



UNIFIED FIRE SERVICE AREA FINANCE COMMITTEE AGENDA

June 14, 2023, 12:00 p.m.

NOTICE IS HEREBY GIVEN THAT THE UNIFIED FIRE SERVICE AREA FINANCE COMMITTEE SHALL ASSEMBLE FOR
A MEETING AT 3380 South 900 West, Salt Lake City, UT 84119

THE PUBLIC MAY ATTEND PHYSICALLY OR ELECTRONICALLY VIA ZOOM WEBINAR:
<https://us06web.zoom.us/j/91681046879?pwd=MEtoVmtwRG95ZFYrV0J3TUZtZUNBdz09>

Meeting ID: 916 8104 6879

Password: 8675309

1. Call to Order – Chair Hull
2. Public Comments
Please limit comments to three minutes each
There are three options for comments during this meeting:
 - a. In-Person.
 - b. Live during the Webinar by logging in as described above. If you wish to make a comment, select the “Raise Hand” button at the bottom of the screen. You will then be added to the queue and invited to speak.
 - c. EMAIL: Public comments will be accepted prior to the meeting via email at publiccomment@unifiedfire.org until 7:00 a.m. June 13, 2023. Emailed comments submitted prior to 7:00 a.m. June 13, 2023, will be read or summarized into the record, comments received after the deadline will be forwarded to the UFSA Finance Committee, but not read into the meeting record or addressed during the meeting.
3. Minutes Approval - Chair Hull
 - A. March 20, 2023
4. Review/Approval of the 2022 Annual Financial Report and Audit
- CFO Hill
5. 2024 Budget Calendar Discussion - CFO Hill
6. Salt Lake County Canyon Contribution Updates – DA Anderson
7. Possible Closed Session
The UFSA Finance Committee may consider a motion to enter into Closed Session. A closed meeting described under Utah Code Section 52-4-205 may be held for specific purposes including, but not limited to:
 - a. discussion of the character, professional competence, or physical or mental health of an individual;
 - b. strategy sessions to discuss pending or reasonably imminent litigation;
 - c. strategy sessions to discuss the purchase, exchange, or lease of real property;

d. discussion regarding deployment of security personnel, devices, or systems; and

e. investigative proceedings regarding allegations of criminal misconduct.

A closed meeting may also be held for attorney-client matters that are privileged pursuant to Utah Code § 78B-1-137, and for other lawful purposes that satisfy the pertinent requirements of the Utah Open and Public Meetings Act.

Re-Opening the Meeting

8. Adjournment – Chair Hull

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL UFSA MEETINGS.

In accordance with the Americans with Disabilities Act, UFSA will make reasonable accommodation 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 meeting. This meeting will also be held electronically to allow members of the UFSA Finance Committee to participate. This agenda is subject to change with a minimum 24-hour notice.

CERTIFICATE OF POSTING

The undersigned, does hereby certify that the above agenda notice was posted on this 13th Day of June, 2023 on the UFSA bulletin boards, the UFSA website www.unifiedfireservicearea.org , posted on the Utah State Public Notice website <http://www.utah.gov/pmn/index.html> and was emailed to at least one newspaper of general circulation with the jurisdiction of the public body.

Cyndee Young, UFSA Board Clerk



UNIFIED FIRE SERVICE AREA FINANCE COMMITTEE MEETING MINUTES

March 20, 2023

Meeting held both electronically via Zoom Webinar/UFA Headquarters

Committee Members Present:

Council Member Bailey
Council Member Hull
Mayor Stevenson

Mayor Overson
Mayor Silvestrini

Staff:

Chief Burchett
CFO Hill
Cyndee Young

District Administrator Anderson
AC Pilgrim

Guests:

AC Dern
AC Pilgrim
AC Robinson
Bill Brass
Brook Burton
Kyle Maurer, Herriman
Kylie Day
Mayor Westmoreland
Nile Easton
Patrick Costin
Steve Quinn

Calle Ellingson
Courtney Samuel
Division Chief
Greensides
Division Chief Widdison

Erica Langenfass
Kate Turnbaugh
Kelly Bird

Meeting called to order by District Administrator Anderson at 12:39 p.m.

Public Comments

None

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

Minutes Approval

Mayor Silvestrini moved to approve the minutes from the October 31, 2022 Finance Committee Meeting as submitted

Mayor Overson seconded the motion

All voted in favor, none opposed

UFA Member Fee Discussion and Impact on UFSA – CFO Hill/DA Anderson

- ◆ The purpose of this meeting is to provide an update on the canyon contribution discussions taking place between SLCo, various stockholders, and UFA.
- ◆ With SLCo reducing the contribution, the operations and UFA Member Fee will impact UFSA.
- ◆ CFO Hill presented a chart that displayed the fund balance for the coming years and the 2024 tax increase or expenditure reductions necessary once drawing down on the fund balance begins.
- ◆ The 2023 fund balance includes the 4th FTE at the stations that were previously approved.
- ◆ The 2024 budget fund balance drops to 8.72% due to the 2021 debt service payment and the additional FTE's.
- ◆ Both are assuming that there is a 5% Member Fee both 2023 and 2024.
- ◆ Mayor Overson asked if this includes any projections?
 - ◆ CFO Hill stated that the numbers provided get UFSA back to minimum reserve.
 - ◆ There may also be new costs for funding the new Eagle Mountain station and adding 4-handed staffing elsewhere.
 - ◆ Work will be needed to ensure we give ourselves flexibility moving forward, but there is the option to just conduct the tax increase for 2024 or size it to get UFSA through a few years before it is necessary to address the balance again.
 - ◆ The numbers provided on the document are just status quo to get UFSA back to minimum reserve.
- ◆ Council Member Bailey inquired if this is in response to the SLCo canyon contribution?
 - ◆ CFO Hill clarified that it is not the sole driver, it's part of the conversation, but the new bond added \$2.3M worth of expenses for new stations and the 4-person staffing added expenses as well, it's a combination of all.
 - ◆ DA Anderson stated that the tax increase was coming regardless of the canyon contribution challenge.
- ◆ Chief Burchett clarified that his role has been as an advocate for the services UFA provides and to provide information to help the discussion move forward.
 - ◆ Thus far, a solution has not been found.
 - ◆ Chief Burchett referenced the memo included in the packet outlining the evolution of the contribution since 2008.
 - ◆ In 2018 the Member Fee system was implemented and is used to this day.
 - ◆ The funding provided by SLCo has been used as revenue to offset all Member Fees.
 - ◆ There is no reference to the conversation addressing leaving as a revenue source, but this was discussed with then Board Member Reberg.
 - ◆ Chief Burchett stated that the canyon service is a strain to the entire system and was part of the basis for leaving as it was.
 - Every member has benefitted from this revenue
- ◆ Chief Burchett feels that there is a better way to attribute calls to those who are directly affected.
 - ◆ If funding continues, Chief Burchett feels this revenue should be attributed to those member stations who are directly impacted by the canyon response.
- ◆ Much discussion was had regarding the revenue allocation for additional canyons.
 - ◆ Chief Burchett clarified that this funding is earmarked only for canyons designated as Recreation Areas by SLCo.
 - The canyons designated are Millcreek, BCC, LCC.
- ◆ DA Anderson explained that SLCo's stance is that once Brighton incorporated, the obligation to provide public safety became their responsibility and they will no longer subsidize with extra funding.
 - ◆ DA Anderson's concern is that the UFSA does not fund city-by-city, all residents are charged the same rate and there are no situations where one pays more.
 - ◆ The concern is about upsetting the balance in the current system.

