,335,855	-25%
Member contributions	-	-	-	-	-	-	100%
Total revenues	<u>102,052,688</u>	<u>94,683,886</u>	<u>5,233,161</u>	<u>3,754,536</u>	<u>107,285,849</u>	<u>98,438,422</u>	9%
Program Expenses							
Fire protection services	90,135,619	76,040,115	-	-	90,135,619	76,040,115	19%
Emergency management	4,598,585	2,763,324	-	-	4,598,585	2,763,324	66%
Wildfire protection services	-	-	4,260,960	3,632,390	4,260,960	3,632,390	17%
Interest on long-term debt	316,864	392,988	-	-	316,864	392,988	-19%
Total expenses	<u>95,051,068</u>	<u>79,196,427</u>	<u>4,260,960</u>	<u>3,632,390</u>	<u>99,312,028</u>	<u>82,828,817</u>	20%
Excess (deficiency)							
before transfers	7,001,620	15,487,459	972,201	122,146	7,973,821	15,609,605	-49%
Transfers	(423,000)	(367,997)	423,000	367,997	-	-	100%
Change in net assets	<u>6,578,620</u>	<u>15,119,462</u>	<u>1,395,201</u>	<u>490,143</u>	<u>7,973,821</u>	<u>15,609,605</u>	-49%
Net position - beginning	95,028,702	79,771,730	2,175,547	1,685,404	97,204,249	81,457,134	19%
Restatement for change in							
accounting principle	(6,972,548)	-	(172,905)	-	(7,145,453)	-	100%
Increase in inventory	59,896	137,512	-	-	59,896	137,512	-56%
Net position - ending	<u>\$ 94,694,670</u>	<u>\$ 95,028,704</u>	<u>\$ 3,397,843</u>	<u>\$ 2,175,547</u>	<u>\$ 98,092,513</u>	<u>\$ 97,204,251</u>	1%

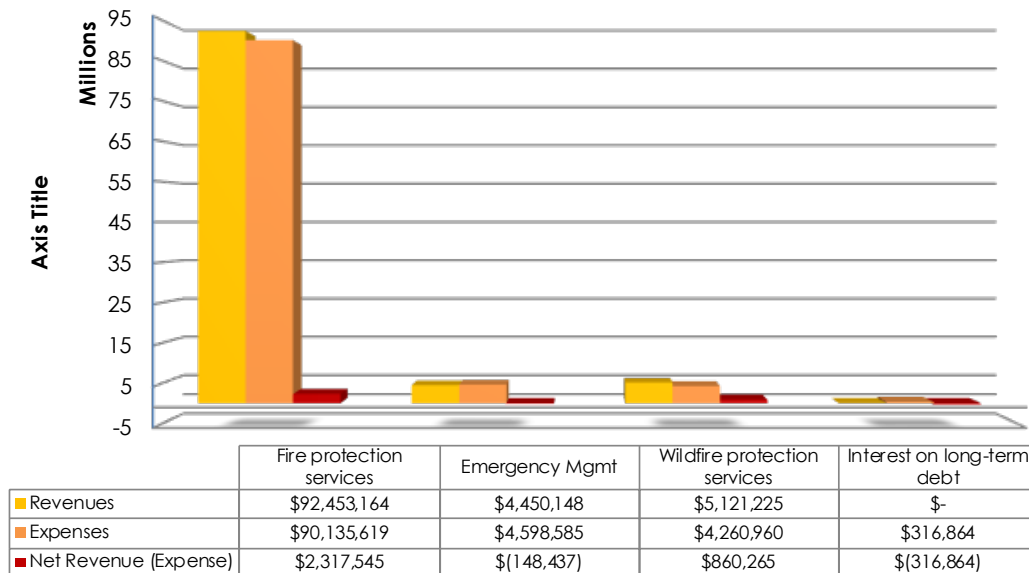
Program revenues consist of charges for services as well as grants and contributions. Total combined program revenue in 2025 increased \$2.7 million from 2024. Charges for services include amounts received from those who purchase, use, or directly benefit from or are affected by a program, such as member fees, as well as fees paid for ambulance transport, emergency management, wildland firefighting, etc. Member fees, which account for approximately 71% of UFA's charges for services, rose over \$4 million (6%) largely as a result of an increase in fees as well as the impact of UFA's January 2025 increase in staffing approved by the UFA Board. Increases in member fees, ambulance service revenues (discussed in detail below), intergovernmental revenue related to flood mitigation and EMAC deployments (\$1,761,001), reimbursements for USAR deployments (\$878,039), and wildland protection fees due to a busy wildfire season (\$1,431,774). Grant revenue increased \$283,077 primarily due to changes in Emergency Management grant projects from 2024 to 2025.

Ambulance service revenues are the second largest source of revenue for UFA (13% of UFA charges for services in 2025) and continue to provide a significant contribution to UFA's budget. The adjacent table shows ambulance activity for the past five years. Ambulance transport fee collections increased \$1,435,754 (12%) due to higher transport volume and increased base rates set by the State of Utah.

Ambulance Service Activity for the Fiscal Years Ended

	Transports		Collections	
	Annual #	% Change	Annual \$	% Change
6/30/2025	13,448	6%	\$13,501,591	23%
6/30/2024	12,702	6%	\$12,065,837	16%
6/30/2023	12,705	6%	\$11,017,234	6%
6/30/2022	11,964	8%	\$10,358,070	10%
6/30/2021	11,039	6%	\$9,402,171	6%

**Program Expense and Revenue by Activity
For the Fiscal Year Ended June 30, 2025**



Program expenses increased more than \$16 million (20%) compared to the prior year, due primarily to:

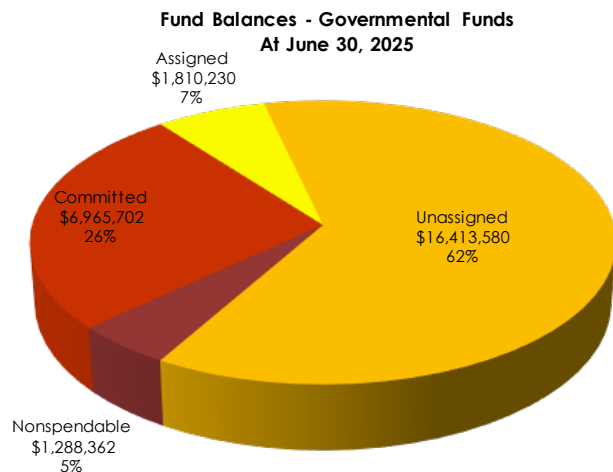
- Net personnel cost increases of over \$7.2 million resulting from new full-time allocations and increased staffing, merit raises, and cost of living increase (CPI) offset by vacancies
- More than \$7.7 million increase in benefit costs related to GASB 68 reporting requirements for pensions (\$946,814 increase in 2025 compared to reduction of \$6.7 million in 2024) as well as Increase in compensated absences obligation costs (\$130,939)
- \$2 million increase in operations costs related to grant expenditures (\$411,008), ambulance billing service and assessments (\$203,460), flood mitigation reimbursements (\$1.1 million) and purchase of extended warranties for IT and medical equipment (\$220,623)

General revenues include all revenues that do not qualify as program revenues, such as investment earnings, gain/loss on sale of capital assets, capital contributions, and other miscellaneous revenues. General revenues decreased \$1.4 million (21%) compared to 2024, resulting primarily from a reduction in GASB 68 nonemployer contribution revenue.

FINANCIAL ANALYSIS OF UFA'S FUNDS

Governmental Funds: As of June 30, 2025, the aggregate fund balance of UFA's governmental funds increased \$1,897,820 (8%) to \$26,477,874. The increase is primarily due to actual ambulance fee and investment income revenues exceeding budgeted estimates as well as cost savings in personnel and non-personnel.

Approximately 62% of the aggregate fund balance, or \$16,413,580, is unassigned and is available for appropriation by the UFA Board. Unassigned fund balance on June 30, 2025, increased \$2,214,156 (18%) compared to 2024. Unassigned fund balance includes \$4,675,045 required by the State of Utah to be retained as fund balance (5% of fiscal year 2025 general fund revenues), leaving a balance of \$11,738,535 available for appropriation.



The remaining fund balance is not available for new spending because it has already been obligated:

Assigned:

- Encumbrances \$376,625
- Special revenue \$1,433,605

Committed:

- Compensated absences \$713,882
- Retirement contributions \$103,220
- Capital acquisitions \$6,148,600

Nonspendable:

- Inventory \$1,185,725
- Prepaid \$102,637

Business-Type Funds: As of June 30, 2025, UFA's business-type fund net position increased \$1,395,201 (64%) over 2024. The increase in net position resulted from the combination of a busy wildfire season and higher deployment reimbursement rates. The Wildland program plans to utilize existing net assets for expenses associated with starting up the 2025 wildfire season and reserving funds for vehicle replacement. The division continues to focus on action-oriented and meaningful solutions to mitigate the threat of wildfire. Division resources engage in wildfire prevention and mitigation strategies that improve the resiliency of our communities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Significant variations in actual results compared to final budget:

- Actual ambulance transport fees exceeded budget by \$1,888,643 (16%) due to higher transport volume as well as increased billing rates set by the State of Utah.
- Actual investment income exceeded budget by \$279,328 (47%) due to higher interest rates.
- Grant and reimbursement revenues were below budget by \$280,235 due to delays in completing behavioral health as well as delays in reimbursements payments for EMAC deployment and search and rescue programs
- Staffing vacancies, offset by excess overtime to retain staffing levels, provided savings in actual salaries and benefits expenditures of \$3 million compared to budget.
- Efficient management of operational needs as well as delays in operational and administrative spending resulted in cost savings compared to budget totaling over \$1.2 million: professional and medical services (\$299,000), liability insurance (\$101,000), IT/communications software and equipment (\$119,000), travel and training (\$226,000), fuel (\$130,000), utilities (\$69,000), small equipment (\$92,000), and telephone and internet service (\$47,000).

Significant differences between the original budget and the final budget:

- \$611,661 increase in member fees for costs related to staffing Station #253 in Eagle Mountain
- \$151,031 increase in grant revenue and expenditures for EMS training awards as well as rollovers for security and behavioral health grant programs
- Increases in reimbursements related to EMAC and USAR deployments, including related personnel and support costs (\$1,090,615 and \$1,185,262, respectively)

For detailed budgetary comparison schedules, see the Required Supplementary Information section, beginning on page 46.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: UFA's investment in capital assets on June 30, 2025, was \$28,185,808 (net of \$53,651,721 depreciation/amortization). Capital assets decreased \$1,160,685 (4%) over the prior fiscal year, due to the fact that 2025 depreciation/amortization (\$4,169,347) and disposals (\$25,799) exceeded net additions (\$3,034,461).

Capital Assets, Net of Depreciation As of June 30,

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Right to use property & equipment	\$ 94,451	\$ 111,895	\$ -	\$ 2,176	\$ 94,451	\$ 114,071
Right to use software subscriptions	1,083,965	1,242,323	-	-	1,083,965	1,242,323
Building and improvements	3,168,447	3,238,697	816	1,131	3,169,263	3,239,828
Computer software & equipment	733,834	790,247	-	-	733,834	790,247
Construction in progress	239,024	7,470,646	-	-	239,024	7,470,646
Furniture & equipment	4,183,362	4,322,349	-	-	4,183,362	4,322,349
Land & improvements	2,730,799	2,744,841	-	-	2,730,799	2,744,841
Transportation equipment	15,820,599	9,138,532	130,509	283,654	15,951,108	9,422,186
	<u>\$ 28,054,481</u>	<u>\$ 29,059,530</u>	<u>\$ 131,325</u>	<u>\$ 286,961</u>	<u>\$ 28,185,806</u>	<u>\$ 29,346,491</u>

Major capital assets for Governmental activities put in service during the year ended June 30, 2025, included:

- Light fleet purchased having a total cost of \$249,213
- Refurbishment of five ambulances totaling \$1,083,687
- Heavy apparatus put in service totaling \$621,733
- Station equipment totaling \$151,224
- Communications equipment, including alerting systems and radios, totaling \$343,286
- Computer equipment totaling \$100,165
- Right to use assets related to GASB 96 with aggregate book value of \$255,005 (EMS training and fleet management software)

For more information on capital assets and depreciation, see Note 4.

Long-term Debt: UFA entered into new lease agreements for medical training equipment and postage meter as well as software-based information technology arrangements (SBITAs) for EMS training and fleet management with an aggregate right to use obligation of \$28,937 and \$255,005, respectively. Amortization of right to use liabilities totaled \$415,295 in 2025.

During the year, UFA made principal and interest payments on long-term debt totaling \$3,416,412. OPEB obligations decreased by \$94,288. Compensated absence obligations increased by both \$7,145,452 beginning balance increase (related to a new GASB standard No. 101) as well as \$600,642 based on 2025 activity. For more information on UFA's long-term debt, see 5, 6, 7, 8, 9, and 11.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

Economic factors continue to impact UFA and the areas we serve. The entities that make up UFA have widely developed and diverse economic sectors with solid growth in taxable sales, construction activity, and household income with a low unemployment rate. Utah, with a lot of help from Salt Lake County, has built the most impressive economy in the country. Because of this, UFA remains in a strong economic position even though some challenges remain. Concerns about elevated inflation and interest rates persist and may lead to decelerating growth, but Utah should avoid a recession. Continued housing challenges and high interest rates do create an economic challenge for residents and impact new growth. Underlying economic conditions remain uneasy and cloudy. Geopolitical instability including trade and immigration policies also lead to strained consumer confidence and economic tension. Expectation is Salt Lake and Utah County will continue to outperform the nation.

UFA Administration is working closely with its members to develop budgets appropriate to the current economic times. As UFA costs rise, it becomes necessary to assess members' fees. Some members may have limited abilities to meet these rising costs or lack of political will to raise tax revenue to cover such costs. In such situations, it will be necessary to find other ways to meet ongoing costs or reduce programs and service to meet expected levels of revenue. UFA Administration will make appropriate recommendations for cost reductions and revenue enhancements, consistent with the fluctuations and financial pressures on our member entities.

UFA is the largest fire department in the State of Utah. As of June 30, 2025, UFA responds from 25 operating stations serving an estimated 474,000 residents in fifteen municipalities and unincorporated Salt Lake County. UFA has 759 total employees, 528 full-time sworn firefighters and 60 full-time civilian staff.

A complete and updated strategic plan was adopted in December 2017. UFA is now on its third iteration of the plan that was adopted in January 2024. The latest plan covers 2024-2026.

The Sustaining Goals are:

- Best Practices
- Community and Partner Involvement
- Resilient Culture
- Professional Development
- Well-being of our People
- Enhance and Improve Communication

The Key Initiatives are:

- Enhanced Leadership
- Improved Emergency Services Delivery
- Improved Community Involvement
- Improve Behavioral Health
- Improve Internal and External Communication

The fiscal year 2025/2026 budget has been approved and includes an average increase of 9.88% to each of the entities' member fee. This increase is higher than prior years because of the decision of the Unified Fire Service Area board to staff two new stations. The member fee increase is being used mainly to cover wages for cost-of-living and market adjustments to meet the Board's target of being in the "top three" for sworn employees; to cover increased health insurance rates and liability insurance; a fourth battalion chief on duty each day; to improve staffing levels in Finance, Human Resources, Fire Training, and EMS; increase costs for the fuels crew; and additional funding for the capital replacement plan. UFA continues to work to gain efficiencies in support services.

UFA approved the purchase of \$22.5 million of capital replacement fund assets. This will be used to purchase apparatus and equipment including, improvements to our training props, as well as Technology and Logistics equipment.

UFA continues to support our neighboring states by sending our staff on EMAC and USAR deployments. These employees help fight the wildfires as well as recovery from other natural disasters in these states.

