

# PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 9, 2020

NEW ISSUE

Ratings: 2020B Bonds—S&P “[AAA];” Fitch “[AAA]”  
See “MISCELLANEOUS—Bond Ratings” herein.

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the County, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the 2020B Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the 2020B Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” herein.*



## Salt Lake County, Utah

**\$20,050,000\***

### Sales Tax Revenue Refunding Bonds, Series 2020B

The \$20,050,000,\* Sales Tax Revenue Refunding Bonds, Series 2020B are issued by the County as fully-registered bonds and, when initially issued, will be in book-entry form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2020B Bonds.

Principal of and interest on the 2020B Bonds (interest payable February 1 and August 1 of each year, commencing February 1, 2021) are payable by Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC.

The 2020B Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity. See “THE 2020B BONDS—Redemption Provisions” herein.

The 2020B Bonds are being issued for the purpose of refunding certain sales tax revenue bonds previously issued by the County and paying costs associated with the issuance of the 2020B Bonds. See “PLAN OF REFUNDING” herein. The 2020B Bonds and Outstanding Parity Bonds previously issued by the County will be equally and ratably secured under the Indenture.

The 2020B Bonds are special limited obligations of the County, payable solely from and secured by a pledge of the revenues, moneys, securities and funds pledged therefor in the Indenture. The revenues consist of the Pledged Taxes. No assurance can be given that the Pledged Taxes will remain sufficient for the payment of principal and interest on the 2020B Bonds and the County is limited by Utah law in its ability to increase the rate of such taxes. See “INVESTMENT CONSIDERATIONS IN THE OWNERSHIP OF THE 2020B BONDS” herein. The 2020B Bonds do not constitute general obligation indebtedness or a pledge of the ad valorem taxing power or full faith and credit of the County, and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. The County will not mortgage or grant any security interest in all or any portion of the improvements financed or refinanced with the proceeds of the 2020B Bonds to secure payment of the 2020B Bonds. See “SECURITY AND SOURCES OF PAYMENT” herein.

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**Dated:** Date of Delivery<sup>1</sup>

**Due:** February 1, as shown on inside front cover

**See the inside front cover for the maturity schedule of the 2020B Bonds**

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*This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.*

This OFFICIAL STATEMENT is dated November \_\_, 2020, and the information contained herein speaks only as of that date.

**J.P. Morgan**

\* Preliminary; subject to change.

<sup>1</sup> The anticipated date of delivery is [Wednesday, December 2, 2020].

# Salt Lake County, Utah

## \$20,050,000\*

### Sales Tax Revenue Refunding Bonds, Series 2020B

Dated: Date of Delivery<sup>1</sup>

Due: February 1, as shown below

<u>Due February 1*</u>	<u>CUSIP® 795685</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield/ Price</u>
2021.....		\$1,225,000		
2022.....		950,000		
2023.....		1,000,000		
2024.....		1,050,000		
2025.....		1,100,000		
2026.....		1,175,000		
2027.....		1,225,000		
2028.....		1,275,000		
2029.....		1,350,000		
2030.....		1,425,000		
2031.....		1,500,000		
2032.....		1,575,000		
2033.....		1,650,000		
2034.....		1,725,000		
2035.....		1,825,000		

\$ \_\_\_\_\_ % Term Bond Due February 1, 20\_\_ —Price \_\_\_\_\_ %

(CUSIP®795685 \_\_\_\_)

\* Preliminary; subject to change.

<sup>1</sup> The anticipated date of delivery is [Wednesday, December 2, 2020].

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(This page has been intentionally left blank.)

This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of, the 2020B Bonds (as defined herein), by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by either Salt Lake County, Utah (the “County”); Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah (as Escrow Agent, Trustee, Bond Registrar and Paying Agent); Zions Public Finance, Inc., Salt Lake City, Utah (as Municipal Advisor); J.P. Morgan Securities LLC, New York, New York (the “Underwriter”); or any other entity. All information contained herein has been obtained from the County, The Depository Trust Company, New York, New York and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery or exchange of the 2020B Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the County since the date hereof.

The 2020B Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

***The yields/prices at which the 2020B Bonds are offered to the public may vary from the initial reoffering yields/prices on the inside cover pages of this OFFICIAL STATEMENT. In addition, the Underwriter may allow concessions or discounts from the initial offering prices of the 2020B Bonds to dealers and others. In connection with the offering of the 2020B Bonds, the Underwriter may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2020B Bonds. Such transactions may include overallocments in connection with the purchase of 2020B Bonds, the purchase of 2020B Bonds to stabilize their market price and the purchase of 2020B Bonds to cover the Underwriter’s short positions. Such transactions, if commenced, may be discontinued at any time.***

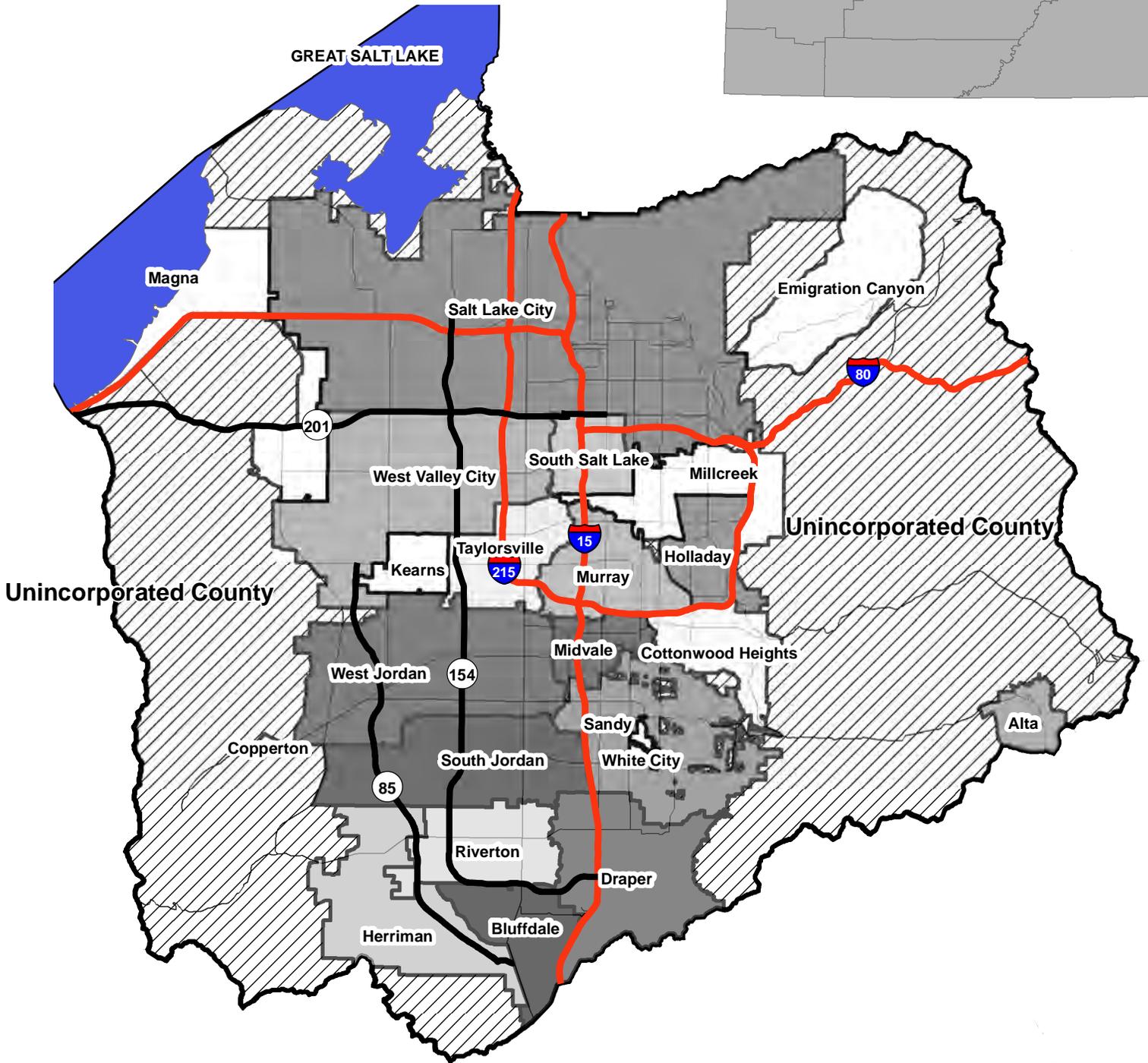
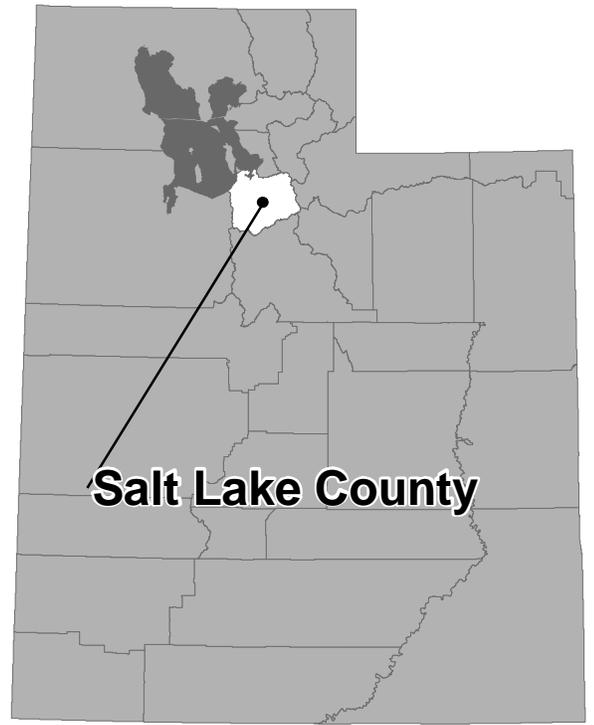
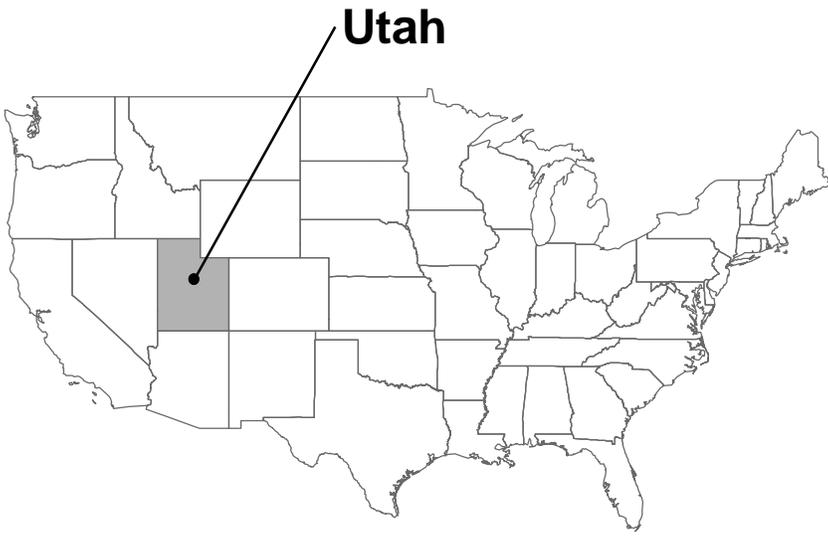
***Forward-Looking Statements.*** Certain statements included or incorporated by reference in this OFFICIAL STATEMENT constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as “plan,” “project,” “forecast,” “expect,” “estimate,” “budget” or other similar words. ***The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The County does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur. See “PROJECTED DEBT SERVICE COVERAGE” herein.***