- ♦ If Brighton implements additional funding mechanisms, there is no requirement to automatically share those funds with the rest of UFSA.
- ♦ This is a UFSA problem more so than a Brighton problem.
- ♦ If SLCo pulls the funding, those costs for service will need to go somewhere, it's not just SLCo, it's the rest of the boundary area that must fill in the gaps.
 - The cost would be allocated to all members and the fee would increase.
- ♦ There are big decisions and must come to the Board, everyone should consider the potential of what to do with these costs.
- ♦ Mayor Silvestrini explained the breakdown of a deal between SLCo and Brighton whereas Brighton was to remain in the Mountainous Planning District, which they have left.
 - ♦ It is not reasonable for UFSA to bear these costs; it is a countywide service.
 - ♦ An option may be to pull back service in the canyons.
 - ♦ Increased costs could also cause other members to leave UFSA.
- ♦ Chief Burchett noted that to date, all members have been benefitting from this revenue with a reduction in their Member Fee.
 - ♦ This will be part of the discussion at the Board Meetings tomorrow.
- ♦ Chief Burchett is in need of answers in order to complete the FY23/24 UFA budget.
 - ♦ Also noted is that in actuality, the funding should be higher based on what UFA spends.
 - ♦ UFSA is already subsidizing much of the canyon response and Chief Burchett will propose looking at this revenue disbursement in different ways.
 - ♦ Chief Burchett hopes to find a solution so that this issue does not arise annually.
- ♦ DA Anderson asked that committee members consider whether they want more frequent smaller tax increases or less frequent larger increases.

Closed Session

- ♦ None

Adjournment

Mayor Overson moved to adjourn the March 20, 2023 UFSA Finance Committee Meeting

Mayor Stevenson seconded the motion

All voted in favor, none opposed

UNIFIED FIRE SERVICE AREA

ANNUAL FINANCIAL REPORT

December 31, 2022

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

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MANAGEMENT'S DISCUSSION AND ANALYSIS

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

As management of Unified Fire Service Area (UFSA), we offer readers of UFSA's financial statements this narrative overview and analysis of the financial activities of UFSA for the fiscal year ended December 31, 2022. 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

UFSA's *government-wide net position* (the amount by which assets and deferred outflows of resources exceeded its liabilities) as of December 31, 2022, was \$24,632,066. This amount increased by nearly \$1.4 million (6%) compared to 2021, primarily due property taxes exceeding expectation due to new growth offset by lower-than-anticipated fee revenues and increased member fees paid to UFA. *Unrestricted net position*, the portion of net position which represents the amount UFSA can use to meet ongoing financial obligations, was \$16,293,135 on December 31, 2022. *Net position invested in capital assets, net of related debt*, was \$8,338,499 on December 31, 2022.

UFSA reported combined ending fund balance for governmental funds of \$31,092,536 as of December 31, 2022. Combined fund balance decreased by \$18,106,373 (37%) from 2021 to 2022. The decrease is primarily due to usage of UFSA's 2021 debt issuance proceeds for land and station construction as well as debt service payments and lower than anticipated fee revenues, offset by higher property tax collections. The total spendable fund balance on December 31, 2022, was \$29,618,958 which represented 40% of total fund expenditures. Of the total spendable fund balance, \$14,749,419 was actually available for appropriation and spending (*unassigned fund balance*). Management believes the current unassigned fund balance to be a good indicator of UFSA's positive financial position.

For information on upcoming changes, see the "Economic Factors and Next Year's Budget" section beginning on page 10.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to UFSA's annual financial report. UFSA'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 UFSA's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of UFSA's assets, deferred outflows of resources, and liabilities, with the difference between them reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of UFSA 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 UFSA 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*. UFSA currently does not have any business-type activities.

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

The Local Building Authority of Unified Fire Service Area (LBA) is chartered under Utah law as a separate governmental entity. However, the government-wide financial statements include the financial statements of this entity since UFSA's Board is the appointed board for the LBA and it is financially accountable to UFSA.

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. UFSA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of UFSA's funds are governmental funds.

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*.

UFSA maintains one major governmental fund, the General fund, and the LBA maintains two major governmental funds, the Capital Projects fund and the Debt Service 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.

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: UFSA adopts an annual appropriated budget for its funds. A budgetary comparison statement (page 29) has been provided for the General Fund to demonstrate compliance with the budget.

FINANCIAL ANALYSIS OF UFSA AS A WHOLE

Current assets decreased 33% (\$16.3 million) in 2022 primarily due to usage of cash balances resulting from bond proceeds held in trust and increased tax and fee collections, offset by an increase in taxes and grant receivable (\$2.6 million or 198%). UFSA's related party long-term note receivable decreased eight percent in 2022 as a result of payments received from Unified Fire Authority. Capital assets, net of accumulated depreciation, increased \$17,597,308 (41%) due to asset acquisitions exceeding disposals and depreciation expense in 2022. Deferred outflows of resources decreased \$5,040 (8%) due to amortization of UFSA's 2016 loss on bond refunding.

Current liabilities increased 104% (\$1,750,345) over the previous year primarily due to construction management services and capital improvements in process at year end offset by a decrease of accrued interest resulting from UFSA's 2021 bond issuance. Long-term liabilities decreased three percent as a result of bond principal payments (\$1,650,000) and amortization of bond premiums (\$364,146) during the year.

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

As noted earlier, net position may serve over time as a useful measurement to assist with understanding the financial position of UFSA. As of December 31, 2022, assets and deferred outflows of resources exceeded liabilities by \$24,632,066, an increase of \$1,397,644 (6%) over the previous year. The increase in net position during the year is mainly due property taxes exceeding expectation due to new growth offset by lower-than-anticipated fee revenues and increased member fees paid to UFA.

Summary of Statement of Net Position As of December 31,

	2022	2021	% Change
Assets			
Current and other assets	\$ 32,597,882	\$ 48,929,944	-33%
Long-term note receivable	1,473,578	1,599,941	-8%
Capital assets, net of accumulated depreciation	60,358,733	42,761,426	41%
Total Assets	94,430,193	93,291,311	1%
Deferred Outflows of Resources			
Deferred charge on refunding	\$ 61,403	\$ 66,443	-8%
Total Assets and Deferred Outflows of Resources	\$ 94,491,596	\$ 93,357,754	1%
Liabilities			
Current and other liabilities	3,426,544	1,676,199	104%
Long-term liabilities	66,432,987	68,447,133	-3%
Total Liabilities	\$ 69,859,531	\$ 70,123,332	0%
Net Position			
Invested in capital assets, net of related debt	8,338,498	5,929,084	41%
Restricted	432	1,200,071	-100%
Unrestricted	16,293,135	16,105,267	1%
Total Net Position	\$ 24,632,065	\$ 23,234,422	6%

UFSA's net position invested in capital assets, net of related debt, totaled \$8,338,499, or 34% of total net position. Although UFSA'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 (\$432 for debt service) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position (\$16,293,135) may be used to meet general, ongoing financial obligations without constraints established by debt covenants or other legal requirements.