UFA's Finance Committee, Benefits & Compensation Committee, Local 1696 of the International Association of Firefighters, and UFA Administration, are continually working on the long-term plan for wages and benefits of UFA employees. This plan will impact budget outcomes in the future. Wages and benefits comprise approximately 80% of the overall budget.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of UFA's finances for all those with an interest in UFA's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Chief Financial Officer, 3380 South 900 West, Salt Lake City, UT, 84119



BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements
Governmental Fund Financial Statements
Proprietary Fund Financial Statements
Notes to Financial Statements

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

June 30, 2025

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	2025
ASSETS			
Cash and cash equivalents	\$ 27,017,323	\$ 2,025,970	\$ 29,043,293
Restricted cash and cash equivalents	-	-	-
Receivables	4,392,584	965,319	5,357,903
Inventory	1,185,725	-	1,185,725
Prepaid expense	102,637	-	102,637
Due from other funds	-	-	-
Capital assets, net of depreciation	28,054,481	131,325	28,185,806
Net pension asset	50,594,934	721,133	51,316,067
TOTAL ASSETS	111,347,684	3,843,747	115,191,431
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	18,133,857	258,463	18,392,320
LIABILITIES			
Accounts payable	1,112,489	70,705	1,183,194
Restricted accounts payable	-	-	-
Accrued liabilities	3,554,422	373,880	3,928,302
Noncurrent liabilities			
Due within one year	6,042,013	12,030	6,054,043
Due in more than one year	21,530,775	211,449	21,742,224
Net pension liability	2,426,964	34,592	2,461,556
TOTAL LIABILITIES	34,666,663	702,656	35,369,319
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	120,207	1,713	121,920
NET POSITION			
Net investment in capital assets	17,401,578	131,325	17,532,903
Restricted for inventory	1,185,725	-	1,185,725
Restricted for prepaid expense	102,637	-	102,637
Unrestricted	76,004,731	3,266,516	79,271,247
TOTAL NET POSITION	\$ 94,694,671	\$ 3,397,841	\$ 98,092,512

UNIFIED FIRE AUTHORITY

BASIC FINANCIAL STATEMENTS

STATEMENT OF ACTIVITIES Year ended June 30, 2025

Functions/Programs	Expenses	PROGRAM REVENUES			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT:					
GOVERNMENTAL ACTIVITIES:					
Fire protection services	\$ 90,135,619	\$ 92,358,100	\$ 48,216	\$ 46,848	\$ 2,317,545
Emergency management	4,598,585	3,807,337	642,811	-	(148,437)
Interest on long-term debt	316,864	-	-	-	(316,864)
Total governmental activities	95,051,068	96,165,437	691,027	46,848	1,852,244
BUSINESS-TYPE ACTIVITIES:					
Wildland protection services	4,260,960	5,023,169	98,056	-	860,265
Total business-type activities	4,260,960	5,023,169	98,056	-	860,265
TOTAL PRIMARY GOVERNMENT	\$ 99,312,028	\$ 101,188,606	\$ 789,083	\$ 46,848	\$ 2,712,509

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-Type Activities	Total 2025
Changes in net assets:			
Net (expense) revenue	\$ 1,852,244	\$ 860,265	\$ 2,712,509
General Revenues:			
Unrestricted net investment earnings	1,216,842	34,231	1,251,073
Miscellaneous	3,598,855	(70)	3,598,785
Rent	94,896	-	94,896
Gain/(loss) on disposal of capital assets	238,783	77,775	316,558
Transfers	(423,000)	423,000	-
Total general revenues	4,726,376	534,936	5,261,312
Changes in net position	6,578,620	1,395,201	7,973,821
Net position - beginning	95,028,703	2,175,545	97,204,248
Increase/(decrease) in inventory	59,896	-	59,896
Cumulative effect of a change in accounting principle	(6,972,548)	(172,905)	(7,145,453)
Net position - ending	\$ 94,694,671	\$ 3,397,841	\$ 98,092,512

UNIFIED FIRE AUTHORITY

BASIC FINANCIAL STATEMENTS

BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2025

	MAJOR FUNDS				Total 2025
	General Fund	Special Revenue Fund	Fire Capital Projects Fund	Nonmajor Governmental Fund	
CURRENT ASSETS					
Cash & cash equivalents	\$ 19,395,256	\$ 1,473,467	\$ 5,904,309	\$ 244,291	\$ 27,017,323
Restricted cash & cash equivalents	-	-	-	-	-
Receivables	3,562,613	231,612	-	-	3,794,225
Related party receivables	598,359	-	-	-	598,359
Inventory	1,185,725	-	-	-	1,185,725
Prepaid expense	99,943	2,694	-	-	102,637
Due from other funds	-	-	-	-	-
TOTAL ASSETS	24,841,896	1,707,773	5,904,309	244,291	32,698,269
CURRENT LIABILITIES					
Accounts payable	936,948	143,445	-	-	1,080,393
Related party payable	31,359	736	-	-	32,095
Accrued liabilities	3,310,780	72,954	-	-	3,383,734
TOTAL LIABILITIES	4,279,087	217,135	-	-	4,496,222
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,690,923	33,250	-	-	1,724,173
TOTAL DEFERRED INFLOWS	1,690,923	33,250	-	-	1,724,173
TOTAL LIABILITIES AND DEFERRED INFLOWS	5,970,010	250,385	-	-	6,220,395
FUND BALANCES					
Nonspendable:					
Inventory	1,185,725	-	-	-	1,185,725
Prepaid expense	99,943	2,694	-	-	102,637
Spendable:					
Committed for:					
Compensated absences	713,882	-	-	-	713,882
Retirement contributions	82,131	21,089	-	-	103,220
Capital acquisitions	-	-	5,904,309	244,291	6,148,600
Assigned	376,625	1,433,605	-	-	1,810,230
Unassigned - 5% State requirement	4,675,045	-	-	-	4,675,045
Unassigned	11,738,535	-	-	-	11,738,535
TOTAL FUND BALANCES	18,871,886	1,457,388	5,904,309	244,291	26,477,874
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 24,841,896	\$ 1,707,773	\$ 5,904,309	\$ 244,291	\$ 32,698,269

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS

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

Year ended June 30, 2025

Total Fund Balances - Governmental Funds \$ 26,477,874

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

Capital assets in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet. Capital assets consist of the following:

Equipment and improvements	80,105,560	
Accumulated depreciation	<u>(52,051,079)</u>	28,054,481

Some receivables are not available soon enough to pay for the current period's expenditure, and therefore, are reported as unearned in the governmental funds balance sheet. 1,724,173

Pension obligations, including the net pension asset, net pension liability, and deferred inflows and outflows of resources relating to pensions, are not obligations of the current period and, therefore, are not recorded in the fund.

Net pension asset	50,594,934	
Deferred outflows of resources relating to pensions	18,133,857	
Net pension liability	(2,426,964)	
Deferred inflows of resources relating to pensions	<u>(120,207)</u>	66,181,620

Some liabilities are not due and payable in the current year and therefore are not reported in the governmental funds balance sheet. These liabilities consist of the following:

Lease obligations	(96,244)	
SBITA obligations	(921,242)	
Accrued interest on capital leases	(170,690)	
Capital leases	(10,377,011)	
Related party note payable	(1,134,684)	
Compensated absences	(13,830,651)	
Net OPEB obligation	<u>(1,212,956)</u>	(27,743,478)

Net Position of Governmental Activities \$ 94,694,671

UNIFIED FIRE AUTHORITY**BASIC FINANCIAL STATEMENTS**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year ended June 30, 2025

	MAJOR FUNDS				Total 2025
	General Fund	Special Revenue Fund	Fire Capital Projects Fund	Nonmajor Governmental Fund	
REVENUES					
Member fees	\$ 71,529,842	\$ -	\$ -	\$ -	\$ 71,529,842
Ambulance operations	13,890,643	-	-	-	13,890,643
Fees - Emergency services	-	2,561,285	-	-	2,561,285
Fees - Other	3,527,814	-	-	-	3,527,814
Grants and contributions	158,758	609,561	5,500	-	773,819
Intergovernmental revenues	1,418,401	1,246,052	-	-	2,664,453
Reimbursements	1,868,155	-	133	-	1,868,288
Rent income	94,896	-	-	-	94,896
Investment income	879,328	112,010	225,504	-	1,216,842
Other income	133,059	680	-	-	133,739
TOTAL REVENUES	93,500,896	4,529,588	231,137	-	98,261,621
EXPENDITURES					
Current					
Salaries and benefits	73,863,284	1,704,925	-	-	75,568,209
Operations	10,170,364	2,645,060	331,867	7,714	13,155,005
General and administrative	999,473	8,293	-	-	1,007,766
Capital outlay	117,810	101,380	2,531,329	-	2,750,519
Debt service	188,061	-	3,595,724	-	3,783,785
TOTAL EXPENDITURES	85,338,992	4,459,658	6,458,920	7,714	96,265,284
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,161,904	69,930	(6,227,783)	(7,714)	1,996,337
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of assets	-	-	202,616	61,966	264,582
Transfers in	162,458	-	5,662,407	5,298	5,830,163
Transfers out	(6,090,704)	(162,458)	-	-	(6,253,162)
Total other financing sources (uses)	(5,928,246)	(162,458)	5,865,023	67,264	(158,417)
Net change in fund balances	2,233,658	(92,528)	(362,760)	59,550	1,837,920
Fund balances - beginning	16,578,332	1,549,916	6,267,069	184,741	24,580,058
Decrease in inventory	59,896	-	-	-	59,896
Fund balances - ending	\$ 18,871,886	\$ 1,457,388	\$ 5,904,309	\$ 244,291	\$ 26,477,874

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS

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

Year ended June 30, 2025

Net Change in Fund Balances - Total Governmental funds \$ 1,837,920
 Amounts reported for governmental activities in the Statement of
 Activities are different because:

Capital outlays are reported as expenditures in governmental funds.
 However, in the Statement of Activities, the cost of capital assets is
 allocated over their estimated useful lives as depreciation expense.
 In the current year, these amounts were as follows:

Capital outlay	2,750,519	
Depreciation/amortization expense	(4,013,711)	
Disposition of capital assets	<u>(25,799)</u>	(1,288,991)

Net revenues in the Statement of Activities that do not provide
 current financial resources are not reported as revenues in the
 funds. 87,168

Pension liabilities do not require current financial resources and
 therefore are not recorded in governmental funds. 2,518,302

The issuance of long-term debt provides current financial resources
 to governmental funds, while repayment of the principal of long-
 term debt consumes current financial resources to governmental
 funds. Neither transaction, however, has any net effect on net
 assets.

Accrued interest on long-term debt	50,508	
Repayment of long-term debt	<u>3,416,412</u>	3,466,920

Some expenses reported in the Statement of Activities do not
 require the use of current financial resources and therefore are not
 reported as expenditures in the funds. These activities consist of the
 following:

Decrease in lease & SBITA obligations	413,081	
Decrease in OPEB liabilities	94,288	
Increase in compensated absences	<u>(550,068)</u>	(42,699)

Changes in Net Position of Governmental Activities \$ 6,578,620

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION PROPRIETARY FUND June 30, 2025

	Wildland Enterprise Fund
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	\$ 2,025,970
Receivables	965,319
Current assets	<u>2,991,289</u>
NONCURRENT ASSETS	
Capital assets, net of depreciation	131,325
Net pension asset	721,133
TOTAL ASSETS	<u>\$ 3,843,747</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	<u>\$ 258,463</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	\$ 63,311
Related party payable	7,394
Accrued liabilities	373,880
NONCURRENT LIABILITIES	
Due within one year	12,030
Due in more than one year	211,449
Net pension liability	34,592
TOTAL LIABILITIES	<u>\$ 702,656</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	<u>\$ 1,713</u>
NET POSITION	
Net investment in capital assets	131,325
Unrestricted	<u>3,266,516</u>
TOTAL NET POSITION	<u><u>\$ 3,397,841</u></u>

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND
June 30, 2025

	Wildland Enterprise Fund
OPERATING REVENUES	
Wildland fees, net of discounts and allowances of \$52,230	\$ 4,330,808
Intergovernmental contract fees	692,361
Fuels mitigation grants	98,056
Sale of materials	(70)
	<u>5,121,155</u>
OPERATING EXPENSES	
Salaries and benefits	3,531,212
Operations	566,556
General and administrative	7,556
Depreciation and amortization	155,636
	<u>4,260,960</u>
TOTAL OPERATING EXPENSES	
	<u>4,260,960</u>
OPERATING INCOME	
	<u>860,195</u>
NONOPERATING REVENUE (EXPENSE)	
Gain on disposal of capital assets	77,775
Interest income	34,231
	<u>112,006</u>
TOTAL NONOPERATING REVENUE/(EXPENSE)	
	<u>112,006</u>
Income before contributions and transfers	972,201
Transfers in	423,000
	<u>1,395,201</u>
CHANGE IN NET POSITION	1,395,201
NET POSITION - BEGINNING	2,175,545
Cumulative effect of a change in accounting principle	(172,905)
	<u>(172,905)</u>
NET POSITION - ENDING	<u><u>\$ 3,397,841</u></u>

UNIFIED FIRE AUTHORITY BASIC FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS PROPRIETARY FUND June 30, 2025

	<u>Wildland Enterprise Fund</u>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 4,913,924	
Payments to vendors	(542,430)	
Payments for general and administrative expenses	(7,556)	
Payments to employees	(3,262,546)	
Employee benefits paid	(580,639)	
	<hr/>	
NET CASH PROVIDED BY OPERATING ACTIVITIES		520,753
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other fund	423,000	
Short-term loans from other fund	(6,527)	
	<hr/>	
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES		416,473
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Loss on disposal of capital projects	77,775	
Principal paid on long-term debt	(2,214)	
	<hr/>	
NET CASH PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES		75,561
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	34,231	
	<hr/>	
NET CASH PROVIDED BY INVESTING ACTIVITIES		34,231
NET DECREASE IN CASH AND CASH EQUIVALENTS		1,047,018
CASH AND CASH EQUIVALENTS - BEGINNING		978,952
		<hr/>
CASH AND CASH EQUIVALENTS - ENDING		<u>\$ 2,025,970</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating income		\$ 860,195
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation and amortization		155,636
(Increase) decrease in assets:		
Accounts receivable		(207,231)
Net pension asset and deferred outflows		(496,975)
Increase (decrease) in liabilities:		
Accounts payable		24,126
Accrued expenses		112,855
Compensated absences		50,574
Net pension liability and deferred inflows		21,573
		<hr/>
Net cash provided by operating activities		<u>\$ 520,753</u>

NONCASH ACTIVITY

Depreciation for the year ended June 30, 2025, was \$155,636.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Unified Fire Authority (UFA) was formed July 1, 2004. The political subdivision was organized under an interlocal agreement to provide fire and emergency protection services to its members' jurisdictions. UFA is a separate legal entity, with a seventeen-member board of elected officials, fourteen of which represent the Unified Fire Service Area and three of which represent member municipalities. Board members serve for a specified term and cannot be removed without cause. However, as the members are unable to impose their will and are not financially accountable for UFA, UFA is not reported as a component unit of the members. In January 2021, Herriman and Riverton cities left Unified Fire Service Area and joined UFA as direct members. As of June 30, 2025, UFA members included Unified Fire Service Area (Eagle Mountain, Midvale, Millcreek, Taylorsville, Alta, Brighton, Copperton, Emigration Canyon, Kearns, Magna, White City, and unincorporated areas of Salt Lake County), Cottonwood Heights, Herriman, Holladay, and Riverton.

Government-Wide and Fund Financial Statements

Government-wide financial statements (the statement of net position and the statement of activities) report information on all activities of UFA. The effect of interfund activity has been removed from these statements. The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those which are clearly identifiable with a specific program. Program revenues include: (1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given program, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Other items not properly included among program revenues are reported as general revenues.