The CUSIP® (the Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover page of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders only, and the County does not make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® numbers are subject to being changed after the issuance of the 2020B Bonds because of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2020B Bonds.

***The content from websites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided in connection with the offering of the 2020B Bonds and is not a part of this OFFICIAL STATEMENT.***

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# OFFICIAL STATEMENT RELATED TO

## Salt Lake County, Utah

**\$20,050,000\***

### Sales Tax Revenue Refunding Bonds, Series 2020B

#### INTRODUCTION

This introduction is only a brief description of the 2020B Bonds, as hereinafter defined, the security and source of payment for the 2020B Bonds and certain information regarding Salt Lake County, Utah (the “County”). The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT. Investors are urged to make a full review of the entire OFFICIAL STATEMENT as well as the documents summarized or described herein.

See the following appendices that are attached hereto and incorporated herein by reference: “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019;” “APPENDIX B—THE GENERAL INDENTURE OF TRUST;” “APPENDIX C—FORM OF OPINION OF BOND COUNSEL;” “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING;” and “APPENDIX E—BOOK—ENTRY SYSTEM.”

When used herein the terms “Fiscal Year[s] 20YY” or “Fiscal Year[s] End[ed][ing] December 31, 20YY” shall refer to the year beginning on January 1 and ending on December 31 of the year indicated. When used herein the terms “Calendar Year[s] 20YY”; “Calendar Year[s] End[ed][ing] December 31, 20YY”; or “Tax Year 20YY” shall refer to the year beginning on January 1 and ending on December 31 of the year indicated. Unless otherwise indicated, capitalized terms used in this OFFICIAL STATEMENT shall have the meaning established in the Indenture (as hereinafter defined). See “APPENDIX B—THE GENERAL INDENTURE OF TRUST.”

#### Impact Of Coronavirus (COVID-19)

In December 2019, a novel strain of coronavirus known as COVID-19 (“COVID-19”) began spreading throughout the world and has been characterized by the World Health Organization as a pandemic disease.

COVID-19 is currently affecting global, national, state and local economic activity, including that of the County, and consequently may impact the financial condition of the County. Because the OFFICIAL STATEMENT relies on historical data for financial information about the County (and all of the services that the County provides its residents), such information may not necessarily predict future trends accurately.

*For a discussion of the County’s response to COVID-19 see “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH—Management’s Current Discussion And Analysis Of Financial Operations—Potential Impact Of The Coronavirus (COVID-19)” below.*

Significant developments regarding COVID-19 continue to occur daily and the extent to which COVID-19 will impact the County in the future is highly uncertain and cannot be predicted. ***However, the County does not expect COVID-19 to negatively impact the County’s ability to pay principal of and interest on the 2020B Bonds. See “SECURITY AND SOURCES OF PAYMENT” below.***

#### Salt Lake County, Utah

The County, incorporated in 1896, covers an area of approximately 737 square miles and is in the north central portion of the State of Utah (the “State”). The County is bordered on the west by the Great Salt Lake and the Oquirrh Mountains and on the east by the Wasatch Mountains. The County had 1,160,437 residents per the 2019 U.S. Census Bureau estimates, ranking

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\* Preliminary; subject to change.

the County as the most populated county in the State (out of 29 counties). Based on 2019 U.S. Census Bureau population estimates, the County has approximately 36% of the total population of the State. Salt Lake City, Utah is the County seat and the capital city of the State. See “SALT LAKE COUNTY, UTAH” below.

## **The 2020B Bonds**

This OFFICIAL STATEMENT, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by the County of its \$20,050,000,\* Sales Tax Revenue Refunding Bonds, Series 2020B (the “2020B Bonds or “2020B Bond”), initially issued in book–entry form.

### **Authority And Purpose Of The 2020B Bonds; Outstanding Parity Bonds**

*Authority And Purpose.* The 2020B Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14 (the “Bonding Act”), Utah Code Annotated 1953, as amended (the “Utah Code”), and other applicable provisions of law; (ii) a resolution adopted by the County Council of the County on March 24, 2020 (the “Resolution”); and (iii) a General Indenture of Trust, dated as of November 15, 2001, as previously supplemented and amended (the “General Indenture”) between the County and Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah (“Zions Bancorporation”), as trustee (the “Trustee”), as further supplemented by a [Eleventh] Supplemental Indenture of Trust, dated as of December 1, 2020, between the County and the Trustee (the “[Eleventh] Supplemental Indenture”) providing for the issuance of the 2020B Bonds. The General Indenture, together with all amendments or supplements thereto, including without limitation the [Eleventh] Supplemental Indenture, is sometimes referred to collectively herein, as the “Indenture.”

The 2020B Bonds are being issued for the purpose of refunding certain sales tax revenue bonds previously issued by the County and paying costs associated with the issuance of the 2020B Bonds. See “PLAN OF REFUNDING” below.