Charges for services (impact fees) decreased 41% in 2022 compared to the prior year primarily due to several large industrial and commercial projects in 2021 that were not replicated in 2022. UFSA was awarded a Federal pass-through grant with work commencing in 2021 to provide seismic upgrades to numerous fire stations within its service area; 2022 revenue related to this grant totaled \$1,286,728 (\$1,113,820 increase over prior year). Taxes and motor vehicle fees increased \$3,372,179 (8%) compared to 2021, primarily due to new growth. UFA received intergovernmental revenue totaling \$982,874 (\$759,405 related to Herriman and Riverton's separation from UFSA and \$223,469 from UFA members who own stations receiving seismic improvements through the 2021 PDM grant). Interest income increased \$366,725 (188%) due to rising interest rates in 2022.

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

General government expenses were approximately \$50.3 million in 2022 and increased 9% (nearly \$4 million) compared to 2021 primarily due to PDM grant expenditures, higher UFA member fees paid (5%), and increased tax increment payments (42%). Interest on long-term debt decreased \$229,509 (3%) predominantly due to lease revenue bond balances lowering through principal payments.

Summary of Statement of Activities For the Fiscal Year Ended December 31,

	2022	2021	% Change
Program revenues			
Charges for services	\$ 1,264,248	\$ 2,150,204	-41%
Grants	1,174,504	355,270	231%
General revenues			
Property taxes and motor vehicle fees	49,441,228	46,069,048	7%
Intergovernmental revenue	968,604	773,381	25%
Unrestricted investment earnings	561,583	194,857	188%
Loss on disposal of assets	-	(4,809,402)	-100%
Miscellaneous revenue	18,502	13,034	42%
Total revenues	<u>53,428,669</u>	<u>44,746,392</u>	19%
Program expenses			
General government	50,285,731	46,318,917	9%
Interest on long-term debt	1,745,296	1,974,805	-12%
Total expenses	<u>52,031,027</u>	<u>48,293,722</u>	8%
Change in net position	1,397,642	(3,547,330)	-139%
Net position - beginning	23,234,424	26,781,752	-13%
Net position - ending	<u>\$ 24,632,066</u>	<u>\$ 23,234,422</u>	6%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: UFSA's investment in capital assets, net of accumulated depreciation, was \$60,358,735 at December 31, 2022. Capital assets increased \$17,597,309 (41%) from 2021 to 2022 as a result of net additions (\$18,654,070) offset by depreciation (\$1,056,761).

Capital Assets, Net of Depreciation As of December 31,

	2022	2021	% Change
Construction in progress	\$ 22,264,472	\$ 4,497,967	395%
Land	10,587,278	10,587,278	0%
Building and improvements	26,929,470	27,124,489	-1%
Land improvements	388,677	396,506	-2%
Machinery and equipment	188,837	155,185	22%
	<u>\$ 60,358,734</u>	<u>\$ 42,761,425</u>	41%

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

Major capital asset additions during 2022 included seismic upgrades at five fire stations (\$604,909), construction work for in-progress seismic upgrades at three additional stations (\$329,709) and five stations to be funded with bond proceeds in 2021 (\$17.6 million), as well as various station remodels and capital maintenance projects totaling \$128,641. Additional information on UFSA's capital assets is available in the notes to the financial statements.

Long-term Debt: In June 2016, the Local Building Authority (LBA) of UFSA issued Lease Revenue & Refunding Bonds Series 2016A to refund its 2008 Lease Revenue bonds and gain additional funding of \$6 million to complete Station #117 in Taylorsville. UFSA's bonds are rated Aa2 by Moody's. Principal owed for the 2016A bonds is \$25,775,000. Debt payments totaling \$2,577,750 (\$1,650,000 principal and \$927,750 interest) were made during the year on the 2016A series bonds. Unamortized premium on the 2016A bonds is \$1,822,548. Amortization of premium on the 2016A bonds was \$148,780.

In March 2021, the Local Building Authority (LBA) of UFSA issued Lease Revenue Bonds Series 2021 to gain funding to purchase land and construct five fire stations. UFSA's bonds are rated Aa2 by Moody's. Principal owed for the 2021 bonds is \$34,905,000. Interest payments totaling \$1,200,750 were made during the year on the 2021 series bonds. Unamortized premium on the 2021 bonds is \$3,930,439. Amortization of premium on the 2021 bonds was \$215,366.

Additional information about UFSA's long-term liabilities is available in the notes to the financial statements.

FINANCIAL ANALYSIS OF UFSA'S FUNDS

Governmental Funds: As of December 31, 2022, the aggregate fund balance of UFSA's governmental funds was \$31,092,536. Unassigned fund balance, which was available for appropriation by the UFSA Board, was \$14,749,419. The remainder of the fund balance was not available for new spending because it had already been committed for spending (\$14,869,107 committed for capital outlay and \$432 restricted for debt service).

GENERAL FUND BUDGETARY HIGHLIGHTS

Significant differences between the original and final budget can be summarized as follows:

- \$1,885,888 increases to property taxes and impact fees, respectively, due to new growth
- \$396,378 decrease in grant revenue and related expenditures to adjust available grant reimbursements available to actual, based on 2021 spending and related party reimbursements (\$223,470 was shifted to increase intergovernmental revenue for 25% match reimbursed by related agencies)
- \$246,002 rise in operating costs predominantly from increases member fees from Unified Fire Authority

Significant variations in actual results compared to final budget in the general fund can be summarized as follows:

- New growth within UFSA resulted in property tax higher than anticipated by \$191,140
- Motor vehicle and impact fees fell short of estimates by \$282,240 and \$735,752
- Budgeted grant revenue and related expenditures (\$663,909 and \$760,050, respectively) were not fully recognized due to related construction projects not completed during 2022
- Budget exceeded actual RDA/CDA tax payments by \$311,983
- Capital outlay spending did not meet budget estimates due to construction delays or cancellation of projects totaling \$577,657

For a detailed budgetary comparison schedule, see the Required Supplementary Information section, beginning on page 29.

UNIFIED FIRE SERVICE AREA ANNUAL FINANCIAL REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

At the end of 2022, Unified Fire Service Area's economic condition continues to be strong. A key indicator to UFSA of the strong economic condition in the service area are the continued high level of impact fee collections that show high growth of new residential and commercial developments. The entities that make up UFSA have widely developed and diverse economic sectors. Utah continues to be among the top-performing states with Salt Lake and Utah County at the epicenter of Utah economy. With the completion of the most recent census, Salt Lake County had 15.1% population growth since 2010 with Utah County at 27.7%. Our state continues to have unemployment rates well below the national average with positive job growth. Inflation is causing the recovery to be a little uneven with supply constraints and price instability.