Fund financial statements present each major individual fund as a separate column. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. UFA segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. UFA considers ambulance revenues to be available if collected within 60 days of the end of the current fiscal period. Grants associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Governmental funds are those through which most of the governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund is charges to customers for services. Operating expenses for enterprise funds include the cost of service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

UFA has presented the following major governmental funds:

- **General Fund** – the general fund is the main operating fund of UFA, used for all financial resources not accounted for in other funds. All general revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from this Fund.
- **Special Revenue Fund** – the special revenue fund is used to account for funds received and expended for the operation of the Emergency Management function for Salt Lake County.
- **Fire Capital Projects Fund** – this fund is a capital projects fund used to account for funds received and expended for capital replacement for the fire protection divisions of Unified Fire Authority.

UFA's nonmajor governmental fund is a capital projects fund used to account for financial resources to be used for capital replacement for the Emergency Management division of UFA.

UFA also reports the following major proprietary fund:

- **Enterprise Fund** – this fund is used to account for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered similarly through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. UFA currently operates an enterprise fund for wildland firefighting services that are contracted to other governmental agencies.

Cash and Cash Equivalents

Cash equivalents are highly liquid investments with maturities of three months or less when purchased.

Investments

Investments of the Agency are stated at cost, which approximates fair value in accordance with GASB No. 72 Fair Value Measurement and Application.

Accounts Receivable

Accounts receivable are generally comprised of reimbursement for member fees, ambulance services, Urban Search and Rescue (USAR), and Wildland operations, which are expected to be paid by private and government entities. Accounts receivable are stated at the amount management expects to collect from outstanding balances. UFA calculates its allowance for doubtful accounts based on historical collection rates.

Inventory

Inventory consists principally of items for use within fire stations and ambulances including: cleaning, kitchen, and medical supplies; motor vehicle parts and supplies; personal protective equipment; and small tools. Inventory is valued at replacement cost.

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, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) 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, *deferred inflows of resources*, 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.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include building, improvements, land, and various types of equipment, are reported in the government-wide financial statements as well as the proprietary fund financial statements. Capital assets are defined by UFA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased assets are recorded at historical cost. Donated assets are recorded at fair market value at the date of gift.

Major additions are capitalized while maintenance and repairs, which do not improve or extend the life of the respected assets, are charged to expense. No depreciation is recognized on construction in progress until the asset is placed in service. UFA does not possess any infrastructure. UFA uses certain vehicles and station facilities which are owned by its members and are not reflected in capital assets.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Equipment and furniture, including vehicles	2 – 20 years
Building and improvements	5 – 39 years

Compensated Absences

For governmental funds, amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available resources are reported as liabilities in the government-wide statement of net position and as expenses in the government-wide statement of activities. No expenditure is reported for these amounts in the fund financial statements. Vested or accumulated vacation and sick leave are recorded as an expense and a liability as the benefits accrue to the employees and are thus recorded in both the government-wide financial statements and individual fund statements.

Employees may accumulate maximum sick leave hours up to 960 for sworn and 640 for civilians. Accumulated sick leave exceeding the maximum at the end of each calendar year is paid to employees, at a rate approved by the UFA Board (60% for 2025). Accumulated sick leave is paid to employees upon retirement, at a rate of 25% of the total accumulated leave. Employees that are terminated for any reasons other than retirement are not paid for accumulated sick leave.

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.

Use of Estimates in the Preparation of Financial Statements

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

Risk Management

Unified Fire Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions, and natural disasters for which it carries commercial insurance. UFA also carries commercial workers' compensation insurance. There were no significant reductions in coverage from the prior year, and settlement claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. UFA determines funds to be available of received within 60 days of year end (90 days for intergovernmental revenues).

Non-exchange transactions, in which UFA receives value without directly giving value in return, include grant and donations. On the accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include: timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which UFA must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to UFA on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

Expenditure Recognition

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims/judgments are recorded only when payment is due. Capital asset acquisitions are reported as expenditures and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Net Position/Fund Balances

The difference between assets and deferred outflows and liabilities and deferred inflows is reported as net position on the government-wide financial statements and fund balance on the governmental fund statements. UFA's net position is classified as follows:

- **Net investment in capital assets** – This component of net position consists of UFA's total investment in capital assets, net of accumulated depreciation, reduced by the outstanding debt obligations related to those assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
- **Restricted for inventory** – This component of net position consists of net position related to inventory on hand.
- **Restricted for prepaid expense** – This component of net position consists of net position related to funds paid to vendors prior to receipt of goods and/or services.
- **Unrestricted** – This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets". Utah code 10-6-116(4) requires that entities maintain 5% of total general fund revenues as a minimum fund balance. As of June 30, 2025, UFA was required to maintain \$4,675,045 (5% of fiscal year 2025 General fund revenues).

In the governmental fund statements, fund balances are classified as nonspendable, restricted, committed, assigned, or unassigned. Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the UFA Board, such as an appropriation. Assigned fund balance is constrained by the Board's intent to be used for specific purposes, by directive of the Board or Finance Committee. When an expenditure is incurred for purposes for which restricted, committed, assigned and unassigned resources are available, UFA generally uses restricted resources first, followed by committed and assigned resources, before unassigned resources are used.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of the following at June 30, 2025:

	Governmental	Business-Type	
	Activities	Activities	Total
Unrestricted cash - net of outstanding checks	\$ 1,829,862	\$ -	\$ 1,829,862
Public Treasurer's Investment Fund	25,187,461	2,025,970	27,213,431
Restricted cash and cash equivalents	-	-	-
Total cash and cash equivalents	<u>\$ 27,017,323</u>	<u>\$ 2,025,970</u>	<u>\$ 29,043,293</u>

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State, and review the rules adopted under the authority of the Utah Money Management Act that relate to the deposit and investment of public funds.

UFA follows the requirements of the Utah Money Management Act in handling its depository and investment transactions. The Act requires depositing of UFA's funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the local government's deposits may not be recovered. UFA's deposits are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation. Deposits above \$250,000 are exposed to credit risk. As of June 30, 2025, UFA's deposits had a bank balance of \$1,535,589, of which \$250,000 is insured and \$1,285,589 is uninsured and uncollateralized. Utah State Law does not require deposits to be insured or collateralized. UFA does not have a formal policy for custodial credit risk.

Investments

The Money Management Act defines the types of securities authorized as appropriate investments for UFA's funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

These statutes authorize UFA to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Money Management Act; and the Utah State Public Treasurers' Investment Fund (PTIF).

The Utah State Treasurer's Office operates the PTIF which is available for investment of funds administered by any Utah public treasurer. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments.

The entire balance has a maturity of less than one year. The PTIF pool has not been rated. The PTIF is reported as a fiduciary fund by the State of Utah in its Comprehensive Annual Financial Report. A copy of the report may be obtained online at <http://treasurer.utah.gov/investor-information/comprehensive-annual-financial-report-cafr/>.

NOTE 2 - CASH AND CASH EQUIVALENTS (CONTINUED)

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 participant's balance is their investment deposited in the PTIF plus their share of income, gains, and losses net of administration fees which is allocated to each participant on the ratio of each participant's share to the total funds in the PTIF. The participant's monthly investment amount is based upon their average daily balance.

At June 30 and December 31 each year, the fair value of the investments is determined to enable participants (public entities having those year ends) to adjust their investments in the pool. As of June 30, 2025, UFA had \$27,213,431 invested in PTIF which had a fair value of \$27,267,461. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares. The fair value of the PTIF investments is measured using Level 2 inputs as noted below.

Fair Value of Investments

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

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

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. UFA manages its exposure to declines in fair value by investment mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. UFA's investment policy limits the term of investments to a maximum maturity that shall not exceed five years in order to manage its exposure to fair value losses arising from increasing interest rates. The investment policy also specifies that UFA's investment portfolio will remain sufficiently liquid to enable UFA to meet all operating requirements which might be reasonably anticipated.

Custodial Credit Risk for investments is the risk that, in the event of a failure of the counterparty, UFA will not be able to recover the value of the investment or collateral securities that are in possession of an outside party. UFA's policy for limiting the credit risk of investments is to comply with the Money Management Act, as previously discussed. All of UFA's investments at June 30, 2025, were with the PTIF and therefore are unrated and are not categorized as to custodial credit risk.

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. UFA's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council, as applicable. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

NOTE 3 - RECEIVABLES

Accounts receivable as of June 30, 2025, consist of the following:

	General Fund	Special Revenue Fund	Total Governmental Activities	Wildland Enterprise Fund
Accounts receivable				
Due from other governments	\$ 720,765	\$ -	\$ 720,765	\$ 921,397
Ambulance services	7,959,335	-	7,959,335	-
Accrued revenues	9,740	-	9,740	-
Related party receivable	598,359	-	598,359	-
Miscellaneous	104,267	-	104,267	-
Total accounts receivable	9,392,466	-	9,392,466	921,397
Grants receivable	4,537	231,612	236,149	43,922
Allowance for uncollectible accounts	(5,236,031)	-	(5,236,031)	-
Total Receivables	\$4,160,972	\$ 231,612	\$ 4,392,584	\$ 965,319

NOTE 4 - CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2025, are as follows:

	July 1, 2024	Additions/ Transfers In	Disposals/ Transfers Out	June 30, 2025
Governmental activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 7,470,646	\$ -	\$ (7,231,622)	\$ 239,024
Land	2,686,877	-	-	2,686,877
Total capital assets not being depreciated	10,157,523	-	(7,231,622)	2,925,901
Capital assets being depreciated/amortized:				
Right to use property and equipment	198,382	28,937	(94,777)	132,542
Right to use software subscriptions	1,821,217	255,005	(130,894)	1,945,328
Building and improvements	4,669,692	94,987	-	4,764,680
Computer software and equipment	4,465,842	193,338	-	4,659,180
Furniture and equipment	11,991,725	705,183	(46,481)	12,650,428
Land improvements	294,250	-	-	294,250
Transportation equipment	48,459,252	8,988,633	(4,714,632)	52,733,250
Total assets being depreciated/amortized	71,900,360	10,266,083	(4,986,784)	77,179,658
Less accumulated depreciation/amortization for:				
Right to use property and equipment	(86,487)	(46,381)	94,777	(38,091)
Right to use software subscriptions	(578,894)	(413,363)	130,894	(861,363)
Building and improvements	(1,430,995)	(165,238)	-	(1,596,233)
Computer software and equipment	(3,675,595)	(249,751)	-	(3,925,346)
Furniture and equipment	(7,669,376)	(844,171)	46,481	(8,467,066)
Land improvements	(236,286)	(14,042)	-	(250,328)
Transportation equipment	(39,320,720)	(2,280,765)	4,688,833	(36,912,651)
Total accumulated depreciation	(52,998,353)	(4,013,711)	4,960,985	(52,051,078)
Total capital assets being depreciated, net	18,902,007	6,252,372	(25,799)	25,128,580
Total capital assets, net	\$ 29,059,530	\$ 6,252,372	\$ (7,257,421)	\$ 28,054,481

NOTE 4 - CAPITAL ASSETS (CONTINUED)

	July 1, 2024	Additions/ Transfers In	Disposals/ Transfers Out	June 30, 2025
Business-Type activities:				
Capital assets being depreciated/amortized:				
Right to use equipment	\$ 9,295	\$ -	\$ (9,295)	\$ -
Building and improvements	3,152	-	-	3,152
Transportation equipment	2,029,810	-	(300,994)	1,728,816
Total assets being depreciated/amortized	2,042,257	-	(310,289)	1,731,968
Less accumulated depreciation/amortization for:				
Right to use equipment	(7,119)	(2,176)	9,295	-
Building and improvements	(2,021)	(315)	-	(2,336)
Transportation equipment	(1,746,156)	(153,145)	300,994	(1,598,307)
Total accumulated depreciation/amortization	(1,755,296)	(155,636)	310,289	(1,600,643)
Total capital assets, net	\$ 286,961	\$ (155,636)	\$ -	\$ 131,325

Depreciation and amortization charged for the year ended June 30, 2025:

	Governmental Activities	Business-Type Activities
Fire protection services	\$ 3,879,430	\$ -
Emergency services	134,281	-
Wildland services	-	155,636
	<u>\$ 4,013,711</u>	<u>\$ 155,636</u>

NOTE 5 - COMPENSATED ABSENCES

The changes in compensated absences for the year ended June 30, 2025, are as follows:

	Beginning	Increases	(Decreases)	Ending
Vacation	\$ 5,522,413	\$ 4,228,526	\$ (4,129,839)	\$ 5,621,100
Sick leave	7,931,075	2,834,109	(2,332,154)	8,433,030
Total compensated absences				
(including \$2,959,270 classified as current)	<u>\$13,453,488</u>	<u>\$ 7,062,635</u>	<u>\$ (6,461,993)</u>	<u>\$14,054,130</u>

NOTE 6 - LEASES

UFA is lessee under multiple lease agreements involving property and equipment. Rent payments during the fiscal year ended June 30, 2025, totaled \$45,082. The following is a summary of transactions affecting lease obligations for the fiscal year ended June 30, 2025:

	<u>Beginning</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending</u>
Governmental	\$ 112,689	\$ 28,937	\$ (45,382)	\$ 96,244
Business-Type	2,214	-	(2,214)	-
Total Lease Obligations	<u>\$ 114,903</u>	<u>\$ 28,937</u>	<u>\$ (47,596)</u>	<u>\$ 96,244</u>

Payments remaining as of June 30, 2025, are:

	<u>Governmental</u>
Lease to use property for placement of communications tower equipment with payments through May 2031	\$ 27,400
Lease to use copy equipment with payments through May 2025	47,759
Lease to use medical training equipment with payments through August 2026	14,230
Lease to use postage equipment with payments through September 2029	6,855
	<u>\$ 96,244</u>

As of June 30, 2025, assets recorded under the outstanding leases include equipment and property having value of \$132,542, with \$38,091 of accumulated amortization. Amortization, included with depreciation on the financial statements, was \$48,557 for the year ended June 30, 2025.

The following is a schedule by year of future minimum payments required under the leases together with their present value as of June 30, 2025:

	<u>Governmental</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	24,210	2,825	27,035
2027	25,054	1,981	27,035
2028	18,436	1,099	19,535
2029	19,084	451	19,535
2030	5,125	1,371	6,496
2031	4,335	415	4,750
Total minimum lease payments	<u>\$ 96,244</u>	<u>\$ 8,141</u>	104,385
Less amount representing interest			<u>(8,141)</u>
Present value of minimum lease payments (including \$24,210 classified as current)			<u>\$ 96,244</u>

NOTE 7 - SOFTWARE-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

UFA has entered into multiple software-based information technology agreements (SBITAs). Subscription payments during the fiscal year ended June 30, 2025, totaled \$407,650. The following is a summary of transactions affecting SBITA obligations for the fiscal year ended June 30, 2025:

	<u>Beginning</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending</u>
Governmental	\$ 1,033,936	\$ 255,005	\$ (367,699)	\$ 921,242
Business-Type	-	-	-	-
Total SBITA Obligations	<u>\$ 1,033,936</u>	<u>\$ 255,005</u>	<u>\$ (367,699)</u>	<u>\$ 921,242</u>

Payments remaining at June 30, 2025, are:

	<u>Governmental</u>
Software subscription for incident reporting with payments through December 2026	\$ 207,146
Software subscription for telephones with payments through March 2027	95,296
Software subscription for payroll/HR with payments through September 2028	445,821
Software subscription for EMS training & certification with payments through August 2027	129,264
Software subscription for fleet management with payments through April 2027	43,715
	<u>\$ 921,242</u>

As of June 30, 2025, assets recorded under the outstanding SBITAs have value of \$1,945,328 with \$861,363 accumulated amortization. Amortization, included with depreciation on the financial statements, was \$413,363 for the year ended June 30, 2025.

