



OFFICE OF THE
UTAH STATE AUDITOR

January 26, 2016

Mayor Cherie Wood
South Salt Lake City
220 E. Morris Ave, Suite 200
South Salt Lake, Utah 84115-3284

Dear Mayor Wood:

We have reviewed the financial reports submitted by South Salt Lake City for the fiscal year ended June 30, 2015. Our review was made to verify substantial compliance with generally accepted accounting principles (GAAP), Government Auditing Standards (GAS), and finance-related provisions of State law. A description of the financial reports required to be submitted to our office can be found at www.auditor.utah.gov/local-government-2/reporting-requirements.

Because of issues noted below, further action is required in order for the financial report submission to be considered complete.



We noted a negative fund balance amount in the Ambulance Services Fund. State law requires local government entities to include in subsequent budgets amounts to reduce and/or eliminate negative fund balances. Please submit a correction action plan to our office via stateauditor@utah.gov detailing how the entity is ensuring this negative fund balance is being reduced and/or eliminated.

Failure to properly correct all the issues noted above within 60 days of this letter could result in state-allocated funds and property taxes being withheld.

We appreciate your efforts and those of your staff. Please contact our office if you have any questions.

Sincerely,

The Office of the Utah State Auditor Local Government Team

For questions related to resubmitting reports, please contact:

60 Day Warning

Per *Utah Code 67-3-1(8)*, this letter serves as the required 60 day notice of our intent to withhold state-allocated funds and property tax for failure to comply with reporting requirements.

CITY OF SOUTH SALT LAKE
BALANCE SHEET
JUNE 30, 2015

AMBULANCE SERVICES FUND

ASSETS

54-1101-000	CASH	304,086.38	
54-1311-100	ACCOUNTS RECEIVABLE-YEAR END	3,542.08	
54-1315-000	TRANSPORTS ACCOUNTS RECEIVABLE	7,486,027.00	
54-1317-000	ALLOWANCE-CONTRACT REDUCTIONS	(6,535,736.20)	
54-1319-000	ESTIMATED REDUCTION ALLOWANCE	(494,151.22)	
54-1651-000	EQUIPMENT	212,173.74	
54-1661-000	VEHICLES	499,719.35	
54-1675-000	ACCUMULATED DEPRECIATION	(585,748.48)	
54-1800-000	NET PENSION ASSET	134,818.00	
54-1900-000	DEFRRD OUTFLOW RESOURC-PENSION	24,157.00	
	TOTAL ASSETS		1,048,887.65

LIABILITIES AND EQUITY

LIABILITIES

54-2131-000	ACCOUNTS PAYABLE	3,940.41	
54-2211-000	ACCRUED SALARIES PAYABLE	25,023.11	
54-2523-000	ACCRUED VACATION PAYABLE	33,490.25	
54-2541-000	INTERFUND LOAN PAYABLE-CAP FND	1,544,080.00	
	TOTAL LIABILITIES		1,606,533.77

FUND EQUITY

54-2850-000	DEFRRD INFLOW RESOURC-PENSION	108,147.00	
	UNAPPROPRIATED FUND BALANCE:		
54-2981-000	RETAINED EARNINGS	(715,898.21)	
	REVENUE OVER EXPENDITURES - YTD	50,105.09	
	BALANCE - CURRENT DATE	(665,793.12)	
	TOTAL FUND EQUITY		(557,646.12)
	TOTAL LIABILITIES AND EQUITY		1,048,887.65

CITY OF SOUTH SALT LAKE
 BALANCE SHEET
 JUNE 30, 2015

CAPITAL IMPROVEMENTS FUND

ASSETS

40-1101-000	CASH	6,970,407.51
40-1153-400	EQUITY - CAPITAL RESERVE	1,288,280.55
40-1411-000	DUE FROM OTHER GOVT UNITS	901,888.82
40-1490-000	INTERFUND NOTES RECEIVABLE-RDA	1,812,609.08
40-1494-000	INTERFND NOTE RECEIVABLE-AMBUL	1,544,080.00
		12,517,265.96
	TOTAL ASSETS	12,517,265.96

LIABILITIES AND EQUITY

LIABILITIES

40-2131-000	ACCOUNTS PAYABLE	177,046.75
40-2131-100	ACCOUNTS PAYABLE-YEAR END	4,130.00
40-2173-000	DEPOSITS	15,000.00
		196,176.75
	TOTAL LIABILITIES	196,176.75