In 2022, UFSA substantially completed the seismic retrofit project funded through a FEMA pre-disaster mitigation grant. The project provided retrofit to stations identified for needed upgrades in a recently completed seismic evaluation. The grant also provides for emergency generators at three stations, this project should be completed in 2023. The March 2020 earthquake in Magna, as well as the ensuing aftershocks, reinforced the importance of the seismic work we have completed and UFSA will continue to evaluate the safety of the stations within the service area. The first station (125 in Midvale) that was funded through the 2021 bonds was completed in 2022.

UFSA continues to focus on its need to maintain fire stations and has developed capital plans, including the purchase of land for new stations, replacement of aging stations, and remodeling of some existing stations. The 2023 budget continues the plan to build one new station in Eagle Mountain and to complete the rebuild of two stations (Magna and Eagle Mountain). UFSA is feeling the effects of construction inflation with these projects. This along with other building code issues has caused a delay in the rebuild of station 112 in Millcreek City. Since we are unable to rebuild station 112 now, un-expended funds from the FEMA seismic grant will be used to fund seismic upgrades in 2023. UFSA received a bond rating from Moody's Investors Service for the 2021 lease revenue bonds of Aa2 with an affirmed rating of Aa1. The bonds were competitively bid in March 2021 and were sold with a true interest cost of 1.82%.

Herriman City and Riverton City withdrew from UFSA as of January 2021. As part of the withdrawal agreement with each entity, UFSA will distribute each entity's share of UFSA's minimum reserve fund balance (\$1,076,293 for Riverton and \$789,576 for Herriman). In turn, both cities will pay their portion of the 2016 outstanding bond debt (\$4,152,344 from Riverton and \$6,318,778 from Herriman). Payments made to and from UFSA will be made annually over the remaining life of the 2016 bonds through 2035.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of UFSA's finances for all those with an interest. 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
NOTES TO FINANCIAL STATEMENTS

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

December 31, 2022

ASSETS

Cash and cash equivalents	\$ 11,908,422
Cash and cash equivalents held by fiscal agent	16,765,344
Receivables	3,924,116
Long-term related party note receivable	1,473,578
Capital assets, net of accumulated depreciation	<u>60,358,733</u>
Total Assets	<u>94,430,193</u>

DEFERRED OUTFLOWS OF RESOURCES

Loss on refunding	<u>61,403</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 94,491,596</u>

LIABILITIES

Accounts payable	\$ 135,354
Restricted accounts payable	1,812,980
Accrued liabilities	1,478,210
Lease revenue bonds payable	
Due within one year	2,930,000
Due in more than one year	<u>63,502,987</u>
Total Liabilities	69,859,531

NET POSITION

Net Investment in Capital Assets	8,338,498
Restricted for debt service	432
Unrestricted	<u>16,293,135</u>
Total Net Position	<u>\$ 24,632,065</u>

The accompanying notes are an integral part of the financial statements.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

STATEMENT OF ACTIVITIES Year ended December 31, 2022

Function/Programs	Expenses	PROGRAM REVENUES			NET EXPENSE AND NET POSITION
		Charges for Services	Operating Grants	Capital Grants	
GOVERNMENTAL ACTIVITIES:					
General government	\$ 50,285,731	\$ 1,264,248	\$ 473,541	\$ 700,963	\$ (47,846,979)
Interest on long-term debt	<u>1,745,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,745,296)</u>
Total	<u>\$ 52,031,027</u>	<u>\$ 1,264,248</u>	<u>\$ 473,541</u>	<u>\$ 700,963</u>	<u>(49,592,275)</u>
GENERAL REVENUES					
Real property taxes					47,323,468
Motor vehicle fees					2,117,760
Intergovernmental revenue					968,604
Rental income					11,394
Unrestricted investment earnings					561,583
Miscellaneous income					<u>7,108</u>
Total general revenues					<u>50,989,917</u>
Change in net position					1,397,642
Net position - beginning					<u>23,234,424</u>
Net position - ending					\$ 24,632,066

The accompanying notes are an integral part of the financial statements.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

BALANCE SHEET GOVERNMENTAL FUNDS December 31, 2022

	MAJOR FUNDS			Total Governmental Funds
	General Fund	Capital Improvement Fund	Debt Service Fund	
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 11,038,939	\$ 869,483	\$ -	\$ 11,908,422
Cash and cash equivalents held by fiscal agent	-	16,764,912	432	16,765,344
Receivables:				
Taxes receivable	3,535,246	-	-	3,535,246
Grants receivable	373,198	-	-	373,198
Due from related parties	15,672	-	-	15,672
Net receivables	3,924,116	-	-	3,924,116
Total Current Assets	14,963,055	16,764,912	432	31,728,399
Long-term related party note receivable	1,473,578	-	-	1,473,578
TOTAL ASSETS	\$ 16,436,633	\$ 16,764,912	\$ 432	\$ 33,201,977
LIABILITIES AND FUND BALANCES				
CURRENT LIABILITIES				
Accounts payable	\$ 135,354	\$ -	\$ -	\$ 135,354
Restricted accounts payable	-	1,812,980	-	1,812,980
Retention payable	8,144	952,308	-	960,452
Short-term debt	-	-	-	-
Due to other funds	-	-	-	-
TOTAL LIABILITIES	143,498	2,765,288	-	2,908,786
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	70,138	-	-	70,138
TOTAL LIABILITIES AND DEFERRED INFLOWS	213,636	2,765,288	-	2,978,924
FUND BALANCES				
Nonspendable	1,473,578	-	-	1,473,578
Spendable:				
Restricted for Debt Service	-	-	432	432
Restricted for Capital Outlay	-	14,869,107	-	14,869,107
Unassigned	14,749,419	-	-	14,749,419
TOTAL FUND BALANCES	16,222,997	14,869,107	432	31,092,536
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 16,436,633	\$ 17,634,395	\$ 432	\$ 34,071,460

The accompanying notes are an integral part of the financial statements.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

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

December 31, 2022

Total Fund Balances - Governmental Funds	\$ 31,092,536
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets in governmental activities are not financial resources and therefore are not reported in the funds.	60,358,733
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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.	70,138
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Long-term liabilities, including lease revenue bonds, are not due and payable in the current period and, therefore, are not reported in the funds.