The following is a schedule by years of future minimum payments required under the SBITAs together with their present value as of June 30, 2025:

	<u>Governmental</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 378,206	\$ 215	\$ 378,421
2027	389,069	176	389,245
2028	153,967	800	154,767
Total minimum			
subscription payments	<u>\$ 921,242</u>	<u>\$ 1,191</u>	922,433
Less amount representing interest			<u>(1,191)</u>
Present value of minimum subscription payments			
(including \$378,206 classified as current)			<u>\$ 921,242</u>

NOTE 8 - FINANCED PURCHASES

The following is a summary of transactions affecting capital lease obligations for the fiscal year ended June 30, 2025:

	<u>Beginning</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending</u>
Governmental	\$ 13,653,793	\$ -	\$ (3,276,782)	\$ 10,377,011
Business-Type	-	-	-	-
Total Capital Lease Obligations	<u>\$ 13,653,793</u>	<u>\$ -</u>	<u>\$ (3,276,782)</u>	<u>\$ 10,377,011</u>

UFA's outstanding capital leases from direct borrowings contain a provision that in event of default, outstanding amounts become immediately due if UFA is unable to make payment. Under the terms of all leases, UFA will gain ownership at the time of its last lease payment. Principal remaining at June 30, 2025 is:

	<u>Governmental</u>
Capital lease collateralized by a station equipment, medical equipment, stretchers, light fleet and apparatus, communications equipment, and a building improvement, bearing interest at 0.85% with annual principal and interest payments of \$1,583,544 through October 2027	4,671,027
Capital lease collateralized by a station equipment, medical equipment, stretchers, light fleet and apparatus, communications equipment, and a building improvement, bearing interest at 0.85% with annual principal and interest payments of \$286,041 through October 2027	799,076
Capital lease collateralized by communications equipment bearing interest at 0.85% with annual principal and interest payments of \$925,443 through October 2030	4,906,908
	<u>\$ 10,377,011</u>

As of June 30, 2025, assets recorded under the outstanding leases include transportation equipment, machinery & equipment, and improvements (including construction in progress) having original cost of \$36,712,781, with \$18,980,038 of accumulated amortization. Amortization, included with depreciation on the financial statements, was \$2,546,207 for the year ended June 30, 2025. Interest on capital leases charged to expense for the year ended June 30, 2025, was \$268,433. The following is a schedule by years of future minimum payments required under the leases together with their present value as of June 30, 2025:

	<u>Governmental</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 2,547,012	\$ 248,015	\$ 2,795,027
2027	2,596,756	198,272	2,795,028
2028	2,647,947	147,080	2,795,027
2029	831,054	94,389	925,443
2030	861,396	64,047	925,443
2031	892,846	32,598	925,444
Total minimum lease payments	<u>\$ 10,377,011</u>	<u>\$ 784,401</u>	11,161,412
Less amount representing interest			<u>(784,401)</u>
Present value of minimum lease payments (including \$2,547,012 classified as current)			<u>\$ 10,377,011</u>

NOTE 9 - PENSION PLAN

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems (the Systems). The Systems are comprised of the following defined benefit pension trust funds (multiple employer cost-sharing public employee retirement systems):

- Public Employees Noncontributory Retirement System (Noncontributory System)
- Firefighters Retirement System (Firefighters System)
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System)
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System)
- Public Safety Retirement System (Public Safety System)

The Tier 2 Public Employees System became effective July 1, 2011. Beginning on or after July 1, 2011, all eligible employees 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 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 East 200 South, Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

Benefits Provided

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

System	Final Average Salary	Year of service required and/or age eligible for benefit	Benefit % per year of service	COLA **
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Firefighters System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 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%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year to June 2020; 2.0% per year July 2020 to present	Up to 2.5%

* With actuarial reductions

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

NOTE 9 - PENSION PLAN (CONTINUED)

Contributions

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS 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, 2025, are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate for 401(k) Plan
Noncontributory System				
Local Governmental Division Tier 1	N/A	N/A	16.97%	N/A
Local Governmental Division Tier 2 DB H	0.70%	N/A	15.19%	N/A
Public Safety Retirement System				
Tier 2 DB Hybrid Public Safety	N/A	4.73%	26.49%	N/A
Tier 2 401(k) Public Safety	N/A	N/A	12.49%	14.00%
Firefighters System				
Division B Tier 1	N/A	16.71%	4.34%	N/A
Tier 2 DB Hybrid Firefighters	N/A	4.73%	14.08%	N/A
Tier 2 DC Only				
Local Government	N/A	N/A	5.19%	10.00%
Public Safety	N/A	N/A	12.49%	14.00%
Firefighters	N/A	N/A	0.08%	14.00%

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

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 System. For the fiscal year ended June 30, 2025, the employer and employee contributions to the Systems were as follows:

	Employer Contributions	Employee Contributions
Noncontributory System	\$ 501,732	N/A
Public Safety System	34,928	-
Firefighters System	5,348,485	-
Tier 2 Public Employees System	235,786	10,839
Tier 2 Public Safety & Firefighter System	2,608,189	-
Tier 2 DC Only System	31,944	N/A
Tier 2 DC Public Safety and Firefighter System	2,652	N/A
	<u>\$ 8,763,716</u>	<u>\$ 10,839</u>

NOTE 9 - PENSION PLAN (CONTINUED)**Combined Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, we reported a net pension asset of \$51,316,067 and a net pension liability of \$2,461,555.

	12/31/2024 Measurement Date			Proportionate Share	
	Net Pension Liability	Net Pension Asset	Proportionate Share	12/31/2023	Change
Noncontributory System	\$ 951,956	\$ -	0.3001960%	0.2904700%	0.0097260%
Public Safety System	150,109	-	0.0970134%	0.0617957%	0.0352177%
Firefighters System	-	51,316,067	30.1551740%	30.5098448%	-0.3546708%
Tier 2 Public Employees System	139,203	-	0.0466751%	0.0488603%	-0.0021852%
Tier 2 Public Safety & Firefighter System	1,220,287	-	2.6980248%	2.6580150%	0.0400098%
Total Net Pension Asset/Liability	<u>\$ 2,461,555</u>	<u>\$ 51,316,067</u>			

The net pension asset and liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024, 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, 2025, we recognized pension expense of \$889,884.

At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and	\$ 8,303,762	\$ 65,075
Changes in assumptions	829,751	19,177
Net difference between projected and actual earnings on pension plan investments	6,128,276	-
Change in proportion and differences between contributions and proportionate share of contributions	1,162,144	37,668
Contributions subsequent to the measurement date	1,968,389	-
	<u>\$ 18,392,322</u>	<u>\$ 121,920</u>

Deferred outflows of resources related to pensions (\$1,968,389) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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	Net Deferred Outflows/ (Inflows) of
December 31,	
2025	\$ 5,648,221
2026	12,264,711
2027	(2,338,012)
2028	(326,864)
2029	295,819
Thereafter	758,137

NOTE 9 - PENSION PLAN (CONTINUED)**Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2025, we recognized pension expense of \$856,972. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 567,229	\$ -
Changes in assumptions	78,744	-
Net difference between projected and actual earnings on pension plan investments	286,744	-
Change in proportion and differences between contributions and proportionate share of contributions	-	10,093
Contributions subsequent to the measurement date	244,833	-
	<u>\$ 1,177,550</u>	<u>\$ 10,093</u>

Deferred outflows of resources related to pensions (\$244,833) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 538,353
2026	521,870
2027	(116,352)
2028	(21,247)
2029	-
Thereafter	-

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

For the year ended June 30, 2025, we recognized pension expense of \$117,079. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,862	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	25,979	-
Change in proportion and differences between contributions and proportionate share of contributions	10,170	-
Contributions subsequent to the measurement date	17,599	-
	<u>\$ 69,610</u>	<u>\$ -</u>

NOTE 9 - PENSION PLAN (CONTINUED)

Deferred outflows of resources related to pensions (\$17,599) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 27,601
2026	36,876
2027	(10,552)
2028	(1,913)
2029	-
Thereafter	-

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

For the year ended June 30, 2025, we recognized pension expense of \$(2,002,786). At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,921,712	\$ -
Changes in assumptions	20,156	-
Net difference between projected and actual earnings on pension plan investments	5,727,559	-
Change in proportion and differences between contributions and proportionate share of contributions	984,495	-
Contributions subsequent to the measurement date	548,275	-
	<u>\$ 14,202,197</u>	<u>\$ -</u>

Deferred outflows of resources related to pensions (\$548,275) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024. 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,	Outflows/ (Inflows) of Resources
2025	\$ 4,924,472
2026	11,463,249
2027	(2,304,392)
2028	(429,407)
2029	-
Thereafter	-

NOTE 9 - PENSION PLAN (CONTINUED)**Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources**

For the year ended June 30, 2025, we recognized pension expense of \$152,211. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 60,179	\$ 959
Changes in assumptions	46,492	14
Net difference between projected and actual earnings on pension plan investments	8,897	-
Change in proportion and differences between contributions and proportionate share of contributions	25,009	5,211
Contributions subsequent to the measurement date	136,135	-
	<u>\$ 276,712</u>	<u>\$ 6,184</u>

Deferred outflows of resources related to pensions (\$136,135) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024. 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,	Outflows/ (Inflows) of Resources
2025	\$ 16,223
2026	24,942
2027	10,786
2028	13,237
2029	31,246
Thereafter	37,595

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

For the year ended June 30, 2025, we recognized pension expense of \$1,766,408. At June 30, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 738,780	\$ 64,116
Changes in assumptions	684,358	19,162
Net difference between projected and actual earnings on pension plan investments	79,095	-
Change in proportion and differences between contributions and proportionate share of contributions	142,469	22,364
Contributions subsequent to the measurement date	1,021,548	-
	<u>\$ 2,666,250</u>	<u>\$ 105,642</u>

NOTE 9 - PENSION PLAN (CONTINUED)

Deferred outflows of resources related to pensions (\$1,021,548) results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024. 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,	Outflows/ (Inflows) of Resources
2025	\$ 141,573
2026	217,773
2027	82,498
2028	112,466
2029	264,573
Thereafter	720,178

Actuarial Assumptions

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary	3.5 – 9.5%, average, including inflation
Investment rate of return	6.85%, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based on 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.

The actuarial assumptions used in the January 1, 2023, valuation were based on an experience study of 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	Target Asset Allocation	Real Return Arithmetic Basis	Long-term expected portfolio real rate of return
Equity securities	35.00%	7.01%	2.45%
Debt securities	20.00%	2.54%	0.51%
Real assets	18.00%	5.45%	0.98%
Private equity	12.00%	10.05%	1.21%
Absolute return	15.00%	4.36%	0.65%
Cash and cash equivalents	0%	0.49%	0.00%
Totals	100.00%		5.80%
Inflation			2.50%
Expected arithmetic nominal return			8.30%

NOTE 9 - PENSION PLAN (CONTINUED)

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.5%, 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%. 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 following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.85 %) or one percentage point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
Noncontributory System	\$ 4,025,995	\$ 951,956	\$ (1,626,167)
Public Safety System	461,156	150,109	(103,701)
Firefighters System	2,475,106	(51,316,067)	(95,618,426)
Tier 2 Public Employees System	415,767	139,203	(75,936)
Tier 2 Public Safety and Firefighters	4,161,063	1,220,287	(1,130,909)
Total	<u>\$ 11,539,087</u>	<u>\$ (48,854,512)</u>	<u>\$ (98,555,139)</u>

Pension Plan Fiduciary Net Position Detailed information about the pension plan's fiduciary net position is available separately in the separately issued URS financial report.

NOTE 10 - DEFINED CONTRIBUTION SAVINGS PLAN

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.

UFA participates in the following Defined Contribution Savings Plans with URS: 401(k), 457(b), Roth IRA, and Traditional IRA plans. Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans were as follows for the fiscal years ended June 30:

	2025	2024	2023
Employer contributions - 401(k)	\$ 880,741	\$ 816,010	\$ 692,163
Employee contributions - 401(k)	536,624	566,023	543,018
Employer contributions - 457	-	-	-
Employee contributions - 457	3,124,592	2,893,024	2,824,910
Employer contributions - Roth IRA	N/A	N/A	N/A
Employee contributions - Roth IRA	717,764	568,040	551,972
Employer contributions - Traditional IRA	N/A	N/A	N/A
Employee contributions - Traditional IRA	18,941	7,739	5,015

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description

Unified Fire Authority provides post-employment health and dental benefits, through a single employer defined benefit plan, to employees who retire from UFA and qualify to retire from the Utah Retirement Systems. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

Premiums are shared by the retiring eligible employee and UFA. As of June 30, 2025, UFA pays up to 80% of the retiree's health care and dental premiums through SelectHealth and Public Employees Health Program, respectively, on a pay-as-you-go basis. The remainder is paid by the retiree. The benefits, employee and UFA contributions are governed by UFA policy and can be amended at any time. During the year ending June 30, 2025, UFA paid retiree health care and dental premiums of \$67,837.

Employees Covered by Benefit Terms

Effective November 20, 2012, the Board approved the dissolution of the Unified Fire Authority Retiree Healthcare Plan. The resolution adopted eliminates the Post-Retirement Insurance Premium for anyone retiring after December 31, 2013. In addition, no member retiring after June 15, 2012, is eligible for a subsidized Medicare Supplement. This plan change eliminated a large portion of the active member liabilities for post-retirement healthcare.

At June 30, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	31
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	-
Total Plan Members	31

Total OPEB Liability

UFA's total OPEB liability of \$1,212,956 was measured as of June 30, 2025, and was determined by an actuarial valuation as of June 30, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	No explicit inflation assumption used
Salary increases	Not applicable, all members are inactive
Discount rate	5.20%
Healthcare cost trend rates	Initial rate of 7.50%, declining to an ultimate rate of 4.25% after 15 years
Retiree's share of benefit-related costs	20% of projected health insurance premiums for retirees

The discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Mortality rates were based on the 2020 PR Utah Retiree Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA from 2020.

The actuarial assumptions used in the June 30, 2025, valuation were based on assumptions developed for the Utah Retirement System (URS) in which UFA participates.

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)**Changes in the Total OPEB Liability**

Balance at 6/30/2024	\$ 1,307,244
Changes for the year:	
Interest	49,577
Difference between expected and actual experience	105,491
Changes in assumptions or other inputs	(132,454)
Benefit payments	(116,902)
Net changes	(94,288)
Balance at 6/30/2025	<u>\$ 1,212,956</u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.97% as of June 30, 2024, to 5.20% as of June 30, 2025, and updated mortality rates consistent with the most recent valuation of the Utah Retirement System.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of UFA calculated using a discount rate of 5.20%, as well as what UFA's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-lower (4.20%) or 1-percentage-point higher (6.20%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	4.20%	Assumption	5.20%
			6.20%
Total OPEB liability	\$1,315,836	\$1,212,956	\$1,123,172

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of UFA calculated using the assumed trend rates, as well as what UFA's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend	1% Increase
		Current Rate Assumption	
Total OPEB liability	\$1,122,996	\$1,212,956	\$1,314,203

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, UFA recognized OPEB expense of \$(94,288).

At June 30, 2025, UFA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Changes of assumptions or other inputs	-	-
	-	-

Because the measurement date of the total OPEB liability is equal to the last day of the employer's fiscal year, there is no deferred outflow related to contributions made subsequent to the measurement date.

NOTE 12 - RELATED PARTY TRANSACTIONS

Unified Fire Service Area (UFSA)

Unified Fire Authority received operating fees from its members in the amount of \$71,529,842 during the fiscal year ending June 30, 2025, which represents approximately 72.8% of total UFA governmental revenues. Of these fees, \$51,793,725 was received from the UFSA, which represents approximately 72.4% of total member fees for the fiscal year. UFSA also paid UFA \$420,714 and \$6,913 for financial management/administrative services and reimbursements, respectively, during the fiscal year ended June 30, 2025. As of June 30, 2025, UFA's accounts receivable included \$1,765 due from UFSA for reimbursements.