*Outstanding Parity Bonds.* The 2020B Bonds (and the hereinafter described Outstanding Parity Bonds previously issued by the County) will be equally and ratably secured under the Indenture. The following bonds of the County are currently outstanding under the Indenture:

(i) \$43,555,000 (original principal amount), Federally Taxable Sales Tax Revenue and Refunding Bonds, Series 2020, dated June 17, 2020, currently outstanding in the aggregate principal amount of \$43,555,000 (the “2020 Bonds”);

(ii) \$38,520,000 (original principal amount), Sales Tax Revenue Bonds, Series 2017B, dated March 1, 2017, currently outstanding in the aggregate principal amount of \$38,520,000 (the “2017B Bonds”);

(iii) \$13,550,000 (original principal amount), Federally Taxable Sales Tax Revenue Bonds, Series 2017A, dated March 1, 2017, currently outstanding in the aggregate principal amount of \$7,550,000 (the “2017A Bonds”);

(iv) \$30,000,000 (original principal amount), Sales Tax Revenue Bonds, Series 2014, dated December 23, 2014, currently outstanding in the aggregate principal amount of \$23,935,000 (the “2014 Bonds”);

(v) \$43,725,000 (original principal amount), Sales Tax Revenue Refunding Bonds, Series 2012A, dated June 20, 2012, currently outstanding in the aggregate principal amount of \$6,605,000 (the “2012A Bonds”);

(vi) \$1,917,804, (original principal amount), Sales Tax Revenue Bonds, Series 2011 (Qualified Energy Conservation Bonds), dated August 10, 2011, currently outstanding in the aggregate principal amount of \$994,000 (the “2011 Bonds”); and

(vii) \$33,020,000 (original principal amount), Sales Tax Revenue Bonds, Series 2010D (Federally Taxable–Direct Pay–Build America Bonds), dated November 9, 2010, currently outstanding in the aggregate principal amount of \$24,325,000 (the “2010D Bonds”) (*it is anticipated that the 2020B Bonds will refund the remaining outstanding 2010D Bonds on December 2, 2020, as described herein*).

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\* Preliminary; subject to change.

The 2020 Bonds, the 2017B Bonds, the 2017A Bonds, the 2014 Bonds, the 2012A Bonds, the 2011 Bonds, and the 2010D Bonds are referred to herein as, the “Outstanding Parity Bonds.” The Outstanding Parity Bonds (as of the closing and delivery of the 2020B Bonds and the refunding of the 2010D Refunded Bonds, as hereinafter defined) will be \$121,159,000\*.

### **Security And Source Of Payment**

The 2020B Bonds are special limited obligations of the County payable on a parity with the Outstanding Parity Bonds, solely from and secured solely by the Revenues, moneys, securities and funds pledged therefor under the Indenture between the County and the Trustee. The Revenues consist of all the revenues produced by the sales and use taxes levied by the County under the County Option Sales and Use Tax Act, Title 59, Chapter 12, Part 11, Utah Code (the “County Option Sales and Use Tax Act”) (the “Pledged Taxes”).

No assurance can be given that the Pledged Taxes will remain sufficient for the payment of the principal of or interest on the 2020B Bonds and the County is limited by State law in its ability to increase the rate of such taxes. See “INVESTMENT CONSIDERATIONS IN THE OWNERSHIP OF THE 2020B BONDS” below. The 2020B Bonds do not constitute general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the County and are not obligations of the State or any other agency or other political subdivision or entity of the State. The County will not mortgage or grant any security interest in any of the improvements financed or refinanced with the proceeds of the 2020B Bonds to secure payment of the 2020B Bonds.

See “SECURITY AND SOURCES OF PAYMENT” below.

The 2020B Bonds are secured on a parity lien with the Outstanding Parity Bonds and with any additional bonds, notes or other obligations that may be issued from time to time under the Indenture (the “Additional Bonds”). See “SECURITY AND SOURCES OF PAYMENT—Issuance Of Additional Bonds” below. The 2020B Bonds, the Outstanding Parity Bonds and any Additional Bonds which may be issued from time to time under the Indenture are collectively referred to herein as the “Bonds.”

### **Pledged Taxes**

*Pledged County Option Sales and Use Taxes.* The County presently levies a county option sales and use tax at the rate of ¼ of 1% (*the maximum rate permitted by the County Option Sales and Use Tax Act*) on all taxable sales of goods and services in the County.

*Collections.* The Pledged Taxes are collected by the Utah State Tax Commission (the “State Tax Commission”) and distributed monthly to the County, as provided by law.

*Pledged Taxes Coverage.* The county option sales and use tax represents all of the Pledged Taxes. The Pledged Taxes for Fiscal Year 2020 are anticipated to be approximately [\$66,850,000] and would, if maintained at that level, provide projected coverage of approximately 4.1\* times the expected maximum debt service of \$16,487,423\* occurring in Fiscal Year 2035. Under the Indenture, the County may not issue Additional Bonds unless Pledged Taxes are at least 200% of the maximum annual debt service on the Outstanding Bonds and Additional Bonds for any 12 consecutive months in the preceding 24 months. See “SECURITY AND SOURCES OF PAYMENT—Pledged Taxes” and “PROJECTED DEBT SERVICE COVERAGE” below.

### **Redemption Provisions For The 2020B Bonds**

The 2020B Bonds are subject to optional [and mandatory sinking fund] redemption prior to maturity. See “THE 2020B BONDS—Redemption Provisions” below.

### **Registration, Denominations, Manner Of Payment**

The 2020B Bonds are issuable only as fully-registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, (“DTC”). DTC will act as securities depository of the 2020B Bonds. Purchases of 2020B Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Direct Participants (as defined herein). Beneficial Owners (as defined herein) of the 2020B Bonds will not be entitled to receive physical deliv-

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\* Preliminary; subject to change.

ery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2020B Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined in “APPENDIX E—BOOK—ENTRY SYSTEM.”

Principal of and interest on the 2020B Bonds (interest payable February 1 and August 1 of each year, commencing February 1, 2021) are payable by Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, as paying agent (the “Paying Agent”) for the 2020B Bonds, to the registered owners of the 2020B Bonds. So long as Cede & Co. is the registered owner of the 2020B Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2020B Bonds, as described in “APPENDIX E—BOOK—ENTRY SYSTEM.”

So long as DTC or its nominee is the registered owner of the 2020B Bonds, neither the County nor the Trustee will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2020B Bonds. Under these same circumstances, references herein and in the Indenture to the “Bondowners” or “Registered Owners” of the 2020B Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2020B Bonds.

### **Tax Matters Regarding The 2020B Bonds**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the County, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the 2020B Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the 2020B Bonds is exempt from State of Utah individual income taxes.

See “TAX MATTERS” below for a more complete discussion. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the 2020B Bonds.

### **Professional Services**

In connection with the issuance of the 2020B Bonds, the following have served the County in the capacity indicated.

*Registrar, Paying Agent, Escrow Agent and Trustee*

Zions Bancorporation National Association  
Corporate Trust Department  
One S Main St 12<sup>th</sup> Fl  
Salt Lake City UT 84133–1109  
801.844.7517 | f 801.594.8018  
[verena.critser@zionsbancorp.com](mailto:verena.critser@zionsbancorp.com)

*Bond Counsel*

Gilmore & Bell PC  
15 W S Temple Ste 1450  
Salt Lake City UT 84101  
801.364.5080 | f 801.364.5032  
[bpatterson@gilmorebell.com](mailto:bpatterson@gilmorebell.com)

*Municipal Advisor*

Zions Public Finance Inc  
One S Main St 18<sup>th</sup> Fl  
Salt Lake City UT 84133–1109  
801.844.7373 | f 801.844.4484  
[jon.bronson@zionsbancorp.com](mailto:jon.bronson@zionsbancorp.com)

### **Conditions Of Delivery, Anticipated Date, Manner, And Place Of Delivery**

The 2020B Bonds are offered, subject to prior sale, when, as and if issued and received by J.P. Morgan Securities LLC, New York, New York (the “Underwriter”), subject to the approval of legality of the 2020B Bonds by Gilmore & Bell, P.C., Bond Counsel to the County, and certain other conditions. Certain legal matters will be passed on for the County by the Chief Deputy District Attorney, Ralph Chamness. Certain legal matters will be passed on for the Underwriter by Chapman and Cutler LLP. It is expected that the 2020B Bonds, in book–entry form, will be available for delivery to DTC or its agent on or about [Wednesday, December 2, 2020].

## Continuing Disclosure Undertaking

The County will execute a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2020B Bonds. For a detailed discussion of this undertaking, previous undertakings and timing of submissions see “CONTINUING DISCLOSURE UNDERTAKING” below and “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

### Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the County, the 2020B Bonds, and the Indenture are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document and references herein to the 2020B Bonds are qualified in their entirety by reference to the form thereof included in the Indenture.