Accrued interest on long term debt	\$ (517,759)	
Loss on bond refunding	61,403	
Lease revenue bonds	<u>(66,432,987)</u>	
		<u>(66,889,342)</u>

Net Position of Governmental Activities	<u><u>\$ 24,632,065</u></u>
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UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

Year ended December 31, 2022

	MAJOR FUNDS			
	General Fund	Capital Improvement Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Real property taxes	\$ 47,323,468	\$ -	\$ -	\$ 47,323,468
Motor vehicle fees	2,117,760	-	-	2,117,760
Impact fees	1,264,248	-	-	1,264,248
Grants	1,286,728	-	-	1,286,728
Intergovernmental	982,874	-	-	982,874
Lease/rent revenue	11,394	-	2,577,123	2,588,517
Investment earnings	192,340	367,504	1,739	561,583
Other income	7,108	-	-	7,108
Total Revenues	53,185,920	367,504	2,578,862	56,132,286
EXPENDITURES				
Current				
Operations	50,931,093	-	-	50,931,093
General and administrative	747,247	-	-	747,247
Capital outlay	1,065,466	17,588,603	-	18,654,069
Debt service				
Principal	-	-	1,650,000	1,650,000
Interest	112,153	-	2,128,500	2,240,653
Debt issuance cost and fees	15,600	-	-	15,600
Total Expenditures	52,871,559	17,588,603	3,778,500	74,238,662
Excess (Deficiency) of Revenues Over (Under) Expenditures	314,361	(17,221,099)	(1,199,638)	(18,106,376)
Net change in fund balances	314,361	(17,221,099)	(1,199,638)	(18,106,376)
Fund balances at beginning of year	15,908,636	32,090,206	1,200,070	49,198,912
Fund balances at end of year	\$ 16,222,997	\$ 14,869,107	\$ 432	\$ 31,092,536

The accompanying notes are an integral part of the financial statements.

UNIFIED FIRE SERVICE AREA 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 December 31, 2022

Total Net Change in Fund Balances - Governmental Funds \$ (18,106,376)

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:

Depreciation expense	\$ (1,056,761)	
Capital outlay	<u>18,654,069</u>	17,597,308

Net revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. (126,494)

The issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Costs associated with the issuance of long-term debt are reported as expenditures in the governmental funds, but deferred and amortized throughout the period during which the related debt is outstanding. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of long-term debt	<u>1,650,000</u>	1,650,000
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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 governmental funds. These activities consist of the following:

Amortization of refunding bond premium	\$ 364,146	
Amortization of loss on bond refunding	(5,039)	
Accrued interest on long-term debt	<u>24,097</u>	
		<u>383,204</u>

Change in Net Position of Governmental Activities	<u>\$ 1,397,642</u>
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The accompanying notes are an integral part of the financial statements.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Salt Lake Valley Fire Service Area (SLVFSA) was created in 2004 to manage and provide fire protection services. The fire service area was created to provide fire protection and emergency medical services to the unincorporated areas of Salt Lake County. Effective January 1, 2008, SLVFSA assessed and recorded its own property taxes apart from Salt Lake County. Also beginning January 1, 2008, Unified Fire Authority (UFA) assumed management and administrative support for SLVFSA. Prior to these two changes, Salt Lake County reported SLVFSA as a blended component unit of its primary government. In March 2013, the Board approved changing SLVFSA's entity name to Unified Fire Service Area (UFSA). UFSA is a separate legal entity, with a thirteen-member board of elected officials, two of which represent unincorporated areas of Salt Lake County and nine of which represent the cities of Eagle Mountain, Midvale, Millcreek, and Taylorsville, as well as metro townships of Copperton, Emigration Canyon, Kearns, Magna, and White City.

Blended Component Unit

The Local Building Authority of the Salt Lake Valley Fire Service Area (LBA) was created in 2008. In March 2013, the Board approved changing the LBA's entity name to the Local Building Authority of the Unified Fire Service Area. The LBA is governed by the Board of UFSA. Although it is legally separate from UFSA, it is reported as if it were part of the primary government. The LBA was created solely for the benefit of UFSA with a purpose to acquire, improve, construct, and finance capital facilities within the fire service area. The LBA currently has one capital projects fund and one debt service fund.

Government-Wide and Fund Financial Statements

Government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of UFSA. 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 or applicants 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. UFSA segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance.

Implementation of New Governmental Accounting Standards Board (GASB) Pronouncement

For the year ended June 30, 2022, UFSA considered the effects of GASB Statement No. 87, Leases. GASB Statement No. 87 improves accounting and financial reporting for leases by governments. This Statement requires recognition of certain lease assets and liabilities for leases that previously were

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. UFSA determined that it did not have any leases that were required for reporting under GASB 87.

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.

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

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 60 days of the end of the current fiscal period. Property taxes and interest associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. Property taxes are recognized as revenues in the year for which they are levied.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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, deferred outflows of resources, and liabilities is reported as fund balance. UFSA has presented the following major governmental funds:

- General Fund – the general fund is the main operating fund of UFSA, 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 the General Fund.
- Capital Improvements Fund – a capital projects fund used to account for funds received and expended for the acquisition and construction of capital equipment and facilities throughout UFSA's jurisdiction.
- Debt Service Fund – the LBA's debt service fund is used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

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

Cash Equivalents

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

Capital Assets

Capital assets are reported in the government-wide financial statements. Capital assets are defined by UFSA as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. If purchased, such assets are recorded at historical cost. Assets are recorded at acquisition value at the date of gift, if donated. Assets transferred from other governmental entities are recorded at the net book value removed from the conveying government's books.

Major additions are capitalized while maintenance and repairs, which do not improve or extend the life of the respective assets, are charged to expense. No depreciation is recognized on construction in progress until the asset is placed in service. UFSA does not possess any infrastructure. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	5 – 40 years
Land improvements	15 – 31 years
Machinery and equipment	5 – 30 years

Restricted Assets

Certain proceeds of UFSA's 2016 and 2021 lease revenue bonds, as well as certain resources set aside for their repayment, are maintained in separate bank accounts and are classified as restricted assets because their use is limited by bond covenants. The "reserve fund" accounts, with a balance of \$16,765,344 at December 31, 2022, are used to report resources set aside for construction costs as well as the payment of principal and interest on the lease revenue bonds.

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.

Nonexchange transactions, in which UFSA receives value without directly giving value in return, include grants 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 UFSA must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to UFSA on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must be available before it can be recognized. UFSA considers revenue available if received within 90 days.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

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

Net Position/Fund Balances

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

- Net investment in capital assets – This component of net position consists of UFSA'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 invested in capital assets, net of related debt.
- Restricted for debt service – This component of net position consists of net position related to funds held in escrow that are restricted for debt service payments.
- Unrestricted – This component of net position consists of items of net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

In the governmental fund statements, fund balances are classified as 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 UFSA 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. When an expenditure is incurred for purposes which restricted, committed, assigned and unassigned resources are available, UFSA generally uses restricted resources first, followed by committed and assigned resources before unassigned resources are used.

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 claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, UFSA generally uses restricted resources first, then unrestricted resources.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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

UFSA 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. There were no significant reductions in coverage from prior year, and settlement claims resulting from these risks have not exceeded commercial insurance coverage.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents, and investments consisted of the following as of December 31, 2022:

Cash and cash equivalents:

Cash - net of outstanding checks	\$ 445,765
Public Treasurer's Investment Fund (PTIF)	<u>11,462,657</u>
Total unrestricted cash and cash equivalents	11,908,422
Cash and cash equivalents held by fiscal agent (invested in PTIF)	<u>16,765,344</u>
Total cash, cash equivalents, and investments	<u><u>\$28,673,766</u></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. UFSA follows the requirements of the Utah Money Management Act in handling its depository and investment transactions. The Act requires depositing of UFSA'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. UFSA's deposits are insured up to \$250,000 per institution by the Federal Depository Insurance Corporation (FDIC). Deposits above \$250,000 are exposed to credit risk. As of December 31, 2022, UFSA's depository bank balance was \$448,383, of which \$198,383 is uninsured. Utah State Law does not require deposits to be insured or collateralized. UFSA does not have a formal deposit policy for custodial credit risk. To date, we have not experienced uninsured losses, and we believe the risk of future loss is negligible. The Money Management Act defines the types of securities authorized as appropriate investments for UFSA'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.