In February 2012, UFA entered into an interlocal agreement with UFSA to finance the purchase of a warehouse in West Jordan, Utah. UFSA loaned \$2.5 million to UFA for purchase of the building. The remaining funds (\$1 million) for purchase, relocation, and renovation were provided by UFA. The agreement requires UFA to pay 228 monthly payments of \$15,672. Upon commencement of payments in June 2013, the agreement bears 4% interest. UFA paid \$139,630 principal and \$48,431 interest to UFSA during the fiscal year ended June 30, 2025. The following is a schedule by years of future minimum payments required under the agreement as of June 30, 2025:

2026	\$ 145,319
2027	151,239
2028	157,401
2029	163,814
2030	170,488
2031-2032	346,424
	<u>\$ 1,134,685</u>

Salt Lake County (SLCo)

UFA received operating fees restricted for emergency management from SLCo totaling \$2,561,285, as well as \$3,152,432 to provide fire protection to the Canyon Recreational areas for the year ended June 30, 2025. SLCo also reimbursed UFA \$25,795 for an additional cybersecurity exercise, as well as \$650,323 for flooding mitigation passed through to other entities. In an effort to reduce its fund balance in UFA's Emergency Services Special Revenue Fund, UFA paid \$214,000 to SLCo during the fiscal year ended June 30, 2025.

Unified Fire Authority operates under a cooperative agreement with SLCo for services and maintenance of buildings. UFA paid SLCo for building maintenance and improvements totaling \$30,838 in fiscal year 2025, as well as professional services totaling \$225. UFA's accounts payable at June 30, 2025, included \$15,980 due to SLCo.

The interlocal agreement organizing Unified Fire Authority provides for a sublease of the Emergency Coordination Center from SLCo effective July 1, 2004. Payments calculated under that lease continued through October 2024. Payments for the year ended June 30, 2025, under the lease totaled \$167,684. Effective November 2024, UFA and SLCo negotiated a new lease agreement for use of the facility, cancellable by both parties with notice. The following is a schedule by years of future minimum payments required under the agreement as of June 30, 2025:

2026	\$ 182,928
2027	182,928
2028	182,928
2029	182,928
2030	182,928
2030-2033	457,320
	<u>\$ 1,371,960</u>

NOTE 12 - RELATED PARTY TRANSACTIONS (CONTINUED)

Salt Lake Urban Search and Rescue (USAR)

UFA is the sponsoring agency for the Salt Lake Urban Search and Rescue (USAR) task force, a non-profit corporation. USAR is one of 28 State and local emergency management task forces designated by the Federal Emergency Management Agency (FEMA) as members of the National Urban Search and Rescue (US&R) Response System. Participating agencies include Salt Lake City, Park City, Draper City, West Valley City, West Jordan City, and South Jordan City. USAR's Board of Directors consists of four officers from UFA. USAR's staffing and daily management are primarily provided by UFA employees. During the fiscal year ended June 30, 2025, USAR reimbursed \$793,386 to UFA for salaries and benefits related to daily operations of the task force. Additionally, USAR reimbursed for training and deployment personnel costs of \$1,151,175.

As sponsoring agency, UFA entered into an agreement with FEMA requiring training and maintenance of a task force for emergency response in accordance with FEMA standards. USAR and UFA entered into a reimbursement agreement for USAR's share of various costs at UFA's logistics warehouse (storage and office space, office equipment, and utilities). USAR leases approximately 19,000 square feet of space in UFA's facility. USAR paid \$94,896 during the fiscal year ended June 30, 2025. The existing agreement terminated August 2024 but has been renewed for one year (cancellable by either party with notice).

During the fiscal year ended June 30, 2025, USAR reimbursed UFA for reimbursements including utilities, improvements, maintenance, equipment costs and miscellaneous purchases (\$54,593). Total rent and reimbursements included in related party accounts receivable due from USAR to UFA were \$589,885 at June 30, 2025.

Unified Fire Authority Health & Welfare Trust (VEBA)

UFA established a defined contribution health and welfare VEBA trust for eligible employees in November 2012 to provide for reimbursement of post-retirement and post-termination out-of-pocket medical expenses, including health insurance premiums. UFA funds the plan primarily through employer contributions, including sick leave buyouts, as well as some elective deferrals made by employees at the time of termination/retirement. Beginning in January 2022, UFA's Board approved contributing 2% of salary to the VEBA plan each pay period for all full-time employees.

Total contributions remitted to the VEBA during the fiscal year ended June 30, 2025, were \$1,168,416 (\$36,883 elective employee deferrals, \$145,676 sick leave buyouts, \$985,858 employer contributions). UFA also contributed \$5,200 to cover the cost of VEBA audit and tax preparation services.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Purchase orders (encumbrances) as of June 30, 2025, for items ordered but not received during the fiscal year are as follows:

Year-end Encumbrances	Governmental	Business-Type
	Activities	Activities
General Fund	\$ 376,625	\$ -
Wildland Enterprise Fund	-	295,481
Special Revenue Fund	9,972	-
Fire Capital Projects Fund	479,722	-
	<u>\$ 866,319</u>	<u>\$ 295,481</u>

NOTE 14 – SUBSEQUENT EVENTS

In October 2025, UFA entered into a long-term debt agreement for conduit financing through Unified Fire Service Area with JPMorgan Chase Bank to finance the purchase of various apparatus, equipment, and improvements with an aggregate cost of \$22,509,730. The financing agreement bears 3.425% interest with annual principal and interest payments of \$3,074,237, beginning October 2025 through October 2030, followed by annual principal and interest payments of \$2,330,635 beginning October 2031 through October 2033.

NOTE 15 - TRANSACTIONS BETWEEN FUNDS

Legally authorized transfers are treated as interfund transfers and are included in the results of operations in the fund financial statements but are generally excluded from the government-wide financial statements. Interfund transfers are listed below for the year ended June 30, 2025:

Transfers In	Transfers Out		
	General Fund	Special Revenue Fund	Total
General Fund	\$ -	\$ 162,458	\$ 162,458
Fire Capital Projects Fund	5,662,407	-	5,662,407
Emergency Management Capital Projects Fund	5,298	-	5,298
Proprietary Fund	423,000	-	423,000
Total	\$6,090,704	\$ 162,458	\$6,253,162

Transfers from the General Fund to the Fire Capital Projects Fund include contributions to offset debt service payments (\$3,595,724) as well as funding to smooth debt service cost impact to the fund and purchase equipment that cannot be a part of long-term debt financing arrangements (\$2,002,972). Transfers from the General Fund to the Proprietary Fund include contribution to offset some costs for Wildland Division staff (\$100,000) as well as the fuels crew as part of UFA's participation commitment to the State of Utah Catastrophic Wildland Fire Reduction Policy (\$323,000). The transfer from the Special Revenue Fund to the General fund are for General Fund staff that provide administrative and support services to Emergency Management. Interfund transfers related to EMAC deployment reimbursement were also transferred from the General Fund to capital projects funds (\$63,711 Fire Capital and \$5,298 EM Capital).

NOTE 16 – CHANGE IN ACCOUNTING PRINCIPLE

In June 2022, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 101, *Compensated Absences*. The objective is to "better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences, achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures". The statement requires that entities recognize a liability for leave that has not been used as well as leave that has been used but not yet paid. GASB 101 is effective for periods beginning after December 15, 2023, and all reporting periods thereafter. UFA has implemented GASB 101 in the financial statements for the year ended June 30, 2025. As a result of implementing GASB 101, there was a \$7,145,453 change in beginning net position as of July 1, 2024.

	6/30/24 As Previously Reported	Change in Accounting Principle	6/30/24 As Restated
Government-Wide Net Position			
Governmental Activities	\$95,028,699	\$ (6,972,548)	\$ 88,056,151
Business-Type Activities	2,175,546	(172,905)	2,002,641
Total Primary Government	<u>\$97,204,245</u>	<u>\$ (7,145,453)</u>	<u>\$ 90,058,792</u>
Governmental Funds Fund Balance			
Major Funds:			
General Fund	\$16,578,330	\$ -	\$ 16,578,330
Emergency Management Fund	1,549,915	-	1,549,915
Fire Capital Replacement Fund	6,267,067	-	6,267,067
Nonmajor Funds	184,742	-	184,742
Total Governmental Funds	<u>\$24,580,054</u>	<u>\$ -</u>	<u>\$ 24,580,054</u>
Proprietary Funds Net Position			
Wildland Enterprise Fund	\$ 2,175,546	\$ (172,905)	\$ 2,002,641
Total Proprietary Funds	<u>\$ 2,175,546</u>	<u>\$ (172,905)</u>	<u>\$ 2,002,641</u>



REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedules
Other Post-Employment Benefit Plan Schedules
Notes to Required Supplementary Information

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2025**

	MAJOR FUNDS		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES				
Member fees	\$ 70,918,181	\$ 71,529,842	\$ 71,529,842	\$ -
Ambulance operations	11,900,000	12,002,000	13,890,643	1,888,643
Fees - Other	3,547,613	3,540,757	3,527,814	(12,943)
Grants and contributions	45,500	196,531	158,758	(37,773)
Intergovernmental revenues	778,598	1,869,213	1,418,401	(450,812)
Reimbursements	919,355	2,110,617	1,868,155	(242,462)
Rent income	94,896	94,896	94,896	-
Investment income	600,000	600,000	879,328	279,328
Other income	49,700	76,222	133,059	56,837
TOTAL REVENUES	88,853,843	92,020,078	93,500,896	1,480,818
EXPENDITURES				
Current				
Salaries and benefits	74,373,534	76,818,559	73,863,284	2,955,275
Operations	10,690,121	10,992,550	10,260,592	731,958
General and administrative	1,337,608	1,373,875	889,827	484,048
Capital outlay	80,000	183,098	140,072	43,026
Debt service	188,061	188,061	188,061	-
TOTAL EXPENDITURES	86,669,324	89,556,143	85,341,836	4,214,307
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,184,519	2,463,935	8,159,060	5,695,125
OTHER FINANCING SOURCES (USES)				
Transfers in	162,458	162,458	162,458	-
Transfers out	(6,021,696)	(6,316,100)	(6,090,704)	225,396
Total other financing sources (uses)	(5,859,238)	(6,153,642)	(5,928,246)	225,396
Net change in fund balances	(3,674,719)	(3,689,707)	2,230,814	5,920,521
Fund balances - beginning	16,578,332	16,578,332	16,578,332	-
Increase in inventory	-	-	59,896	59,896
Fund balances - ending	\$ 12,903,613	\$ 12,888,625	\$ 18,869,042	\$ 5,980,417

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
June 30, 2025**

	MAJOR FUNDS		Actual	Variance
	Original	Final	Amounts	with Final Budget
REVENUES				
Fees - Emergency services	\$ 2,503,155	\$ 2,567,155	\$ 2,561,285	\$ (5,870)
Grants and contributions	639,849	924,346	609,561	(314,785)
Reimbursements	-	-	-	-
Investment income	48,000	48,000	112,010	64,010
Other income	800	800	680	(120)
TOTAL REVENUES	<u>3,199,262</u>	<u>4,786,353</u>	<u>4,529,588</u>	<u>(256,765)</u>
EXPENDITURES				
Current				
Salaries and benefits	1,792,864	1,809,289	1,704,925	104,364
Operations	1,344,175	2,952,341	2,413,146	539,195
General and administrative	10,650	10,650	8,293	2,357
Capital outlay	105,615	105,615	101,380	4,235
TOTAL EXPENDITURES	<u>3,253,304</u>	<u>4,877,895</u>	<u>4,227,744</u>	<u>650,151</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(54,042)	(91,542)	301,844	393,386
OTHER FINANCING SOURCES (USES)				
Transfers out	(162,458)	(162,458)	(162,458)	-
Total other financing sources (uses)	<u>(162,458)</u>	<u>(162,458)</u>	<u>(162,458)</u>	<u>-</u>
Net change in fund balances	(216,500)	(254,000)	139,386	393,386
Fund balances - beginning	1,549,916	1,549,916	1,549,916	-
Fund balances - ending	<u>\$ 1,333,416</u>	<u>\$ 1,295,916</u>	<u>\$ 1,689,302</u>	<u>\$ 393,386</u>

SCHEDULE OF CHANGES IN UFA'S TOTAL OPEB LIABILITY AND RELATED RATIOS **June 30, 2025**

Total OPEB liability	2025
Beginning balance	\$ 1,307,244
Service cost	-
Interest	49,577
Changes of benefit terms	-
Differences between expected and actual experience	105,491
Change of assumptions or other inputs	(132,454)
Benefit payments	(116,902)
Net change in total OPEB liability	<u>\$ (94,288)</u>
Ending balance	<u><u>\$ 1,212,956</u></u>
 Covered-employee payroll	 \$ -
Total OPEB liability as a percentage of covered-employee payroll	N/A

Notes to Schedule:

The table represents data available since the implementation of GASB Statement 75 and will increase to ten years over time.

Because all of UFA's OPEB participants are inactive (retired) members, there is no covered payroll associated with the plan.

Changes of benefit terms

No changes were made to participant benefits.

Changes of assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2025	5.20%
2024	3.97%
2023	3.86%
2022	3.69%
2021	1.92%
2020	2.45%
2019	3.13%
2018	3.62%
2017	3.56%

UNIFIED FIRE AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Utah Retirement Systems
For the Years Ended

	Noncontrib- utory Retirement	Public Safety	Firefighters Retirement	Tier 2 Public Employees Retirement	Tier 2 Public Safety and Firefighter Retirement
December 31, 2024					
Proportion of the net pension liability (asset)	0.3001960 %	0.0970134 %	30.1551740 %	0.0466751 %	2.6980248 %
Proportionate share of the net pension liability (asset)	\$ 951,956	\$ 150,109	\$ (51,316,067)	\$ 139,203	\$ 1,220,287
Covered employee payroll	\$ 3,043,959	\$ 94,299	\$ 25,922,940	\$ 1,382,166	\$ 12,315,766
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.27 %	159.18 %	-197.96 %	10.07 %	9.91 %
Plan fiduciary net position as a percentage of the total pension liability	96.02 %	93.30 %	112.66 %	87.44 %	90.10 %
December 31, 2023					
Proportion of the net pension liability (asset)	0.0029047 %	0.0617957 %	30.5098448 %	0.0488603 %	2.6580150 %
Proportionate share of the net pension liability (asset)	\$ 673,764	\$ 88,378	\$ (51,821,248)	\$ 95,101	\$ 1,001,253
Covered employee payroll	\$ 2,878,594	\$ 92,433	\$ 26,089,243	\$ 1,263,206	\$ 10,071,337
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	23.41 %	95.61 %	-198.63 %	7.53 %	9.94 %
Plan fiduciary net position as a percentage of the total pension liability	96.90 %	93.44 %	113.31 %	89.58 %	89.10 %
December 31, 2022					
Proportion of the net pension liability (asset)	0.2851438 %	0.0512641 %	30.9275887 %	0.0440139 %	2.5241441 %
Proportionate share of the net pension liability (asset)	\$ 488,380	\$ 66,288	\$ (38,928,359)	\$ 47,926	\$ 210,575
Covered employee payroll	\$ 2,731,657	\$ 88,334	\$ 26,182,616	\$ 958,327	\$ 7,766,245
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	17.9 %	75.0 %	-148.7 %	5.0 %	2.7 %
Plan fiduciary net position as a percentage of the total pension liability	97.5 %	93.6 %	110.3 %	92.3 %	96.4 %
December 31, 2021					
Proportion of the net pension liability (asset)	0.3113191 %	0.0510875 %	31.1924324 %	0.0495779 %	2.7085730 %
Proportionate share of the net pension liability (asset)	\$ (1,782,958)	\$ (41,490)	\$ (84,373,167)	\$ (20,983)	\$ (136,898)
Covered employee payroll	\$ 2,772,262	\$ 81,384	\$ 26,259,318	\$ 921,030	\$ 6,477,217
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-64.3 %	-51.0 %	-321.3 %	-2.3 %	-2.1 %
Plan fiduciary net position as a percentage of the total pension liability	108.7 %	104.2 %	122.9 %	103.8 %	102.8 %