Descriptions of the Indenture and the 2020B Bonds are qualified by reference to bankruptcy and other laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. See “APPENDIX B—THE GENERAL INDENTURE OF TRUST.” The “basic documentation” which includes the Indenture, the closing documents and other documentation authorizing the issuance of the 2020B Bonds and establishing the rights and responsibilities of the County and other parties to the transaction may be obtained from the “contact persons” as indicated below.

### Contact Persons

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance, Inc., Salt Lake City, Utah (the “Municipal Advisor”) to the County:

Jon Bronson, Senior Vice President, [jon.bronson@zionsbancorp.com](mailto:jon.bronson@zionsbancorp.com)  
Marcus Keller, Assistant Vice President, [marcus.keller@zionsbancorp.com](mailto:marcus.keller@zionsbancorp.com)  
Jeanette Harris, Vice President, [jeanette.harris@zionsbancorp.com](mailto:jeanette.harris@zionsbancorp.com)

Zions Public Finance Inc  
One S Main St 18<sup>th</sup> Fl  
Salt Lake City UT 84133–1109  
801.844.7373 | f 801.844.4484

As of the date of this OFFICIAL STATEMENT, the chief contact person for the County concerning the 2020B Bonds is:

Darrin Casper, Deputy Mayor of Finance and Chief Financial Officer, [dcasper@slco.org](mailto:dcasper@slco.org)  
Salt Lake County  
2001 S State St N–4100  
(PO Box 144575)  
Salt Lake City UT 84114–4575  
385.468.7075 | f 385.468.7071

## CONTINUING DISCLOSURE UNDERTAKING

The County will execute a Continuing Disclosure Undertaking (the “Disclosure Undertaking”) for the benefit of the Beneficial Owners of the 2020B Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system (“EMMA”) pursuant to the requirements of paragraph (b)(5) of Rule 15c2–12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the form of Disclosure Undertaking in “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

*During the five years prior to the date of this OFFICIAL STATEMENT, the County has not failed to comply in any material respects with its prior undertakings pursuant to the Rule.*

Based on such prior disclosure undertakings the County submits its comprehensive annual financial report for the Fiscal Year ending December 31 (the “CAFR”) and other operating and financial information on or before July 18 (not more than 200 days from the end of the Fiscal Year). The County will submit the Fiscal Year 2020 CAFR and other operating and financial information for the 2020B Bonds on or before July 18, 2021, and annually thereafter on or before each July 18.

A failure by the County to comply with the Disclosure Undertaking will not constitute a default under the Indenture and the Beneficial Owners of the 2020B Bonds are limited to the remedies described in the Disclosure Undertaking. A failure by the County to comply with the annual disclosure requirements of the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2020B Bonds in the secondary market. Consequently, such a failure may adversely affect the marketability and liquidity of the 2020B Bonds and their market price.

## **INVESTMENT CONSIDERATIONS IN THE OWNERSHIP OF THE 2020B BONDS**

*This section contains a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this OFFICIAL STATEMENT, in evaluating an investment in the 2020B Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the 2020B Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the 2020B Bonds are advised to consider the following factors, among others, and to review this entire OFFICIAL STATEMENT to obtain information essential to making of an informed investment decision. Any one or more of the investment considerations discussed below, among others, could adversely affect the financial condition of the County or its ability to make scheduled debt service payment on Bonds. There can be no assurance that other risks not discussed herein will not become material in the future.*

### **Uncertainty Of World, National And Local Economic Activity**

The amount of Pledged Taxes to be collected by the County is dependent on a number of factors beyond the control of the County, including, but not limited to, the state of the United States economy and the economy of the County and the State. Any one or more of these factors could result in the County receiving less Pledged Taxes than anticipated. During periods in which economic activity declines, Pledged Taxes are likely to fall as compared to an earlier year. In addition, Pledged Taxes are dependent on the volume of the transactions subject to the tax. From time to time, proposals have been made by the Utah State Legislature (the “State Legislature”) to add or remove certain types of purchases from the sales tax and the State (like many other states) has recognized the potential reduction in sales tax revenues because of purchases made through the internet and other non-traditional means. See “SECURITY AND SOURCE OF PAYMENT—Pledged Taxes” below.

The extent of the impact of COVID-19 on the County’s Pledged Taxes will depend upon continuing developments, including duration and spread of the outbreak, see “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH—Management’s Current Discussion And Analysis Of Financial Operations—COVID-19 World Pandemic Crisis” below.

### **The 2020B Bonds Are Limited Obligations; Limitation On Increasing Rates For Pledged Taxes**

The 2020B Bonds are special limited obligations of the County, payable solely from the Pledged Taxes, moneys, securities and funds pledged therefor in the Indenture. No assurance can be given that the amount of Pledged Taxes received by the County will remain sufficient for the payment of the principal or interest on the 2020B Bonds and the County is limited by State law in its ability to increase the rate of such taxes. *The County currently levies the maximum rate allowed under the County Option Sales and Use Tax Act for all taxes making up the Pledged Taxes.* The 2020B Bonds do not constitute general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the County, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The County will not mortgage or grant any security interest in any of the projects financed or refinanced with the proceeds of the 2020B Bonds to secure payment of the 2020B Bonds.

### **No Debt Service Reserve Fund For The 2020B Bonds**

Pursuant to the Indenture, each Series of Bonds is secured (if at all) by a separate subaccount in the Debt Service Reserve Fund. *Upon the issuance of the 2020B Bonds, no subaccounts of the Debt Service Reserve Fund will be funded with respect to the 2020B Bonds.*

## **State Legislative Changes To Sales Tax Statutes**

The State Legislature has authority to alter the statutes under which the County derives its various sales and use tax revenues, including specifically the Pledged Taxes. From time to time proposals are discussed and introduced to change these statutes, including changes that could significantly reduce the amount of Pledged Taxes the County receives. This can be done by, among other things, expanding or diminishing the sales tax base, reducing rates or altering the formula by which the tax revenues are allocated among the counties, cities and towns within the State. The County cannot predict whether the State Legislature will change sales and use tax base, rates, and/or distributions, including changes that could affect Pledged Taxes at some point in the future. See also, “SECURITY AND SOURCES OF PAYMENT—State Pledge Of Nonimpairment” below.

## **Climate Change Risk; Natural Disasters And Global Health Emergencies**

There may be potential risks to the County that are associated with changes to the climate over time and with increases in the frequency, timing, and severity of extreme weather events. Natural disasters (including earthquakes, mudslides, wildfires/forest fires, heat waves, floods, windstorms, droughts and avalanches) and continued (or future), global health emergencies (such as COVID-19) are possible which could affect the County and the State.

The State is in a region of seismic activity subject to earthquakes in varying strengths. The most recent earthquake occurred in March 2020 in the Township of Magna, Utah (located in the north west portion of the County; approximately 15 miles west of Salt Lake City, Utah), measuring 5.7 on the Richter scale. See “SALT LAKE COUNTY, UTAH—Risk Management; Recent Seismic Activity; Cybersecurity” below.

Certain areas of the State have experienced drought conditions for at least part of the year in each of the last five years. The State has experienced large wildfire/forest fire seasons in which air quality across the State has been negatively impacted (including diminished air quality from wildfires/forest fires located outside the State from drifting air currents). Wildfires/forest fires can impact the State’s, and the County’s economy, cause repository health problems, loss of infrastructure, homes and property and destroying forestland, wildlife habitat and its resources.

The County cannot predict how or when various climate changes, natural disasters or global health emergencies risks may occur, nor can it quantify the impact on the County or its operations.

## **PLAN OF REFUNDING**

The County previously issued its 2010D Bonds which original proceeds were used for the purpose of the acquisition, construction, improvement and equipping of various buildings for the County.

Proceeds from the 2020B Bonds will be deposited with Zions Bancorporation, National Association, as Escrow Agent (the “Escrow Agent”), pursuant to an Escrow Agreement providing for the refunding of the 2010D Bonds, between the County and the Escrow Agent (the “Escrow Agreement”) to establish an irrevocable trust escrow account (the “Escrow Account”), consisting of cash and government obligations of the United States of America. See “THE 2020B BONDS—Sources And Uses Of Funds” below.

Amounts in the Escrow Account shall be used to pay interest on the 2010D Bonds maturing on and after November 1, 2021 (the “2010D Refunded Bonds”) and to redeem the 2010D Refunded Bonds at a redemption price of 100% of the principal amount thereof on May 1, 2021 (the “2010D Refunded Bonds Redemption Date”). The 2010D Refunded Bonds mature on the dates and in the amounts, and bear interest at the rates, as follows.