FUND EQUITY

UNAPPROPRIATED FUND BALANCE:		
40-2951-000	ASSIGNED-CAPITAL PROJECTS	5,571,089.16
40-2961-400	ASSIGNED-RDA INTERFUND NOTE	812,609.08
40-2961-500	ASSIGNED-AMBULANCE LOAN	1,544,080.00
40-2961-700	RESTRICTED-ROAD PROJECTS	2,698,043.49
	REVENUE OVER EXPENDITURES - YTD	1,695,267.48
		12,321,089.21
	BALANCE - CURRENT DATE	12,321,089.21
	TOTAL FUND EQUITY	12,321,089.21
	TOTAL LIABILITIES AND EQUITY	12,517,265.96

INTERFUND PROMISSORY NOTE

\$1,624,337. By the City of South Salt Ambulance Service Fund July 1, 2009

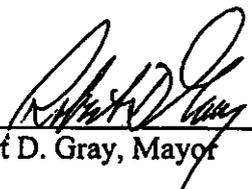
For value received, the City of South Salt Lake Ambulance Service Fund ("the Ambulance Fund") promises to pay the City of South Salt Lake Capital Improvements Fund ("the Capital Fund"), the principal sum of One Million, Six-Hundred Twenty-four Thousand, Three-Hundred Thirty-seven Dollars (\$1,624,337.), together with a rate of interest to be adjusted annually and indexed to the yearly average of the rate of interest paid by the "Public Treasurer's Investment Fund" plus 2% but only from such Ambulance Fund balance as may be available at the conclusion of any fiscal year after payment of all operating and capital costs of the City's ambulance system including the costs of any extensions, improvements, additions, repairs and replacements to the City's ambulance service system. The obligation to pay this Interfund Promissory Note shall be a limited and special obligation, payable only from and limited by the availability of the funds described herein. This promissory note may not be transferred or assigned.

The principal amount covered by this Interfund Promissory Note represents money advanced by the City's Capital Fund for initial "start up" costs of the City's ambulance service system.

This promissory note is payable by way of "interfund transfer" from the Ambulance Fund to the Capital Fund.

THE CITY OF SOUTH SALT LAKE

Date: July 1, 2009

By 
Robert D. Gray, Mayor

Attest:


Craig D. Burton, City Recorder

RESOLUTION NO. R2009- 22

**A RESOLUTION OF THE CITY OF SOUTH SALT LAKE CITY COUNCIL
AUTHORIZING AN INTERFUND LOAN FROM THE CITY OF SOUTH SALT
LAKE'S CAPITAL IMPROVEMENTS FUND TO THE CITY'S AMBULANCE
SERVICE FUND TO PAY THE INITIAL "START UP COSTS" OF THE CITY'S
AMBULANCE SERVICE SYSTEM**

WHEREAS, the City of South Salt Lake City Council has authorized the creation and funding of an ambulance service system through an "Ambulance Service Fund"; and

WHEREAS, currently there are not sufficient funds in the City's Ambulance Service Fund to cover the start up costs of the ambulance service until such time as the service begins to produce revenue; and

WHEREAS, there are sufficient funds in the City's Capital Improvements Fund to pay the start up costs associated with the ambulance service and state law allows for loans to be made between funds; and

WHEREAS, it is in the best interest of the City to authorize a loan from the Capital Improvements Fund to the Ambulance Service Fund and;

WHEREAS, the start up costs for the ambulance service system are \$1,624,337.; and

WHEREAS, the attached "Interfund Promissory Note" in the amount of \$1,624,337. has been prepared to effectuate such a loan according to the terms set forth therein,

NOW, THEREFORE, BE IT RESOLVED by the City of South Salt Lake City Council that the Mayor is authorized to execute the attached "Interfund Promissory Note" to allow a loan in the amount of \$1,624,337. from the Capital Improvements Fund to the Ambulance Service Fund for the purpose set forth above.

This Resolution is to take effect on July 1, 2009.

APPROVED AND ADOPTED by the City of South Salt Lake City Council, South Salt Lake, Utah, on this 10th day of JUNE, 2009.

BY THE CITY COUNCIL:

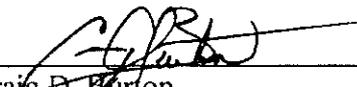


LeRoy R. Turner
Council Chair

City Council Vote as Recorded:

Brusch	<u>AYE</u>
Fitts	<u>AYE</u>
Marshall	<u>AYE</u>
Rutter	<u>AYE</u>
Siwik	<u>NAY</u>
Turner	<u>AYE</u>
Weaver	<u>AYE</u>

ATTEST:



Craig D. Burton
City Recorder