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

(Continued)

Utah Retirement Systems
For the Years Ended

	Noncontrib- utory Retirement System	Public Safety System	Firefighters Retirement System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighter Retirement
December 31, 2020					
Proportion of the net pension liability (asset)	0.3173565 %	0.1074971 %	31.5750705 %	0.0711800 %	2.4873380 %
Proportionate share of the net pension liability (asset)	\$ 162,786	\$ 89,249	\$ (42,542,654)	\$ 10,238	\$ 223,101
Covered employee payroll	\$ 2,736,380	\$ 169,742	\$ 26,820,702	\$ 1,138,124	\$ 4,950,500
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	5.9 %	52.6 %	-158.6 %	0.9 %	4.5 %
Plan fiduciary net position as a percentage of the total pension liability	99.2 %	95.5 %	112.0 %	98.3 %	93.1 %
December 31, 2019					
Proportion of the net pension liability (asset)	0.2876441 %	0.1086923 %	30.3516842 %	0.0586519 %	2.1378496 %
Proportionate share of the net pension liability (asset)	\$ 1,084,093	\$ 174,518	\$ (18,979,316)	\$ 13,191	\$ 201,095
Covered employee payroll	\$ 2,454,252	\$ 166,821	\$ 25,661,905	\$ 815,239	\$ 3,523,778
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	44.2 %	104.6 %	-74.0 %	1.6 %	5.7 %
Plan fiduciary net position as a percentage of the total pension liability	93.7 %	90.9 %	105.8 %	96.5 %	89.6 %
December 31, 2018					
Proportion of the net pension liability (asset)	0.296771 %	0.103337 %	30.129190 %	0.055854 %	1.792058 %
Proportionate share of the net pension liability (asset)	\$ 2,185,337	\$ 265,843	\$ 12,176,773	\$ 23,921	\$ 44,901
Covered employee payroll	\$ 2,542,874	\$ 154,559	\$ 25,438,473	\$ 651,566	\$ 2,397,295
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	85.9 %	172.0 %	47.9 %	3.7 %	1.9 %
Plan fiduciary net position as a percentage of the total pension liability	87.0 %	84.7 %	96.1 %	90.8 %	95.6 %
December 31, 2017					
Proportion of the net pension liability (asset)	0.281594 %	0.099592 %	30.262730 %	0.048644 %	2.278416 %
Proportionate share of the net pension liability (asset)	\$ 1,233,747	\$ 156,226	\$ (6,788,998)	\$ 4,289	\$ (26,363)
Covered employee payroll	\$ 2,364,618	\$ 148,270	\$ 26,281,982	\$ 475,673	\$ 2,405,602
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	52.2 %	105.4 %	-25.8 %	0.9 %	-1.1 %
Plan fiduciary net position as a percentage of the total pension liability	91.9 %	90.2 %	102.3 %	97.4 %	103.0 %

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

(Continued)

Utah Retirement Systems
For the Years Ended

	Noncontrib- utory Retirement System	Public Safety System	Firefighters Retirement System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighter Retirement
December 31, 2016					
Proportion of the net pension liability (asset)	0.263211 %	0.097058 %	30.064901 %	0.050897 %	2.343604 %
Proportionate share of the net pension liability (asset)	\$ 1,690,136	\$ 196,958	\$ 4,447,122	\$ 5,678	\$ (20,344)
Covered employee payroll	\$ 2,337,782	\$ 141,938	\$ 26,880,461	\$ 417,396	\$ 1,936,343
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	72.3 %	138.8 %	16.5 %	1.4 %	-1.1 %
Plan fiduciary net position as a percentage of the total pension liability	87.3 %	86.5 %	98.4 %	95.1 %	103.6 %
December 31, 2015					
Proportion of the net pension liability (asset)	0.266277 %	0.093959 %	30.411293 %	0.062906 %	2.534847 %
Proportionate share of the net pension liability (asset)	\$ 1,506,722	\$ 168,304	\$ 5,174,732	\$ (137)	\$ (37,051)
Covered employee payroll	\$ 2,339,319	\$ 214,998	\$ 26,540,703	\$ 406,336	\$ 1,507,543
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	64.4 %	78.3 %	19.5 %	0.0 %	-2.5 %
Plan fiduciary net position as a percentage of the total pension liability	87.8 %	87.1 %	98.1 %	100.2 %	110.7 %
December 31, 2014					
Proportion of the net pension liability (asset)	0.245985 %	0.093707 %	30.151651 %	0.067884 %	2.553639 %
Proportionate share of the net pension liability (asset)	\$ 1,067,967	\$ 117,844	\$ (3,318,119)	\$ (2,057)	\$ (37,777)
Covered employee payroll	\$ 2,234,498	\$ 213,277	\$ 26,038,716	\$ 333,348	\$ 1,057,046
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	47.8 %	55.3	-12.7 %	-0.6 %	-3.6 %
Plan fiduciary net position as a percentage of the total pension liability	90.2 %	90.5 %	101.3 %	103.5 %	120.5 %

* Table represents data available since implementation of GASB Statement 68 and will increase to ten years over time. Amounts presented were determined as of calendar year January 1 - December 31.

SCHEDULE OF CONTRIBUTIONS

Utah Retirement Systems

June 30, 2025

	As of Fiscal Year Ended June 30	Actuarial Determined Contributions	Contributions in Relation to Contractually Required Contribution	Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
Noncontributory System	2016	409,735	409,735	2,386,711	17.17%
	2017	419,022	419,022	2,313,368	18.11%
	2018	435,864	435,864	2,505,049	17.40%
	2019	448,531	448,531	2,446,070	18.34%
	2020	464,170	464,170	2,613,972	17.76%
	2021	489,834	489,834	2,760,431	17.74%
	2022	479,226	479,226	2,699,294	17.75%
	2023	484,811	484,811	2,829,033	17.14%
	2024	511,022	511,022	2,969,831	17.21%
	2025	501,732	501,732	3,072,054	16.33%
Public Safety System	2016	49,499	49,499	177,146	27.94%
	2017	51,795	51,795	145,044	35.71%
	2018	54,085	54,085	151,456	35.71%
	2019	58,788	58,788	164,627	35.71%
	2020	60,512	60,512	169,455	35.71%
	2021	43,376	43,376	121,467	35.71%
	2022	29,207	29,207	81,791	35.71%
	2023	32,420	32,420	90,788	35.71%
	2024	33,608	33,608	94,166	35.69%
	2025	34,928	34,928	99,200	35.21%
Firefighters System	2016	1,744,093	1,744,093	26,667,191	6.54%
	2017	1,728,540	1,728,540	26,864,103	6.43%
	2018	1,660,240	1,660,240	25,705,564	6.46%
	2019	1,784,621	1,784,621	25,305,754	7.05%
	2020	1,873,949	1,873,949	26,664,146	7.03%
	2021	1,866,688	1,866,688	26,470,616	7.05%
	2022	1,813,631	1,813,631	25,799,344	7.03%
	2023	1,599,171	1,599,171	26,431,980	6.05%
	2024	1,566,555	1,566,555	25,778,522	6.08%
	2025	1,102,730	1,102,730	26,229,247	4.20%
Tier 2 Public Employees System*	2016	61,734	61,734	414,045	14.91%
	2017	60,984	60,984	409,014	14.91%
	2018	84,831	84,831	561,424	15.11%
	2019	117,121	117,121	753,675	15.54%
	2020	153,004	153,004	977,036	15.66%
	2021	165,545	165,545	1,047,751	15.80%
	2022	139,903	139,903	870,583	16.07%
	2023	179,569	179,569	1,121,606	16.01%
	2024	210,771	210,771	1,319,409	15.97%
	2025	235,786	235,786	1,552,246	15.19%

SCHEDULE OF CONTRIBUTIONS (Continued)

Utah Retirement Systems

June 30, 2025

	As of Fiscal Year Ended June 30	Actuarial Determined Contributions	Contributions in Relation to Contractually Required Contribution	Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
Tier 2 Public Safety & Firefighter System	2016	180,905	180,905	1,680,947	10.76%
	2017	245,430	245,430	2,283,069	10.75%
	2018	251,864	251,864	2,336,349	10.78%
	2019	337,188	337,188	2,973,450	11.34%
	2020	482,171	482,171	4,236,981	11.38%
	2021	801,134	801,134	5,689,862	14.08%
	2022	987,767	987,767	7,015,414	14.08%
	2023	1,245,499	1,245,499	8,845,879	14.08%
	2024	1,594,763	1,594,763	11,154,838	14.30%
	2025	1,960,638	1,960,638	13,690,418	14.32%
Tier 2 Public Employees DC Only System*	2016	11,926	11,926	178,266	6.69%
	2017	13,566	13,566	202,778	6.69%
	2018	18,240	18,240	272,398	6.70%
	2019	18,348	18,348	274,263	6.69%
	2020	21,124	21,124	315,759	6.69%
	2021	27,112	27,112	405,266	6.69%
	2022	31,808	31,808	475,499	6.69%
	2023	24,187	24,187	390,748	6.19%
	2024	30,860	30,860	501,891	6.15%
	2025	31,944	31,944	615,501	5.19%
Tier 2 Public Safety & Firefighter DC Only System*	2016	149	149	186,320	0.08%
	2017	222	222	277,879	0.08%
	2018	404	404	505,351	0.08%
	2019	560	560	700,580	0.08%
	2020	635	635	793,108	0.08%
	2021	833	833	1,041,188	0.08%
	2022	1,130	1,130	1,412,121	0.08%
	2023	1,358	1,358	1,695,057	0.08%
	2024	1,835	1,835	2,295,740	0.08%
	2025	2,652	2,652	3,314,466	0.08%

* 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.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Amounts presented were determined as of calendar year January 1 - December 31. Contributions as a percentage of covered payroll may be different than the board certified rate due to rounding and other administrative practices.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2025

NOTE 1 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Unified Fire Authority adopts an "appropriated budget" for all of its funds. UFA is required to present the adopted and final amended budgeted revenue and expenditures for the General and Special Revenue funds. The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- During the month of April, the Finance Committee meets to review management's proposed budget.
- By the first regularly scheduled Board meeting in May, UFA presents a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them. At this meeting, The Board of Trustees adopts a tentative budget.
- A meeting of the Board of Trustees is then called for the purpose of adopting the proposed budget after seven days public notice of the meeting has been given.
- Prior to June 22, the budget is legally enacted through a passage of a resolution by the Board of Trustees.
- Once a budget is approved, it can only be amended at the function and fund level by majority approval of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end.
- Each budget is prepared and controlled by the Division Manager at the revenue expenditure function/object level. Budgeted amounts are as amended by the Board of Trustees.
- The budgets for all funds must be filed with the Utah State Auditor within 30 days of adoption.

Reconciliation from Budgetary Basis to GAAP Basis

The differences between budgetary basis and GAAP basis for the year ended June 30, 2025, are as follows:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Budgetary Fund Balances	\$ 18,869,042	\$ 1,689,302
Amounts reported for budgetary basis are different because:		
Encumbrances for goods and services not received until after the current fiscal year included as expenditures for budgetary purposes, not GAAP	376,625	9,972
Encumbrances for goods and services not received until after the prior fiscal year excluded as expenditures for budgetary purposes, not GAAP	<u>(373,781)</u>	<u>(241,886)</u>
Total Fund Balances	<u>\$ 18,871,886</u>	<u>\$ 1,457,388</u>

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2025

NOTE 1 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

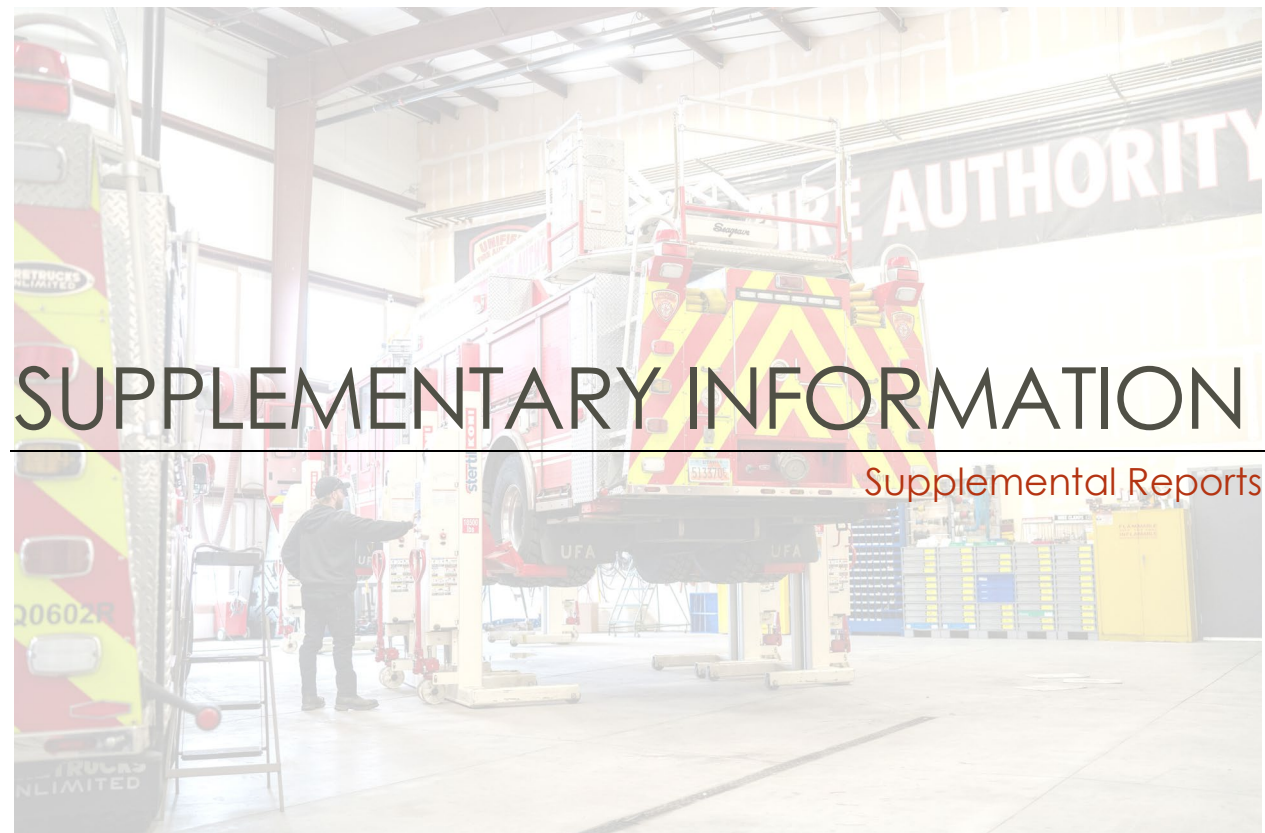
Budgetary Policies

The UFA Board approved a Budget Process policy outlining procedures for developing and approving an annual budget, budget monitoring and reporting, as well as budget amendments. The policy outlines the types of increases and transfers that require certain levels of authorization, as shown below:

Budget Amendment Type	Fire Chief	Finance Committee	UFA Board
Increase to budget (new grants, use of fund balance, etc.)	None	Recommends to Board	Approves
Interfund transfers	None	Recommends to Board	Approves
Transfers between categories within the same division:			
Capital General & Administrative Operations	\$0-\$25,000 allowed; Disclose to Finance Committee	\$25,000.01 - \$100,000 Finance Committee approves. Disclose to UFA Board	Above \$100,000 requires UFA Board approval
Long-term debt Personnel	None	Recommends to Board	Approves
Transfers between divisions:			
Same Category Different category	\$0-\$10,000 allowed; Disclose to Finance Committee	\$25,000.01 - \$100,000 Finance Committee approves. Disclose to UFA Board	Above \$100,000 requires UFA Board approval

NOTE 2 - CHANGES IN ASSUMPTIONS

No changes were made in actuarial assumptions from the prior year's valuation.