Investments

These statutes authorize UFSA 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).

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

The Utah State Treasurer's Office operates the PTIF and 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. 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 December 31, 2022, UFSA had \$11,462,657 invested in PTIF. Additionally, \$16,765,344 held by a fiscal agent was invested in PTIF at December 31, 2022. The entire balance had 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 <https://treasurer.utah.gov/investor-information/comprehensive-annual-financial-report-cafr>.

Fair Value of Investments

UFSA measures and records its investments using fair value measurement guidelines established by GAAP. These guidelines recognize a three-tiered fair value hierarchy, as follows:

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

At December 31, 2022, UFSA had the following cash and investments:

	<u>Carrying Value</u>	<u>Fair Value Factor</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity</u>
Cash on deposit:					
Cash on deposit	\$ 445,765	1.000000	\$ 445,765	N/A	N/A
Utah State Treasurer's investment pool accounts	<u>28,228,001</u>	0.998899	<u>28,196,936</u>	N/A	N/A
Total cash on deposit	<u>\$ 28,673,766</u>		<u>\$ 28,642,701</u>		

The fair value measurement of UFSA's PTIF investments is considered Level 2.

Custodial Credit Risk for investments is the risk that, in the event of a failure of the counterparty, UFSA will not be able to recover the value of the investment or collateral securities that are in possession of an outside party. UFSA's policy for limiting the credit risk of investments is to comply with the Money Management Act, as previously discussed. All of UFSA's investments at December 31, 2022, were with the PTIF and therefore are unrated and are not categorized as to custodial credit risk.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. UFSA'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.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. UFSA 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. UFSA'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 UFSA's investment portfolio will remain sufficiently liquid to enable UFSA to meet all operating requirements which might be reasonably anticipated.

NOTE 3 – CAPITAL ASSETS

The changes in capital assets for the year ended December 31, 2022, are as follows:

	January 1, 2022	Additions/ Transfers In	Disposals/ Transfers Out	December 31, 2022
Capital assets not being depreciated:				
Construction in progress	\$ 4,497,967	\$ 17,920,509	\$ (154,004)	\$ 22,264,472
Land	10,587,278	-	-	10,587,278
Total capital assets not being depreciated	15,085,245	17,920,509	(154,004)	32,851,750
Capital assets being depreciated:				
Building and improvements	36,374,769	798,746	-	37,173,515
Land improvements	892,386	45,156	-	937,542
Machinery and equipment	227,908	43,663	-	271,571
Total capital assets being depreciated	37,495,063	887,565	-	38,382,628
Less accumulated depreciation for:				
Building and improvements	(9,250,280)	(993,765)		(10,244,045)
Land improvements	(495,880)	(52,985)		(548,865)
Machinery and equipment	(72,723)	(10,011)		(82,734)
Total accumulated depreciation	(9,818,883)	(1,056,761)	-	(10,875,644)
Total capital assets being depreciated, net	27,676,180	(169,196)	-	27,506,984
Total capital assets, net	\$ 42,761,425	\$ 17,751,313	\$ (154,004)	\$ 60,358,734

Depreciation charged for governmental activities for the year ended December 31, 2022, was \$1,056,761.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 4 – PROPERTY TAXES

Property taxes attach an enforceable lien on property as of January 1 in the year in which due and are assessed in July through billing to the property owner. All unpaid taxes are due and become delinquent on November 30. Property tax revenues are recognized by UFSA when they are collected. Property taxes are billed and collected by Salt Lake County and Utah County on behalf of UFSA and remitted monthly. Property taxes received by UFSA within 60 days after year end are recorded as revenue as of year-end. The 2022 Certified Tax Rate for UFSA is .001322 (.001320 for general operations and .000002 for discharge of judgement).

In addition to various taxes UFSA levies for its own purposes, it levies taxes for other governments; those taxes are forwarded to those other governments as the taxes are collected. Taxes levied in 2022 for other governments are recorded as revenue with an equivalent amount of expenditure totaling \$3,188,017. Incremental taxes forwarded during 2022 to various redevelopment agencies within the service area for the purposes of financing urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in assessed values within the project areas are as follows:

Project	Taxes Abated During Year	
	Percentage	Amount
Eagle Mountain Sweetwater #1	80%	1,151,200
Eagle Mountain Pole Canyon	60%	50,713
Magna Arbor Park	90%	40,082
Magna Main Street	80%	95,965
Midvale Bingham Junction	80%	920,746
Midvale Jordan Bluffs	80%	266,205
Millcreek City Center	80%	40,839
West Millcreek	80%	183,022
Taylorsville 5400 S Bangerter Highway	75%	38,067
Taylorsville 6200 S Redwood Road	75%	49,101
Taylorsville Bennion Point	75%	145,429
Utah Inland Port Authority	75%	206,648
		<u>\$ 3,188,017</u>

*Note: Eagle Mountain Sweetwater #1 percentage for personal property is 100%

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 5 – SHORT-TERM DEBT

In April 2022, UFSA issued Tax and Revenue Anticipation Notes, Series 2022 (TRAN), in the amount of \$19 million at a 0.85% interest rate for a short-term basis until tax revenue was received. Issuance costs related to the TRAN were \$15,600. Principal and interest totaling \$19,112,153 were paid on December 14, 2022.

NOTE 6 -LONG-TERM DEBT

The following is a summary of changes in long-term obligations for the year ended December 31, 2022:

	<u>Beginning</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Ending</u>
LBA Lease Revenue & Refunding Bonds, series 2016	\$ 27,425,000	\$ -	\$ (1,650,000)	\$ 25,775,000
LBA Lease Revenue & Refunding Bonds, series 2016 premium	1,971,328	-	(148,780)	1,822,548
LBA Lease Revenue Bonds series 2021	34,905,000	-	-	34,905,000
LBA Lease Revenue Bonds series 2021 premium	<u>4,145,805</u>	<u>-</u>	<u>(215,366)</u>	<u>3,930,439</u>
Local Building Authority lease revenue bonds	<u>\$ 68,447,133</u>	<u>\$ -</u>	<u>\$ (2,014,146)</u>	<u>\$ 66,432,987</u>

Local Building Authority Lease Revenue and Refunding bonds, series 2016A, were issued on June 14, 2016, in the amount of \$32,375,000 to refund the 2008 LBA Lease Revenue Bonds originally issued in the aggregate principal amount of \$32,950,000. The new bonds bear interest from 2.00% to 4.00% and are due in annual installments ranging from \$1,282,500 to \$2,595,500 through April 1, 2035. These bonds are not considered general obligation bonds of UFSA but are special obligations payable from the lease revenues derived from the assets acquired or constructed with bond proceeds. The new issue provided \$6,000,000 in additional funding to build a fire station in Taylorsville City. The bond refunding reduces debt service payments by \$7,032,548 through 2033.