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<u>Scheduled Maturity</u> <u>(November 1)*</u>	<u>Redemption Date*</u>	<u>CUSIP®</u> <u>795685</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Redemption</u> <u>Price</u>
2021 .....	May 1, 2021	DP8	\$ 1,330,000	3.50 %	100%
2025 .....	May 1, 2021	DQ6	5,665,000	4.00	100
2026 .....	May 1, 2021	DR4	1,510,000	4.15	100
2027 .....	May 1, 2021	DS2	1,550,000	4.40	100
2028 .....	May 1, 2021	DT0	1,595,000	4.60	100
2029 .....	May 1, 2021	DU7	1,640,000	4.75	100
2030 .....	May 1, 2021	DV5	1,695,000	4.875	100
2032 .....	May 1, 2021	DW3	3,550,000	5.10	100
2035 .....	May 1, 2021	DX1	<u>5,790,000</u>	5.20	100
Totals .....			<u>\$24,325,000</u>		

(Source: Municipal Advisor.)

The cash and investments held in the Escrow Account will be sufficient to pay the interest falling due on the 2010D Refunded Bonds through the 2010D Refunded Bonds Redemption Date and the redemption price of the 2010D Refunded Bonds, due and payable on the 2010D Refunded Bonds Redemption Date.

Certain mathematical computations regarding the sufficiency of the investments held in the Escrow Account will be verified by Public Finance Partners, Minneapolis, Minnesota. See “MISCELLANEOUS—Escrow Verification” below.

## THE 2020B BONDS

### General

The 2020B Bonds will be dated the date of their original issuance and delivery<sup>1</sup> (the “Dated Date”) and will mature on February 1 of the years and in the amounts as set forth on the inside cover page of this OFFICIAL STATEMENT.

The 2020B Bonds will bear interest from their Dated Date at the rates set forth on the inside cover page of this OFFICIAL STATEMENT. Interest on the 2020B Bonds is payable semiannually on each February 1 and August 1, commencing February 1, 2021. Interest on the 2020B Bonds will be computed based on a 360-day year comprised of 12, 30-day months. In addition to acting as the initial Trustee and Paying Agent, Zions Bancorporation is also the initial Bond Registrar with respect to the 2020B Bonds (in such capacity, the “Bond Registrar”) under the Indenture.

The 2020B Bonds will be issued as fully-registered bonds, initially in book-entry form, in the denomination of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

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\* Preliminary; subject to change.

<sup>1</sup> The anticipated date of delivery is [Wednesday, December 2, 2020].

**Sources And Uses Of Funds**

The proceeds from the sale of the 2020B Bonds are estimated to be applied as set forth below:

<i>Sources:</i>	
Par amount of 2020B Bonds.....	\$
Original issue premium.....	_____
Total.....	\$
<i>Uses:</i>	
Deposit into Escrow Account .....	\$
Costs of issuance (1).....	_____
Underwriter’s discount.....	_____
Original issue discount.....	_____
Total.....	\$

(1) Includes legal fees, Escrow Agent fees, Trustee, Bond Registrar and Paying Agent fees, Municipal Advisor fees, rating agency fees, escrow verification fees, rounding amounts and other miscellaneous costs of issuance.

(Source: Municipal Advisor.)

**Redemption Provisions**

*Optional Redemption.* The 2020B Bonds maturing on or after February 1, 20\_\_ are subject to redemption prior to maturity, in whole or in part, at the option of the County on any date on and after February 1/August 1, 20\_\_, at a redemption price equal to 100% of the principal amount of the 2020B Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

*Mandatory Sinking Fund Redemption.* The 2020B Bonds maturing on February 1, 20\_\_ are subject to mandatory sinking fund redemption, by lot in such manner as the Trustee may determine, at a price equal to 100% of the principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

<u>Mandatory Sinking Fund Redemption Date</u>	<u>Sinking Fund Requirements</u>
February 1, 20__ .....	\$
February 1, 20__ .....	_____
February 1, 20__ (stated maturity).....	_____
Total.....	\$

Upon redemption of any 2020B Bonds maturing on February 1, 20\_\_, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the 2020B Bonds maturing on February 1, 20\_\_, in such order of mandatory sinking fund date as shall be directed by the County.

*Partial Redemption.* If less than all 2020B Bonds are to be optionally redeemed, the particular maturities of such 2020B Bonds to be redeemed and the principal amounts of such maturities to be redeemed shall be selected by the County. If less than all the 2020B Bonds of any maturity are to be redeemed, the particular 2020B Bonds or portion of the 2020B Bonds of such maturity to be redeemed shall be selected by the Trustee by lot, in such manner as the Trustee in its discretion may deem fair and appropriate. The portion of any registered 2020B Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or any integral multiple thereof, and in selecting portions of such 2020B Bonds for redemption the Trustee will treat each such 2020B Bond as representing that number of 2020B Bonds of \$5,000 denomination that is obtained by dividing the principal amount of such 2020B Bonds by \$5,000.

**Notice Of Redemption**

Notice of redemption shall be given by the Bond Registrar by first class mail, not less than 30 nor more than 60 days prior to the redemption date, to the owner, as of the Record Date (as defined herein), of each 2020B Bond that is subject to redemption, at the address of such owner as it appears on the registration books of the County kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date. Each notice of redemption will state redemption date, the place of redemption, the redemption price and, if less than all of the

2020B Bonds are to be redeemed, the respective principal amounts to be redeemed, and will also state that the interest on the 2020B Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of the 2020B Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date.

Each notice of optional redemption may further state that such redemption will be conditioned upon the receipt by the Paying Agent, on or prior to the date fixed for redemption, of moneys sufficient to pay the principal of and premium, if any, and interest on such 2020B Bonds to be redeemed and that if such moneys have not been so received the notice will be of no force or effect and the County will not be required to redeem such 2020B Bonds. If such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made, and the Bond Registrar will within a reasonable time thereafter give notice, in the way the notice of redemption was given, that such moneys were not so received. Any such notice mailed will be conclusively presumed to have been duly given, whether the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2020B Bond will not affect the validity of the proceedings for redemption with respect to any other 2020B Bond.

In addition to the foregoing notice, further notice of such redemption will be given by the Trustee to MSRB as provided in the [Eleventh] Supplemental Indenture, but no defect in such further notice nor any failure to give all or any portion of such notice will in any manner affect the validity of a call for redemption if notice thereof is given as prescribed above and in the [Eleventh] Supplemental Indenture.

*For so long as a book-entry system is in effect with respect to the 2020B Bonds, the Bond Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of 2020B Bonds. See "THE 2020B BONDS—Book-Entry System" below.*

### **Registration And Transfer; Record Date**

*Registration and Transfer.* In the event the book-entry system is discontinued, any 2020B Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such 2020B Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any 2020B Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully-registered 2020B Bond or 2020B Bonds of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the County, for a like aggregate principal amount.

The 2020B Bonds may be exchanged at the principal corporate office trust of the Trustee for a like aggregate principal amount of fully-registered 2020B Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

For every such exchange or transfer of the 2020B Bonds, the Trustee will require the payment by the registered owner requesting such transfer or exchange any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2020B Bonds.

*Record Date.* "Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds. "Special Record Date" means such date as may be fixed for the payment of defaulted interest on the 2020B Bonds in accordance with the Indenture. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Trustee will not be required to transfer or exchange any 2020B Bond (i) during the period during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day 15 days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day 15 days prior to the mailing of notice calling any 2020B Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption.

The County, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2020B Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for receiving payment of, or on account of, the principal, premium and interest due thereon and for all other purposes whatsoever.

**Book-Entry System**

DTC will act as securities depository for the 2020B Bonds. The 2020B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2020B Bond certificate will be issued for each maturity of the 2020B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX E—BOOK-ENTRY SYSTEM” for a more detailed discussion of the book-entry system and DTC.

In the event the book-entry system is discontinued, the principal of and interest on the 2020B Bonds will be payable at the office of the Trustee, as Paying Agent.