SUPPLEMENTARY INFORMATION

Supplemental Reports



CERTIFIED PUBLIC
ACCOUNTANTS

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

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

Board of Trustees
Unified Fire Authority
Salt Lake City, Utah

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, and each major fund of Unified Fire Authority (UFA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise UFA's basic financial statements, and have issued our report thereon dated November 25, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered UFA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of UFA's internal control. Accordingly, we do not express an opinion on the effectiveness of UFA's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
November 25, 2025



CERTIFIED PUBLIC
ACCOUNTANTS

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

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE AS REQUIRED BY THE STATE
COMPLIANCE AUDIT GUIDE**

Board of Trustees
Unified Fire Authority
Salt Lake City, Utah

Report on Compliance

We have audited Unified Fire Authority's (UFA) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor that could have a direct and material effect on UFA for the year ended June 30, 2025.

State compliance requirements were tested for the year ended June 30, 2025, in the following areas:

Budgetary Compliance
Fraud Risk Assessment
Open and Public Meetings Act

Fund Balance
Government Fees
Utah Retirement Systems

Opinion on Compliance

In our opinion, UFA complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of UFA and to meet our other ethical responsibilities, in accordance with 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 opinion. Our audit does not provide a legal determination of UFA's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to UFA's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on UFA's compliance based on our audit. 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 GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the

compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about UFA's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 UFA's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of UFA's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide* but not for the purpose of expressing an opinion on the effectiveness of UFA's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report On Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or to detect and correct noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

K&C, CPAs

K&C, Certified Public Accountants
Woods Cross, Utah
November 25, 2025

UNIFIED FIRE AUTHORITY
Resolution No. 12-2025A of 2025
(Exhibit to Interlocal Agreement for Services)

A RESOLUTION OF THE UNIFIED FIRE AUTHORITY APPROVING THE REVISED
“EXHIBIT A” TO THE INTERLOCAL COOPERATIVE AGREEMENT WITH UNIFIED
FIRE SERVICE AREA FOR THE PROVISION OF SERVICES

- A. The Interlocal Cooperation Act, Utah Code Ann. §11-13-101 et. seq. (the “Interlocal Cooperation Act”), provides that any two or more public agencies may enter into agreements with one another for joint or cooperative action following the adoption of an appropriate resolution by the governing body of each participating public agency.
- B. The Unified Fire Authority (the “Authority”) and the Unified Fire Service Area (the “Service Area”) are public agencies for purposes of the Interlocal Cooperation Act.
- C. Authority provides fire protection and emergency medical services to the Service Area and other public agencies for a fee. Authority has also provided administrative services for Service Area in the past and been reimbursed for the costs of such services pursuant to an Interlocal Agreement approved by the Board on October 17, 2017 and subsequently executed by the Parties (the “Interlocal Agreement”).
- D. The Interlocal Agreement provides that for each calendar year the Parties will approve an “Exhibit A” that sets forth the services to be provided and the cost to be paid by the Service Area to the Authority.
- E. After careful consideration, the Board of Directors of the Authority has reviewed the proposed revised “Exhibit A” to the Interlocal Agreement, attached to this resolution as “Exhibit 1,” and determined that it is in the best interests of the Authority and its members to approve it as Exhibit A to the Interlocal Agreement for calendar year 2026 to replace the prior authorized Exhibit A.

F. In the event the approval of the revised Exhibit A by the Parties requires an adjustment to the UFA 2025-2026 Fiscal Year Budget, the UFA Board will amend its budget pursuant to law or the Interlocal Agreement may be terminated as provided for therein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Unified Fire Authority:

SECTION 1. PURPOSE. The purpose of this Resolution is to approve the inclusion of the proposed revised Exhibit A into the Interlocal Agreement for calendar year 2026.

SECTION 2. APPROVAL OF INTERLOCAL AGREEMENT. The Board hereby approves the replacement of the current Exhibit with the proposed revised Exhibit A, in the form attached as Exhibit “1” hereto, on behalf of Authority, for calendar year 2026, subject to the mutual approval by the Board of the Service Area.

SECTION 3. RECORDS. The Authority’s keeper of records is authorized and instructed to keep and maintain a copy of this revised Exhibit A with the Interlocal Agreement available for inspection.

SECTION 4. EFFECTIVE DATE. This Resolution will take effect upon approval. The revised Exhibit A will be effective January 1, 2026 and when the following Interlocal Cooperation Act requirements have been satisfied: (i) the Agreement has been approved by all parties as required by Section 11-13-202(2); (ii) each party to the Agreement has submitted the Agreement to an attorney authorized to represent the said party for review as to proper form and compliance with applicable law as required by Section 11-13-202.5(3); and (iii) the approved Exhibit has been filed with the keeper of records of each of the parties as required by Section 11-13-209.

Passed by the Board of the Unified Fire Authority, this 9th day of December, 2025.

UNIFIED FIRE AUTHORITY

By: _____
Chair

APPROVED AS TO FORM:

ATTEST:

Chief Legal Counsel

Clerk

EXHIBIT “1”

Exhibit A for Calendar Year 2026

<u>Position</u>	Jan-25		Jan-26		<u>Responsibilities</u>
	<u>% of Time Worked</u>	<u>Salary & Benefits</u>	<u>% of Time Worked</u>	<u>Salary & Benefits</u>	
Logistics Facilities Manager	80%	\$127,274	80%	\$131,142	Specifications/RFP/Bids/Management/ for capital improvement projects; compiling operational and maintenance documents; works through any warranty items on newer projects. Seismic evaluations and retrofit assessments. Station architectural design, rendering, and construction.
Logistics Facilities Specialist	5%	\$5,092	5%	\$5,418	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Facilities Specialist	2%	\$1,605	2%	\$1,614	Assists Facilities Manager when needed; provides information for Capital Improvement needs; Meets with contractors.
Logistics Purchasing Coordinator	2%	\$2,154	2%	\$2,237	Assists with the processing of MR's and invoices for capital projects.
Logistics Data Coordinator	1%	\$980	1%	\$1,037	Researches information for Logistics as requested.
Logistics Division Chief	20%	\$36,558	20%	\$37,418	Develops, manages, and administers capital improvements budgets; Provides overall direction and management to UFSA facility management. Leads and guides discussions for future fire station designs. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFSA Board of Directors and communities/members, in preparation for station construction.
Support Services Assistant Chief	10%	\$26,326	10%	\$25,764	Researches property descriptions/locations for fire station rebuilds and new construction. Captures and records the details of properties for fire station constructions. Leads and guides discussions for future fire station design and construction. Researches optional uses and associated fees of portions of fire stations, such as office space leasing. Co-coordinates seismic evaluations and seismic upgrades projects. Provides project-specific content for use in presentations to the UFSA Board of Directors and communities/members, for bonding and bond elections. Meets with individual board members to discuss property and fire station construction issues and strategies.
Finance Purchasing Agent/Contracts	30%	\$42,821	25%	\$37,722	RFP/RFQ/Purchasing processing. Contract coordination and tracking.
Finance Senior Accountant	11.5%	\$16,152	11%	\$16,299	Cash receipting, online payment reporting, impact fee reporting, external audit, capital assets, state transparency
Finance AP/AR Manager	1.5%	\$2,269	2%	\$3,030	AP/AR oversight, cash receipting review/close
Finance Sr. Accounting Specialist	12%	\$11,591	7%	\$7,189	UFSA Desktop Deposits, AR, AP entry & review
Finance Assistant Finance Director	7.5%	\$16,143	7%	\$15,568	External audit, financial statements, accounting oversight, online payment admin, bank reconciliations
CFO	15%	\$42,878	15%	\$44,308	Financial Management, Treasurer
UFSA Clerk	10%	\$12,433	10%	\$12,342	Time needed to fully meet the responsibilities of the Clerk
Records Manager	1%	\$841	1%	\$918	Managing UFSA record requests. Retention schedule and archives
ECC Receptionist	3%	\$2,020	3%	\$2,157	Impact fee collection/receipts, phone calls
Director of Communications	1%	\$2,151	1%	\$2,236	Community Outreach
Community Outreach Specialist	1%	\$1,159	1%	\$1,236	Community Outreach/Construction Projects/Website Maintenance
		\$350,447		\$347,638	
Overhead Charge	15%	<u>\$52,567</u>	15%	<u>\$52,146</u>	Office Space, IT, supplies, etc.
TOTAL		\$403,014		\$399,784	
	Logs	199,712	Logs	205,697	
	Fin	151,632	Fin	142,736	
	Admin	47,863	Admin	47,359	
	IO	3,807	IO	3,993	
		403,014		399,784	

Filter statement

Filters **Alarm Date Range** Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

Operations Report

Calendar YTD Incident Responses

Count of Incidents YTD
36,441

Incident Responses Last Month



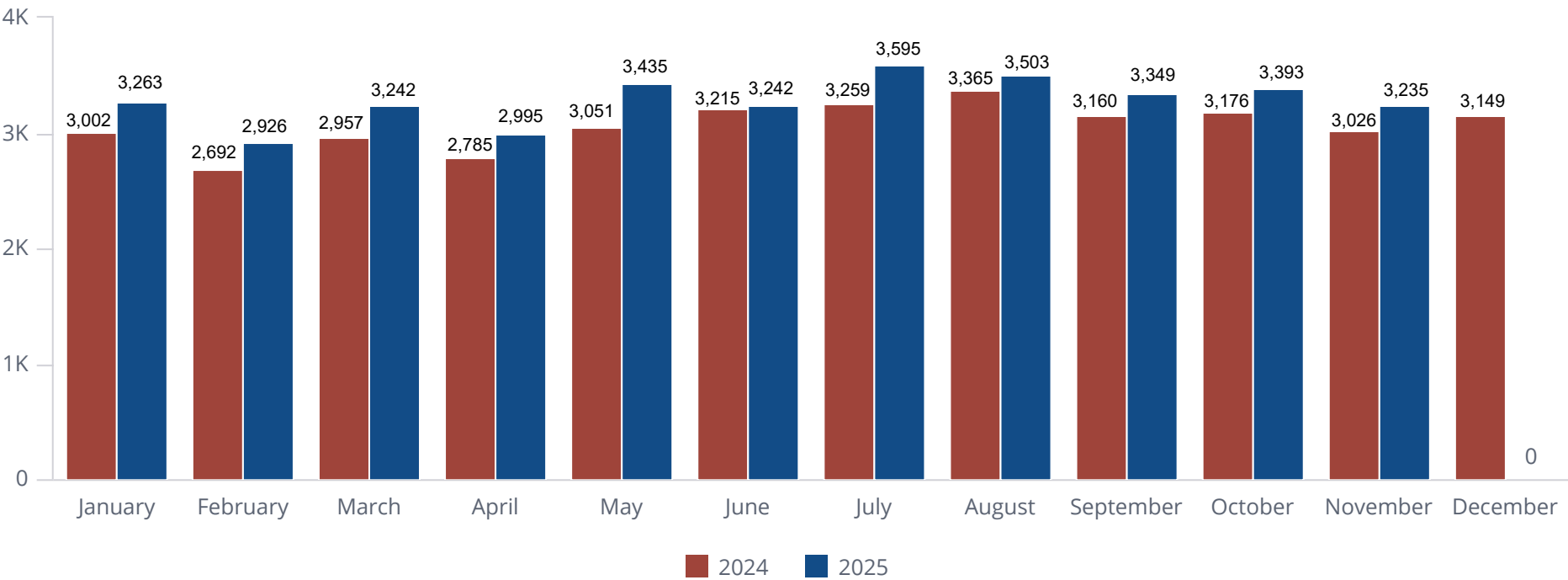
Count of Incident Type Groups

Incident Type Group	Incident Count
100 - Fire	69
200 - Overpressure Rupture, Explosion, Overheat	4
300 - Rescue & EMS	2,169
400 - Hazardous Condition	79
500 - Service Call	228
600 - Good Intent Call	455
700 - False Alarm	225
800 - Severe Weather & Natural Disaster	6

Filter statement

Filters **Alarm Date Range** Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

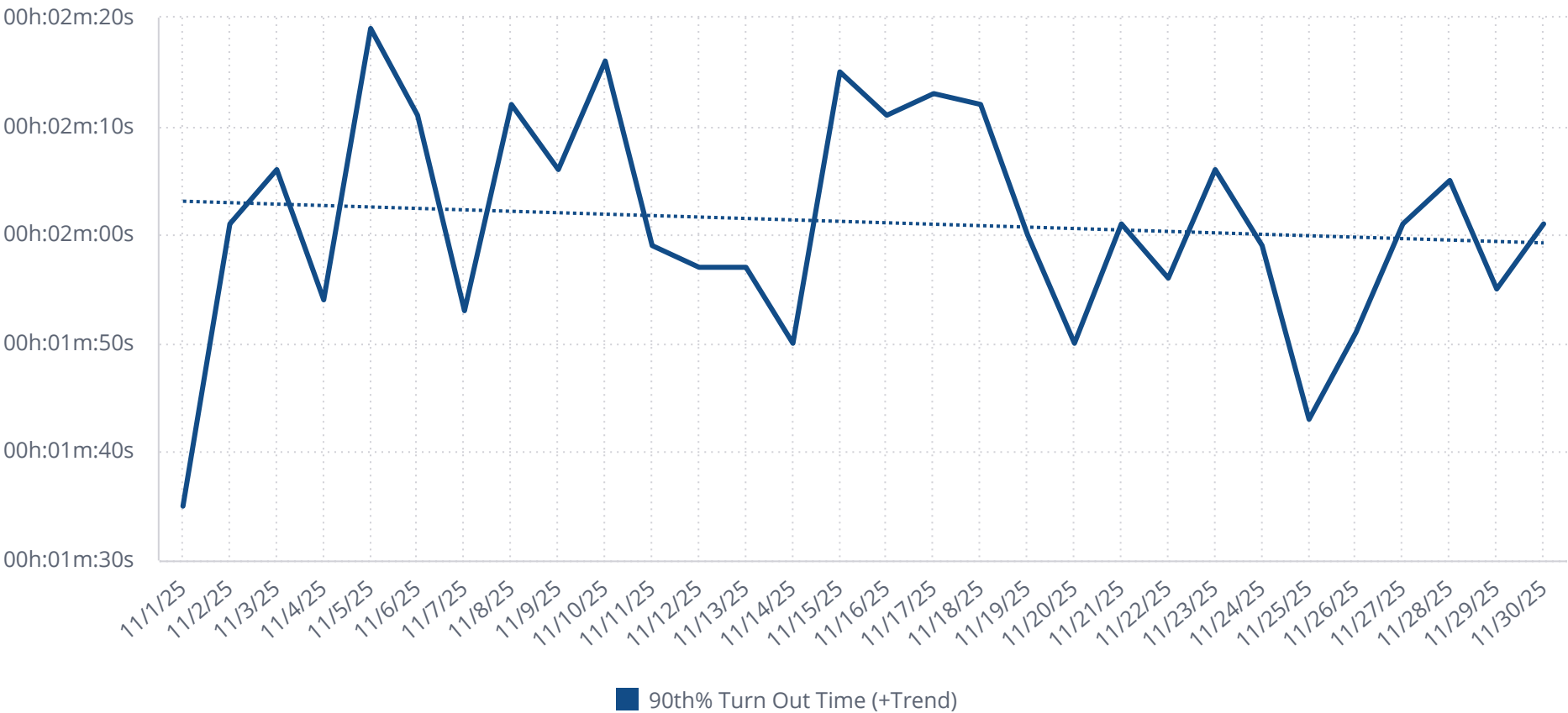
Incident Count by Month (this year compared to last) YTD



Filter statement

Filters **Alarm Date Range** Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