Local Building Authority Lease Revenue, series 2021, were issued on March 30, 2021, in the amount of \$34,905,000 for land and construction of five fire stations located in Magna, Midvale, Millcreek, and Eagle Mountain. The bonds bear interest from 2.00% to 5.00% and are due in annual installments ranging from \$1,205,000 to \$2,350,000 through April 1, 2041. These bonds are not considered general obligation bonds of UFSA but are special obligations payable from the lease revenues derived from the assets acquired or constructed with bond proceeds.

Assets pledged as collateral on these bonds include original cost of \$52,672,055, with \$6,422,936 of accumulated amortization.

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 6 - LONG-TERM DEBT (Continued)

UFSA's outstanding bonds contain provisions related to events of default as follows:

- Acceleration – Upon an Event of Default, bondholders holding 25% of aggregate principal of the outstanding bonds can vote to make all principal and interest due immediately. Funds available to pay the obligations are restricted to any appropriations of the Service Area MBA and amounts held in bond accounts but do not create a general obligation of UFSA or the MBA.
- Surrender of Possession of MBA buildings – In an Event of Default, Trustee will take possession of the buildings and seek to recoup funds by leasing or selling them to satisfy the obligation.
- Waiver of Default Provisions – A majority of bondholders can choose to waive default provisions by vote signifying such to the Trustee in writing.
- Opportunity to Cure – The MBA will have a 30-day period after receipt of notice from bondholders to correct a default.

The following is a schedule of future maturities on lease revenue bonds in the LBA as of December 31, 2022:

Maturity Date	Series 2016A		Series 2021	
	Principal	Interest	Principal	Interest
2023	1,725,000	860,250	1,205,000	1,170,625
2024	1,800,000	789,750	1,275,000	1,108,625
2025	1,875,000	716,250	1,350,000	1,043,000
2026	1,950,000	639,750	1,425,000	973,625
2027	2,025,000	570,375	1,475,000	901,125
2028	2,075,000	508,875	1,550,000	825,500
2029	2,150,000	445,500	1,650,000	745,500
2030	2,200,000	380,250	1,725,000	661,125
2031	2,275,000	313,125	1,800,000	582,000
2032	2,350,000	232,000	1,875,000	508,500
2033	2,450,000	136,000	1,950,000	432,000
2034	1,425,000	65,625	2,025,000	352,500
2035	1,475,000	22,125	2,100,000	291,000
2036	-	-	2,150,000	248,500
2037	-	-	2,175,000	205,250
2038	-	-	2,225,000	161,250
2039	-	-	2,275,000	116,250
2040	-	-	2,325,000	70,250
2041	-	-	2,350,000	23,500
Plus	\$ 25,775,000	\$ 5,679,875	\$ 34,905,000	\$ 10,420,125
unamortized premium	1,822,549	-	3,930,438	-
	<u>\$ 27,597,549</u>	<u>\$ 5,679,875</u>	<u>\$ 38,835,438</u>	<u>\$ 10,420,125</u>

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 7 – INTERFUND ACTIVITY

During the course of operations, UFSA has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated.

Debt service on the LBA Lease Revenue Bonds is payable from lease payments by UFSA to the LBA for the use of fire stations. During 2022, lease payments of \$2,577,123 were paid by the General fund to the LBA's Debt Service fund. Future lease payments are equal to the required debt service payments. Assets recorded under this operating lease are land and buildings having original cost of \$52,672,055 with \$6,422,936 of accumulated depreciation.

NOTE 8 – RELATED PARTY TRANSACTIONS

UFSA has been a member of UFA since its inception in July 2004. Beginning in 2008, UFA assumed management of UFSA from Salt Lake County. UFSA paid member fees of \$43,518,810 to UFA during 2022. UFA provides fire protection service and staffing, equipment, and station maintenance for the fees it receives from UFSA. In 2022, UFSA paid management fees to UFA for its services (\$489,432) and reimbursed UFA for vendor payments made on its behalf (\$20,860).

In February 2012, UFSA entered into an interlocal agreement with UFA to finance the purchase of a warehouse in West Jordan, Utah. In March 2012, UFSA loaned \$2.5 million to UFA for purchase of the building. The agreement requires UFA to pay 228 monthly payments of \$15,672 beginning 30 days following the termination of its current warehouse lease. Prior to the commencement of payments, UFA paid interest monthly at the Utah PTIF rate. Upon commencement of payments, the agreement bears 4% interest. UFA paid \$115,639 in principal and \$56,750 in interest to UFSA in 2022. The following is a schedule by years of future minimum payments required under the agreement as of December 31, 2022:

2023	\$ 131,512
2024	136,870
2025	142,446
2026	148,249
2027	154,289
2028-2032	<u>760,211</u>
	<u>\$ 1,473,577</u>

UNIFIED FIRE SERVICE AREA BASIC FINANCIAL STATEMENTS

NOTES TO BASIC FINANCIAL STATEMENTS

Year ended December 31, 2022

NOTE 8 – RELATED PARTY TRANSACTIONS (CONTINUED)

Herriman City and Riverton City terminated participation in Unified Fire Service Area on January 1, 2021. As part of the withdrawal agreements with each entity, UFSA will distribute each entity's share of UFSA minimum reserve fund balance. In turn, both cities will pay their portion of the 2016 outstanding bond debt. Payments made to and from UFSA will be made annually over the remaining life of the 2016A Bonds through 2035. Amounts paid in 2022 include fund balance distributions to the cities of \$101,773 and debt service contributions from them totaling \$759,406. Future payments related to these agreements are shown in the schedule to the right.

	Fund Balance Distribution		Bond Debt Reimbursement	
	Herriman	Riverton	Herriman	Riverton
2023	\$ 37,941	\$ 63,832	\$ 446,214	\$ 315,401
2024	37,941	63,832	446,991	315,950
2025	37,941	63,832	447,250	316,133
2026	37,941	63,832	446,991	315,950
2027	37,941	63,832	447,962	316,636
2028	37,941	63,832	445,977	315,233
2029	37,941	63,832	447,983	316,651
2030	37,941	63,832	445,351	314,791
2031	37,941	63,832	446,710	315,751
2032	37,941	63,832	445,653	315,004
2033	37,941	63,832	446,344	315,492
2034	37,941	63,832	257,282	181,856
2035	258,404	182,649	258,404	182,649

Note: UFSA will hold back a portion of the cities' fund balance payouts equal to the 2035 debt payments and use that amount to make each city's final payment. As a result, UFSA will not actually make a fund balance payment to the cities in 2035; it will use the amount held back towards making the final bond payment.