**Debt Service On The 2020B Bonds**

<u>Payment Date</u>	<u>The 2020B Bonds</u>		<u>Period Total</u>	<u>Fiscal Total</u>
	<u>Principal</u>	<u>Interest</u>		
February 1, 2021.....	\$ 1,225,000.00	\$	\$	\$
August 1, 2021.....	0.00			
February 1, 2022.....	950,000.00			
August 1, 2022.....	0.00			
February 1, 2023.....	1,000,000.00			
August 1, 2023.....	0.00			
February 1, 2024.....	1,050,000.00			
August 1, 2024.....	0.00			
February 1, 2025.....	1,100,000.00			
August 1, 2025.....	0.00			
February 1, 2026.....	1,175,000.00			
August 1, 2026.....	0.00			
February 1, 2027.....	1,225,000.00			
August 1, 2027.....	0.00			
February 1, 2028.....	1,275,000.00			
August 1, 2028.....	0.00			
February 1, 2029.....	1,350,000.00			
August 1, 2029.....	0.00			
February 1, 2030.....	1,425,000.00			
August 1, 2030.....	0.00			
February 1, 2031.....	1,500,000.00			
August 1, 2031.....	0.00			
February 1, 2032.....	1,575,000.00			
August 1, 2032.....	0.00			
February 1, 2033.....	1,650,000.00			
August 1, 2033.....	0.00			
February 1, 2034.....	1,725,000.00			
August 1, 2034.....	0.00			
February 1, 2035.....	<u>1,825,000.00</u>			
Totals.....	<u>\$20,050,000.00</u>	\$	\$	

(1) Mandatory sinking fund principal payments from a \$ \_\_\_\_\_, \_\_\_\_\_%, term bond due February 1, 20\_\_.

(Source: Municipal Advisor.)

**SECURITY AND SOURCES OF PAYMENT**

**The Indenture**

The 2020B Bonds are special limited obligations of the County, payable solely from and secured by a pledge of the Pledged Taxes and certain funds and accounts pledged therefor and established by the Indenture. The Pledged Taxes consist of all the revenues produced by the county option sales and use taxes levied by the County pursuant to the County Option Sales and Use Tax Act. No assurance can be given that the Pledged Taxes will remain sufficient for the payment of principal

of and interest on the 2020B Bonds and the County is limited by State law in its ability to increase the rate of such taxes. See “INVESTMENT CONSIDERATIONS IN THE OWNERSHIP OF THE 2020B BONDS” above. The 2020B Bonds do not constitute general obligation indebtedness or a pledge of the ad valorem taxing power or full faith and credit of the County, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The County will not mortgage or grant any security interest in any of the improvements financed or refinanced with the proceeds of the 2020B Bonds to secure payment of the 2020B Bonds.

Upon the occurrence of an Event of Default specified in the Indenture, the Trustee or the Registered Owners of the 2020B Bonds may pursue certain remedies to enforce the obligations of the County under the Indenture. These remedies do not include the right to declare all the principal of and interest on the 2020B Bonds to be immediately due and payable. See “APPENDIX B—THE GENERAL INDENTURE OF TRUST—Article VIII—Events of Default; Remedies” (page B–29).

### **State Pledge Of Nonimpairment**

In accordance with the provisions of the Bonding Act, the State pledges and agrees with the holders of Bonds that it will not alter, impair or limit the sales taxes in a manner that reduces the amounts to be rebated to the County which are devoted or pledged for the payment of such Bonds until such Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of outstanding Bonds.

The County notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Taxes, or (iii) impact any other aspect of Pledged Taxes, cannot be predicted by the County.

See also “INVESTMENT CONSIDERATION IN THE OWNERSHIP OF THE 2020B BONDS—Legislative Changes To Sales Tax Statutes” above.

### **Flow Of Funds**

To secure timely payment of the principal of and interest on the 2020B Bonds, the County has pledged and assigned to the Trustee the Pledged Taxes and all moneys in certain funds and accounts established by the Indenture. The Indenture establishes a Construction Fund, Revenue Fund, a Bond Fund, and certain other funds and accounts.

See “APPENDIX B—THE GENERAL INDENTURE OF TRUST—Article V. Use of Funds—Section 5.2 Application of Revenues” (page B–21).

### **Pledged Taxes**

*Pledged Taxes.* Under State law sales taxes are imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. A use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the State Tax Commission may issue a warrant directed to the sheriff of any county commanding the sheriff to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

*Pledged County Option Sales and Use Taxes.* The County Option Sales and Use Tax Act provides that each county in the State may levy a local sales and use tax of  $\frac{1}{4}$  of 1% on the purchase price of taxable goods and services in that county. The legislative intent contained in the County Option Sales and Use Tax Act is to provide an additional source of revenue to assist a county to meet their financial needs and to service their bonded indebtedness. *The County has levied the County Option Sales and Use Taxes at the maximum legal rate of 0.25%.*

County option sales and use taxes are collected by the State Tax Commission and distributed monthly to each county. Generally, the distributions are based on a formula, which provides that (i) 50% of sales tax collections will be distributed based on the percentage of the population of the local government to the total population of all similar local governments in the State and (ii) 50% of sales tax collections will be distributed based on the point of sale (collectively, the “50/50 Distribution”). The 50/50 Distribution formula is subject to legislative changes and the State Legislature has from time to time discussed altering this 50/50 Distribution formula.

*Collections.* The following table shows the amount of Pledged Taxes collected and received by the County for the past 10 Fiscal Years. The County’s county option sales and use tax collection began in January 1998, the first year allowable by law.

<u>Fiscal Year</u> <u>Ended December 31</u>	<u>Sales Tax</u> <u>Revenue</u>	<u>% Increase (Decrease)</u> <u>from Prior Year</u>
2019.....	\$67,550,608	4.9
2018.....	64,390,394	6.5
2017.....	60,470,489	6.9
2016.....	56,560,414	4.3
2015.....	54,252,676	4.6
2014.....	51,862,908	5.2
2013.....	49,311,368	3.5
2012.....	47,665,968	7.0
2011.....	44,533,898	7.1
2010.....	41,590,792	0.4

(Source: The County’s CAFR for each Fiscal Year. Compiled by the Municipal Advisor.)

*Fiscal Year 2020 Collections.* For Fiscal Year 2020, the County budgeted for Pledged Taxes to be approximately \$69.7 million. The County has received seven months of Pledged Taxes for Fiscal Year 2020. See “PROJECTED DEBT SERVICE COVERAGE” below.

*The Larger Sales Taxpayers.* State law prohibits disclosure of actual dollar figures of sales and use tax collections by specific businesses.

However, for the period reported from July 2019 through July 2020 the largest 10 businesses collected approximately 18.2% of the total sales tax collected in the County. The largest tax collection by a single business was approximately 3.3%. Those larger sales taxpayers include retail sales establishments, utility providers and automotive dealers. (Source: Salt Lake County Mayor’s Office of Financial Administration, from data provided by the Utah State Tax Commission.)]

**No Debt Service Reserve Fund For The 2020B Bonds And Outstanding Parity Bonds**

Pursuant to the Indenture, each Series of Bonds if required, may be are secured by a separate subaccount in the Debt Service Reserve Fund as described below.

*2020B Bonds.* Upon the issuance of the 2020B Bonds there will be no funding of an account of the Debt Service Reserve Fund with respect to the 2020B Bonds.

*Outstanding Parity Bonds.* No subaccount of the Debt Service Reserve Fund has been required to be funded with respect to the Outstanding Parity Bonds.

**Issuance Of Additional Bonds**

No bonds payable out of the Pledged Taxes, funds and accounts pledged under the Indenture may be issued and secured with a lien senior to that of the 2020B Bonds without the consent of the owners of 100% of the Outstanding Bonds. The Indenture permits the issuance of Additional Bonds by the County that are payable on a parity with the 2020B Bonds out of the Pledged Taxes, funds and accounts pledged under the Indenture.

The Indenture does not limit the amount of Additional Bonds that may be issued by the County, but requires that following requirements of the Indenture must be satisfied as a condition to the issuance of any Additional Bonds:

(a) No Event of Default shall have occurred under the Indenture and be continuing under the Indenture on the date of authentication of any Additional Bonds. This shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof.

(b) The Pledged Taxes for any consecutive 12-month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds plus (y) the maximum annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds; provided, however, that such Revenue coverage test shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for refunding Bonds issued under the Indenture, (ii) and the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then-remaining Average Aggregate Annual Debt Service for the 2020B Bonds being refunded and (iii) the maximum Aggregate Annual Debt Service Requirement of such Additional Bonds is less than the maximum Aggregate Annual Debt Service Requirement for the 2020B Bonds being refunded therewith.

(c) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be in the Debt Service Reserve Fund, (taking into account any Reserve Instrument coverage) the full amount, required by the Indenture to be accumulated therein at such time.