Turn Out Time Last Month

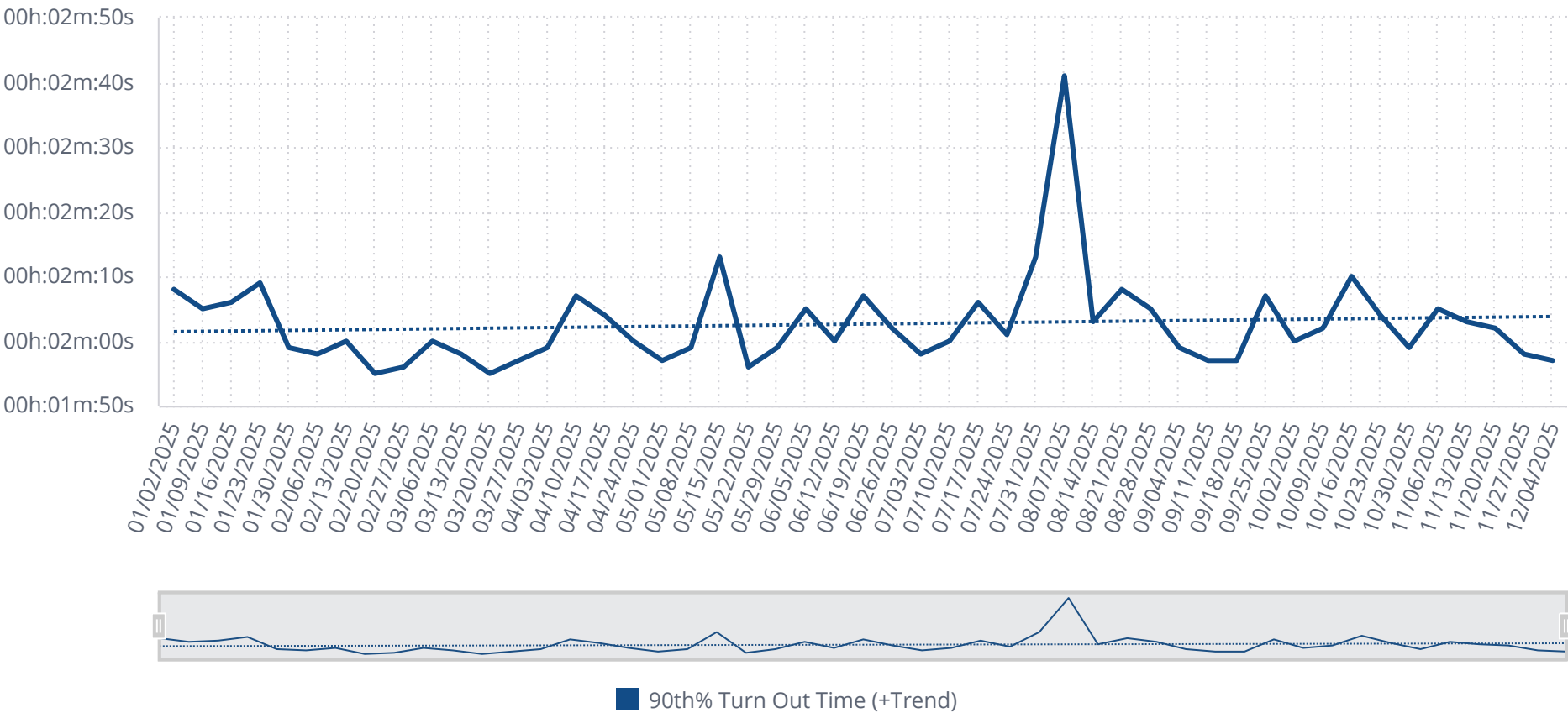


Filter statement

Filters

Alarm Date Range Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

Turn Out Time YTD



Filter statement

Filters

Alarm Date Range Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

Turn Out Time Last Month

Turn Out Time YTD

90th% Turn Out Time Last Month

00h:02m:01s

90th% Turn Out Time YTD

00h:02m:02s

Filter statement

Filters

Alarm Date Range

Last Month

Is Locked

true

Is Active

true

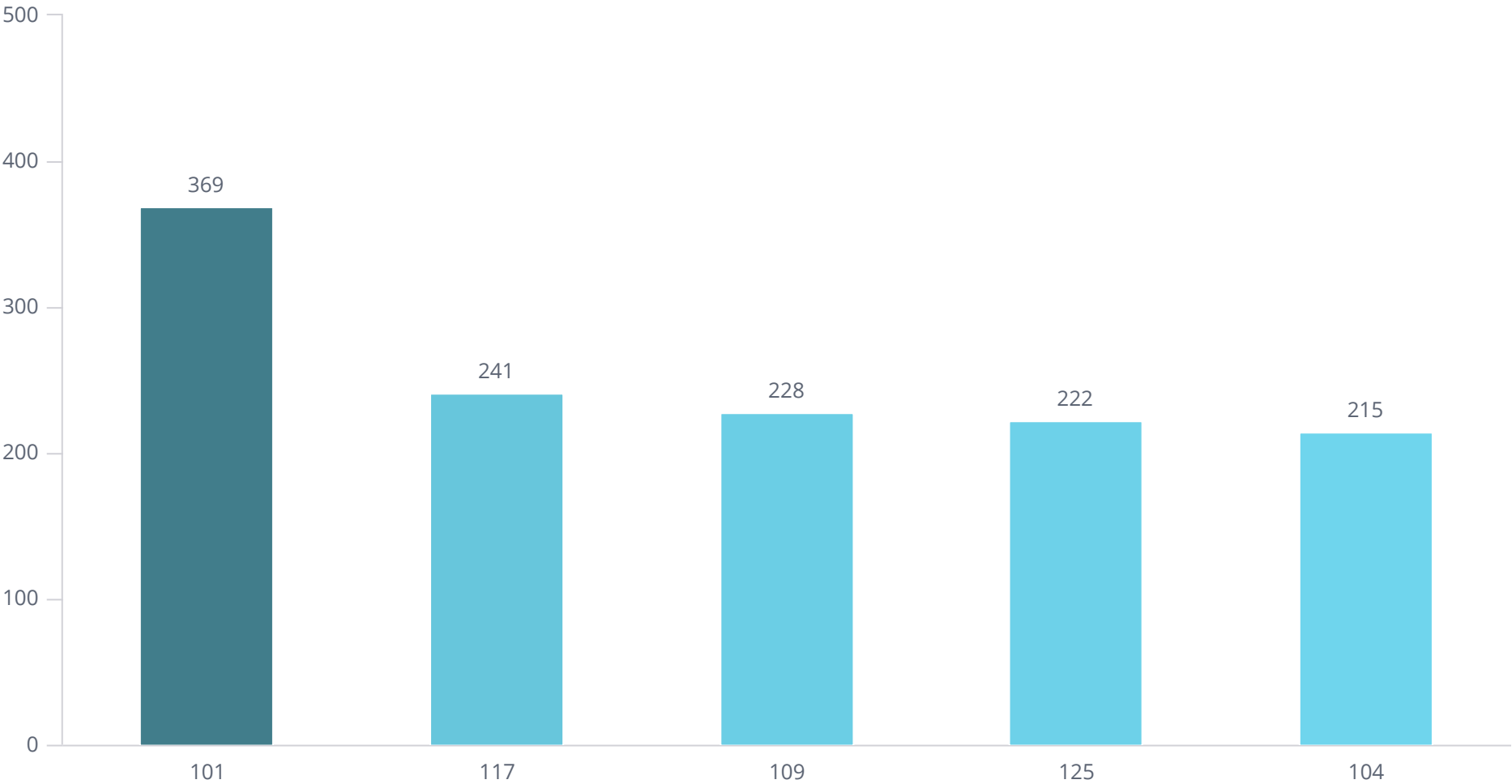
Location City

All items containing ""

Station

All items containing ""

Busiest Station Top 5



Filter statement

Filters

Alarm Date Range

Last Month

Is Locked

true

Is Active

true

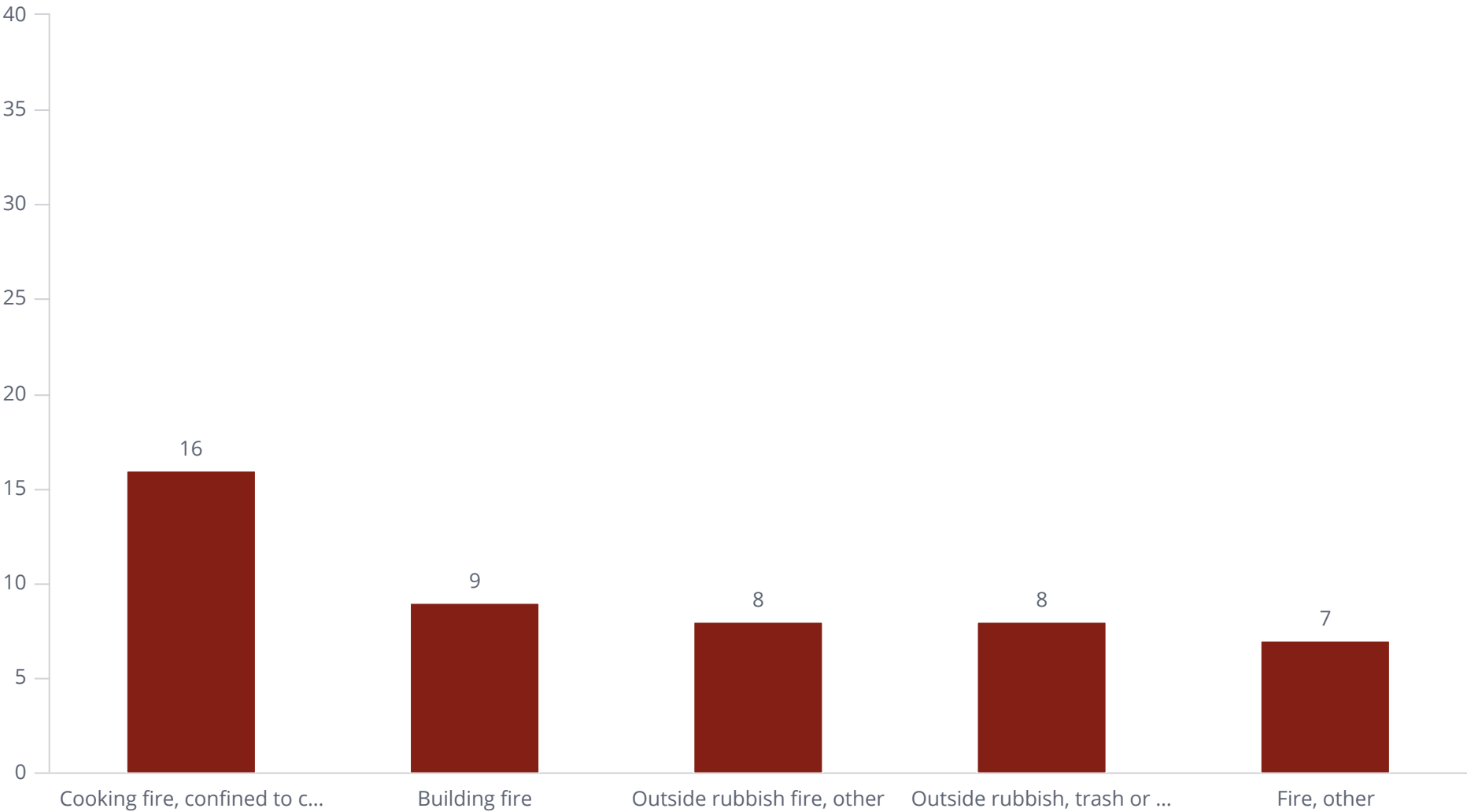
Location City

All items containing ""

Station

All items containing ""

Top 5 Fire Incident Types



Filter statement

Filters

Alarm Date Range

Last Month

Is Locked

true

Is Active

true

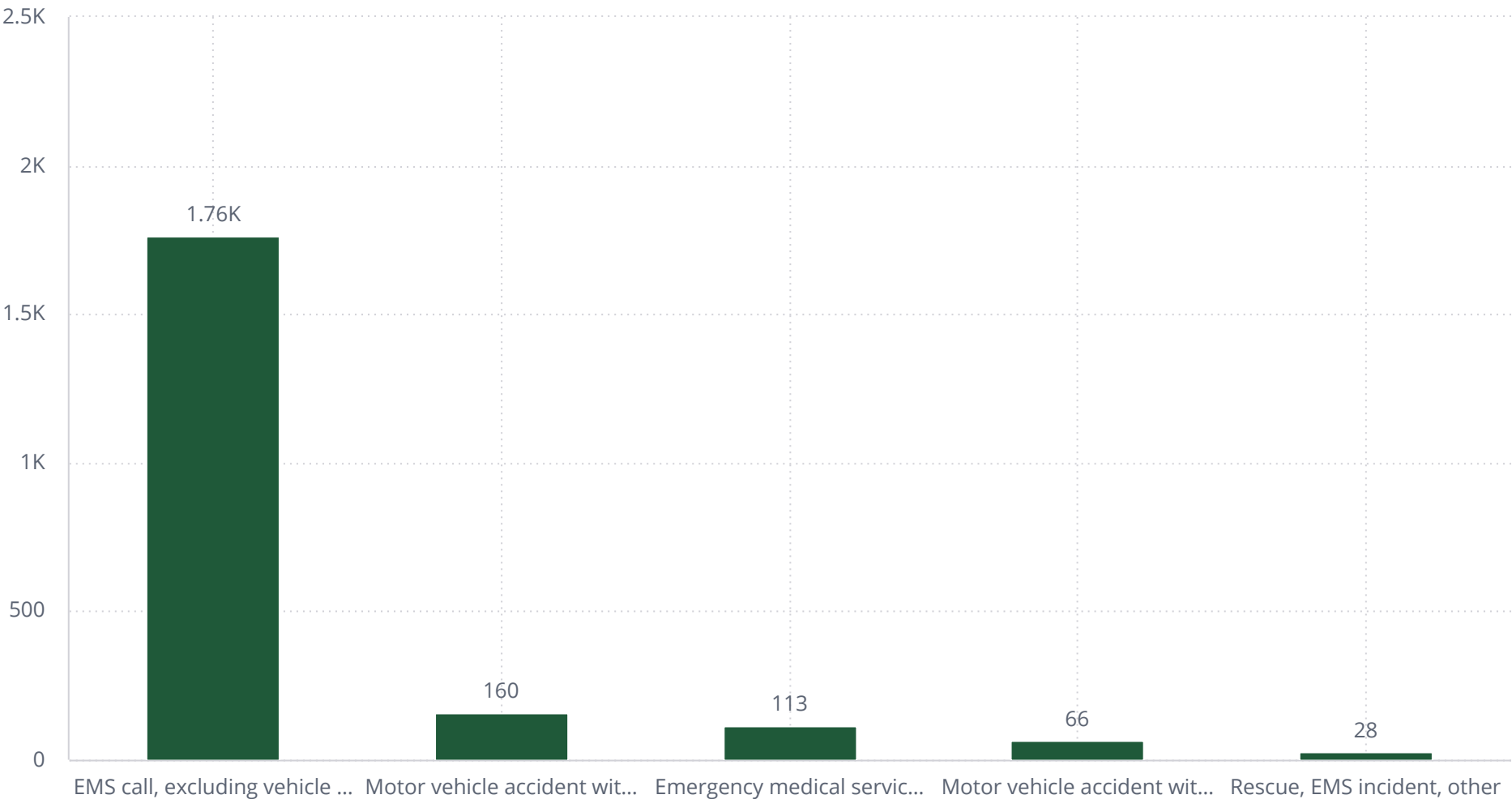
Location City

All items containing ""

Station

All items containing ""

Top 5 EMS Incident Types



Filter statement

Filters **Alarm Date Range** Last Month | **Is Locked** true | **Is Active** true | **Location City** All items containing "" | **Station** All items containing ""

Top 5 Incident Types Other (Neither Fire nor EMS)