NOTE 9 – SUBSEQUENT EVENTS

Management has made an evaluation for subsequent events for occurrence of events that require adjustments to, or disclosure in, the financial statements through the date the financial statements were available to be issued, and none were identified except that UFSA issued a Tax and Revenue Anticipation Note of \$24 million in April 2023.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

As of December 31, 2022, UFSA did not have any pending litigation or potential nondisclosed liabilities. As of December 31, 2022, UFSA had construction commitments as follows:

General fund	\$ 101,961
Capital Projects fund	12,359,225

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

UNIFIED FIRE SERVICE AREA REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year ended December 31, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget
REVENUES				
Real property taxes	\$ 45,246,440	\$ 47,132,328	\$ 47,323,468	\$ 191,140
Motor vehicle fees	2,400,000	2,400,000	2,117,760	(282,240)
Impact fees	2,000,000	2,000,000	1,264,248	(735,752)
Grants and donations	2,347,015	1,950,637	1,286,728	(663,909)
Intergovernmental revenue	759,111	982,581	982,874	293
Rent income	11,394	11,394	11,394	-
Interest income	150,000	150,000	192,340	42,340
Other income	-	10,000	7,108	(2,892)
Total Revenues	<u>52,913,960</u>	<u>54,636,940</u>	<u>53,185,920</u>	<u>(1,451,020)</u>
EXPENDITURES				
Current				
Operations	51,431,521	51,677,523	50,931,093	746,430
General and administrative	816,905	826,905	747,247	79,658
Capital outlay	2,317,801	1,959,741	1,065,466	894,275
Debt service				
Interest	100,000	113,000	112,153	847
Debt issuance costs and fees	25,000	25,000	15,600	9,400
Total Expenditures	<u>54,691,227</u>	<u>54,602,169</u>	<u>52,871,559</u>	<u>1,730,610</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,777,267)	34,771	314,361	279,590
OTHER FINANCING SOURCES				
Loan payments from related party	126,363	126,363	-	(126,363)
Total other financing sources	<u>126,363</u>	<u>126,363</u>	<u>-</u>	<u>(126,363)</u>
Net change in fund balance	(1,650,904)	161,134	314,361	<u>\$ 153,227</u>
Fund balance at beginning of year	<u>15,908,636</u>	<u>15,908,636</u>	<u>15,908,636</u>	
Fund balance at end of year	<u>\$ 14,257,732</u>	<u>\$ 16,069,770</u>	<u>\$ 16,222,997</u>	

UNIFIED FIRE SERVICE AREA REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2022

NOTE 1 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Unified Fire Service Area (UFSA) adopts an “appropriated budget” for all of its funds. UFSA is required to present the adopted and final amended budgeted revenue and expenditures for each of these funds.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- By the first regularly scheduled Board meeting in November, UFSA prepares a tentative budget for the next succeeding fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.
- The UFSA budget for any calendar year must be adopted by Board Resolution, following a public hearing, before the end of December of the prior calendar year, subject to later amendment as provided by law. The budget includes anticipated property tax revenue to be received during the budget year, which serves as the basis for determining the property tax levy to be set by the Board of Trustees, subject to applicable statutory limitations. Subject to possible “truth in taxation” statutory procedures that are required if the Board determines to exceed the certified tax rate, the Board generally will establish the property tax levy by June 22 of the current tax year.
- Once a budget is approved, it can only be amended at the function and fund level by approval of a majority 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, as reflected in the official minutes of the Board, and are not made after fiscal year end.
- Each budget is prepared and controlled by the budget officer at the revenue and 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.

Budgets are prepared on a modified accrual basis of accounting according to GAAP for governmental funds.

OTHER SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULES
SUPPLEMENTAL REPORTS

BUDGETARY COMPARISON SCHEDULES

Year ended December 31, 2022

LOCAL BUILDING AUTHORITY – DEBT SERVICE FUND

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>with Final</u>
				<u>Budget</u>
REVENUES				
Rent income	\$ 2,577,750	\$ 2,577,750	\$ 2,577,123	\$ (627)
Interest income	1,000	1,000	1,739	739
Total Revenues	<u>2,578,750</u>	<u>2,578,750</u>	<u>2,578,862</u>	<u>112</u>
EXPENDITURES				
Debt service				
Principal	1,650,000	1,650,000	1,650,000	-
Interest	2,128,500	2,128,500	2,128,500	-
Total Expenditures	<u>3,778,500</u>	<u>3,778,500</u>	<u>3,778,500</u>	<u>-</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,199,750)</u>	<u>(1,199,750)</u>	<u>(1,199,638)</u>	<u>112</u>
Net change in fund balance	<u>(1,199,750)</u>	<u>(1,199,750)</u>	<u>(1,199,639)</u>	<u>\$ 111</u>
Fund balance at beginning of year	<u>1,200,071</u>	<u>1,200,071</u>	<u>1,200,071</u>	
Fund balance at end of year	<u>\$ 321</u>	<u>\$ 321</u>	<u>\$ 432</u>	

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2022

Federal Grantor			Total	Program or
Pass-Through Grantor	Federal	Pass-Through Entity	Federal	Award
Program or Cluster Title	CFDA #	Identifying #	Expenditures	Amount
Federal Emergency Management Agency (FEMA)				
Passed through the Utah Department of Public Safety, Division of Emergency Management				
Pre-Disaster Mitigation (PDM)	97.047	PDMC-PJ -08-2019-006	\$ 1,112,662	\$ 1,945,148
Pre-Disaster Mitigation (PDM)	97.047	PDMC-PJ -08-2019-007	67,950	114,558
Total Passed Through			1,180,612	2,059,706
Total Expenditures of Federal Awards			\$ 1,180,612	\$ 2,059,706

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended December 31, 2022

1. General – the Schedule of Federal Expenditures of Federal Awards presents the activity of all federal awards for Unified Fire Service Area. Federal awards received directly from federal agencies as well as federal awards passed-through other governmental agencies are included on the Schedule of Expenditures of Federal Awards.
2. Basis of Accounting – The Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.
3. Indirect Costs – UFSA has elected not to use the ten percent de minimus indirect cost rate allowed under Uniform Guidance.

UNIFIED FIRE SERVICE AREA BUDGET CALENDAR AND PROCESS - 2024 BUDGET

AUG 2023	Initial Finance Committee meeting to discuss priorities and direction (need to schedule)
SEP 2023	Work with County Treasurer on parcel specific notices
SEP 2023	Follow-up Finance Committee meeting (need to schedule)
SEP 2023	Start public education and outreach
SEP 2023	Notify County of date, time, and place of public hearing where budget will be discussed
OCT 2023	At monthly board meeting, state intent to increase property taxes, dollar amount of increase, purpose of increase, and approximate percentage increase (if needed)
NOV 2023	Visit each city, township, and town council meeting to provide overview of 2024 budget process and plan (if needed)
NOV 2023	Begin public notice process - 2 notices (if needed)
NOV 2023	Tentative Budget approved at board meeting
DEC 2023	Truth in Taxation Public Hearing (if needed, may be combined with budget adoption public hearing)
DEC 2023	Public Hearing and Final Budget approved at board meeting