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture or other obligations of the County (including the funding of necessary reserves and the payment of costs of issuance), or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

The Indenture does not limit or restrict the issuance of subordinate lien obligations by the County.

### HISTORICAL DEBT SERVICE COVERAGE

The following table shows the past five Fiscal Years of debt service requirements for the Outstanding Parity Bonds, the historical Pledged Taxes received by the County and pledged to the payment of the 2020B Bonds and the coverage factor of Pledged Taxes to debt service on the Outstanding Parity Bonds. The County's first issuance of sales tax bonds was in Fiscal Year 2004.

Fiscal Year Ending December 31	Outstanding Parity Bonds Debt Service (1)	Pledged Taxes	Debt Service Cover- age (2)
2019.....	\$ 14,020,958	\$ 67,550,607	4.8
2018.....	14,044,211	64,390,394	4.6
2017.....	12,540,956	60,470,489	4.8
2016.....	11,880,941	56,560,414	4.8
2015.....	10,199,197	54,252,676	5.3
2014.....	9,497,363	51,862,908	5.5
2013.....	9,530,808	49,311,368	5.2
2012.....	8,216,822	47,665,968	5.8
2011.....	8,894,397	44,533,898	5.0
2010.....	6,857,313	41,590,792	6.1

(1) The Outstanding Parity Bonds debt service includes the 2010D Bonds which were issued as federally taxable, direct pay 35% federal interest subsidy, "Build America Bonds." The Outstanding Parity Bonds debt service do not reflect any federal interest subsidy payments.

(2) Multiple by which Pledged Taxes exceed Debt Service.

(Source: Municipal Advisor.)

For the County’s presentation of county option sales and use tax collections for the past 10 Fiscal Years see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section—Pledged Revenue Coverage” (CAFR page 194).

### PROJECTED DEBT SERVICE COVERAGE

*Forward Looking Projected Information.* The County does not as a matter of course make public projections as to future revenues, income or other results. However, the County prepared the prospective financial information set forth below in the table “Projected Debt Service Coverage,” to present Pledged Taxes of the County for Fiscal Year 2020. The accompanying prospective financial information was not prepared with a view toward public disclosure or with a view toward complying with the guidelines established by the American Institute of Certified Public Accountants with respect to prospective financial information, but, in the view of the County management, was prepared on a reasonable basis, reflects the best currently available estimates and judgments and presents, to the best of management’s knowledge and belief, the expected course of action and the expected future financial performance of the County or was prepared by carrying forward historical information to future years. However, this information is not fact and should not be relied upon as necessarily indicative of future results, and readers of this OFFICIAL STATEMENT are cautioned not to place undue reliance on the prospective financial information.

Neither the County’s independent auditors nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for, and disclaim any association with, the prospective financial information.

The assumption and estimates underlying the prospective financial information are inherently uncertain and, although considered reasonable by the management of the County as of the date hereof, are subject to a wide variety of significant business, economic, and competitive risks and uncertainties, that could cause actual results to differ materially from those contained in the prospective financial information. Accordingly, there can be no assurance that the prospective results are indicative of the future performance of the County or that the actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this OFFICIAL STATEMENT should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

*Projected Sales and Use Taxes. Recent Developments.* The County originally budgeted Pledged Taxes collections for Fiscal Year 2020 at \$69.7 million. Currently, for Fiscal Year 2020 the County estimates that county option sales and use tax collections will be approximately \$69 million, which amount is based on seven months of actual Pledged Taxes received from January 2020 through and including July 2020 of \$39.9 million plus five months of projected Pledged Taxes from August 2020 through and including December 2020 of \$29.1 million.

*Effects of COVID-19.* See “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH—Management’s Current Discussion And Analysis Of Financial Operations—COVID-19 World Pandemic Crisis” below.

The following table shows the debt service requirements for the 2020B Bonds, the Outstanding Parity Bonds, total debt service and projected debt service coverage based upon projected Calendar Year 2020 Pledged Taxes for all years during which the 2020B Bonds and the Outstanding Parity Bonds are scheduled to be outstanding.

***For purposes of the following debt service coverage table, the amount of Pledged Taxes estimated to be collected for Fiscal Year 2020 is shown for all years during which the 2020B Bonds and the Outstanding Parity Bonds are scheduled to be outstanding.***

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**Projected Debt Service Coverage**

Fiscal Year Ending December 31	The Bonds			Pledged Taxes (2)	Debt Service Cover- age (3)
	2020B Bonds Debt Service*	Outstanding Parity Bonds Debt Service* (1)	Total Debt Service*		
2020.....	\$ 0	\$ 13,588,828	\$ 13,588,828	\$ 66,850,000	4.9
2021.....	1,941,597	13,131,251	15,072,848	66,850,000	4.4
2022.....	1,942,348	13,097,049	15,039,397	66,850,000	4.4
2023.....	1,945,838	13,124,712	15,070,550	66,850,000	4.4
2024.....	1,942,852	13,124,913	15,067,765	66,850,000	4.4
2025.....	1,943,356	11,999,398	13,942,754	66,850,000	4.8
2026.....	1,942,274	7,476,609	9,418,883	66,850,000	7.1
2027.....	1,944,117	7,478,944	9,423,061	66,850,000	7.1
2028.....	1,943,585	7,484,202	9,427,787	66,850,000	7.1
2029.....	1,941,241	7,323,343	9,264,584	66,850,000	7.2
2030.....	1,947,365	7,341,369	9,288,734	66,850,000	7.2
2031.....	1,941,923	7,330,002	9,271,925	66,850,000	7.2
2032.....	1,944,879	7,343,891	9,288,770	66,850,000	7.2
2033.....	1,941,423	7,321,588	9,263,011	66,850,000	7.2
2034.....	1,946,750	7,341,161	9,287,911	66,850,000	7.2
2035.....	1,945,790	14,562,423	16,508,213	66,850,000	4.0
2036.....	–	3,592,250	3,592,250	66,850,000	18.6
2037.....	–	3,612,125	3,612,125	66,850,000	18.5
Totals.....	<u>\$ 29,155,338</u>	<u>\$ 166,274,058</u>	<u>\$ 195,429,396</u>		

\* Preliminary; subject to change.

(1) **Assumes the 2010D Refunded Bonds are refunded.**

(2) [Based on the County’s revised budget estimate of \$[66,850,000] million of Pledged Taxes for Fiscal Year 2020.] Projected Pledged Taxes after Fiscal Year 2020 are held constant. There is no assurance that Pledged Taxes in each year will equal or exceed such amount. (Source: The County.)

(3) Multiple of which Pledged Taxes exceed Total Debt Service.

(Source: Municipal Advisor.)

## SALT LAKE COUNTY, UTAH

### General

The County, incorporated in 1896, covers an area of approximately 737 square miles and is in the north central portion of the State. The County is bordered on the west by the Great Salt Lake and the Oquirrh Mountains and on the east by the Wasatch Mountains. The County had 1,160,437 residents per the 2019 U.S. Census Bureau estimates, ranking the County as the most populated county in the State (out of 29 counties). Based on 2019 U.S. Census Bureau population estimates, the County has approximately 36% of the total population of the State. The County’s main office building is in Salt Lake City, Utah and the County maintains a website at <http://www.slco.org>.

The cities and towns in the County include: Alta Town, Bluffdale City, Cottonwood Heights City, Draper City, Herriman City, Holladay City, Midvale City, Millcreek City, Murray City, Riverton City, Sandy City, South Jordan City, Salt Lake City, South Salt Lake City, Taylorsville City, West Jordan City and West Valley City. Metro townships within the County include Copperton, Emigration Canyon, Kearns, Magna and White City.

### Form Of Government

A County Mayor (the “County Mayor”) and a nine–member County Council (the “County Council”) currently govern the County. This provides for a separation of executive and legislative powers.

The County Mayor is elected at–large and serves full–time, performing traditional day–to–day executive/management duties. The powers of the County Mayor generally include, but are not limited to, managing County divisions and departments, enforcing programs, policies, regulations and ordinances of the County; negotiating County contracts; proposing a County budget; acting as an intergovernmental relations liaison; and considering and implementing long range planning, programs and improvements. The County Mayor also has veto power over ordinances adopted by the County Council including power of the line–item veto of budgets.

The County Council serves as the legislative branch of government. In general, the powers of the County Council include, but are not limited to, the consideration and adoption of ordinances, rules, regulations, resolutions, and policies; adoption of a budget, including the setting of tax rates and fees as may be necessary to fund the budget; conducting hearings of public concern and quasi–judicial hearings on matters of planning, zoning, license revocation, and other similar matters as provided by statute, charter or ordinance; and generally performing every other legislative act as may be required by statute. In addition, the County Council serves as the Board of Trustees of the Municipal Building Authority, the County Board of Equalization and the Redevelopment Agency Board.

In addition to the County Mayor and County Council, other Countywide elected officials include the Assessor, Auditor, Clerk, District Attorney, Recorder, Sheriff, Surveyor and Treasurer.

Current members of the County Council, officers and certain administrators of the County and their respective terms or appointment in office are as follows:

<u>Office/District</u>	<u>Person</u>	<u>Years of Service</u>	<u>Expiration of Current Term</u>
Chair/District 6 .....	Max Burdick	12	January 2021
Council Member/District 1 .....	Arlyn Bradshaw	10	January 2023
Council Member /District 2 .....	Michael H. Jensen	20	January 2021
Council Member /District 3 .....	Aimee Winder Newton	7	January 2023
Council Member/District 4 .....	Ann Granato	3	January 2021
Council Member/District 5 .....	Steve DeBry	11	January 2023
Council Member/At–Large A.....	Shireen Ghorbani	2	January 2021
Council Member/At–Large B .....	Richard Snelgrove	10	January 2023
Council Member/At–Large C (1) .....	Jim Bradley	20	January 2025
Mayor (2).....	Jennifer Wilson	2	January 2021
Assessor.....	Kevin Jacobs	7	January 2021
Auditor.....	Scott Tingley	6	January 2023
Clerk .....	Sherrie Swensen	30	January 2023
District Attorney .....	Sim Gill	10	January 2023
Recorder .....	Rashelle Hobbs	2	January 2023

<u>Office/District</u>	<u>Person</u>	<u>Years of Service</u>	<u>Expiration of Current Term</u>
Sheriff.....	Rosie Rivera	3	January 2023
Surveyor .....	Reid Demman	14	January 2021
Treasurer.....	K. Wayne Cushing	10	January 2021
Deputy Mayor of County Services and Chief Administrative Officer .....	Erin Litvack	5	Appointed
Deputy Mayor of Finance and Chief Financial Officer.....	Darrin Casper	15	Appointed
Deputy Mayor of Regional Operations (CRO).....	Catherine Kanter	2	Appointed
Chief Deputy District Attorney .....	Ralph Chamness	10	Appointed
Director of Planning and Budget .....	Rod Kitchens	5	Merit

- (1) Mr. Bradley previously served four–years as a County Commissioner under the prior form of government.
- (2) Ms. Wilson previously served 10–years as a Council Member.

(Source: The County.)

### Services Provided By The County

The County provides services to incorporated, unincorporated areas and metro townships within the County. Some of the most important of these services are as follows.

*County–wide services.* Tax assessment, tax collection, tax distribution, tax equalization, auditing, budgeting, accounting, investment, surveying, recording, marriage licenses, passports, library services (excluding Salt Lake and Murray cities), jail services, criminal justice support, prosecution, civil services, aging services, health, mental health, parks and recreation, criminal justice and youth services, convention center, arts and culture, planetarium, convention and visitors bureau, regional planning and economic development, administration, and support services to county operations and flood control.

*Unincorporated area services (and other areas by contract).* Animal services, justice courts, street lighting, highways, planning and zoning, traffic engineering, development services, business licenses, and misdemeanor prosecution.

*Police and Fire.* Police protection is provided by the Unified Police Department (“UPD”) and fire/911 ambulance and other emergency services are provided by Unified Fire Authority (“UFA”), both public agencies created by the County and several municipalities in the County pursuant to the Utah Interlocal Cooperation Act. The County has also established two local districts covering the unincorporated area of the County that are responsible for funding police protection and funding fire/911 ambulance and other emergency services in the unincorporated area and representing those areas in UPD and UFA.

### Employee Workforce And Retirement System; Other Post–Employment Benefits

*Employee Workforce and Retirement System.* The County employed approximately 4,375 full–time equivalent employees in Fiscal Year 2020. For a 10–year Fiscal Year history of the County’s full–time employment numbers see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019–Statistical Section–Full–time Equivalent County Government Employees by Function” (CAFR page 203).

The County participates in cost–sharing multiple employer defined benefit pension plans covering public employees of the State and employees of participating local government entities administered by the Utah State Retirement Systems (“URS”). The retirement system provides retirement benefits, a deferred compensation plan, annual cost of living adjustment and death benefits to plan members and beneficiaries in accordance with retirement statutes.

For a detailed discussion regarding retirement benefits and contributions see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019–Notes to the Basic Financial Statements–10. State Retirement Plans” (CAFR page 75).

*Other Post–Employment Benefits.* The County offered post–employment health care and life insurance benefits through a single employer defined benefit plan to eligible employees who retire from the County and qualify to retire from the URS. The benefits, benefit levels, employee contributions, and employer contributions are governed by County policy and can be amended at any time. The County eliminated post–employment benefits (“OPEB”) for new employees hired on or after December 31, 2012.

In Fiscal Year 2015, the County created an employee benefit trust and corresponding OPEB Trust Fund to account for, accumulate, and invest assets necessary to pay for future accumulated liability. A four-member board of directors was established for the trust comprised of County financial officials including the Chief Financial Officer, the County Treasurer, the County Council's Fiscal Manager and a representative from Human Resources. The board of directors has hired an investment firm to manage the assets of the trust.

As of December 31, 2019 approximately \$9.5 million has been funded in the OPEB trust. The total OPEB liability for benefits is approximately \$107.8 million and the net OPEB liability is approximately \$98.3 million. For Fiscal Year 2019, the County contributed \$5,966,130 to the trust in the form of an OPEB charge to County funds. The goal of the board of trustees of the fund is to increase contributions to the irrevocable trust year over year until such time when the total annual contributions to OPEB equal the Actuarial Determined Contribution.

For a detailed discussion regarding OPEB benefits see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—11. Other Postemployment Benefits" (CAFR page 80).

### **Risk Management; Cybersecurity**

*Risk Management.* For a comprehensive discussion regarding property insurance coverage and limits, self-insurance on worker's compensation and employee medical and dental benefits and legal contingent liability claims see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—12. Risk Management" (CAFR page 83) and "9. Long-Term Liabilities; Section 9.8. Claims and Judgements Payable" (CAFR page 74).

The County carries an all-risk commercial property policy with various deductibles including: \$100,000 per occurrence for general property losses, \$20,000 boiler and machinery, and \$10,000 for contractor's equipment. Other deductibles apply for specific losses such as earthquake and flooding. The policy carries a total loss limit of \$500,000,000 per occurrence with sub-limits for earth movement and flood of \$100,000,000 per occurrence. There were no settlements in excess of insurance coverage in any of the three prior Fiscal Years 2017, 2018 and 2019.

*As of the date of this OFFICIAL STATEMENT, all property insurance policies are current and in force.* The County believes its risk management policies and coverages are normal and within acceptable coverage limits for the type of services the County provides.

*Recent Seismic Activity.* The State is in a region of seismic activity subject to earthquakes in varying strengths. On March 18, 2020 an earthquake occurred in the township of Magna, Salt Lake County, Utah (located in the north west portion of the County; approximately 15 miles west of Salt Lake City, Utah), which magnitude registered 5.7 on the Richter scale.

*Damage to County Property.* The damage to County property and buildings from the March 18, 2020 earthquake is currently estimated at approximately \$250,000, with the County having a \$100,000 deductible on its insurance policy coverage for earth movement.

*Cybersecurity.* Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the County's systems technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage by cybersecurity incidents or cyberattacks, the County invests in multiple forms of cybersecurity and operational safeguards. The costs of remedying any damage from a cyberattack or protecting against future attacks could be substantial and expose the County to material litigation and other legal risks; therefore, the County maintains cybersecurity and privacy coverage under two separate insurance policies. These policies provide both response and recovery services and coverage for third-party liability and first-party damages including business interruption. To date, the County has not experienced a material breach of cybersecurity.

### **Investment Of Funds**

*The State Money Management Act.* The State Money Management Act, Title 51, Chapter 7 of the Utah Code (the "Money Management Act"), governs and establishes criteria for the investment of all public funds held by public treasurers in the State. The Money Management Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, obligations of the State and political subdivisions of the State, U.S. Treasury and approved federal government agency and instrumentality securities, certain investment agreements and repurchase agreements

and investments in corporate securities meeting certain ratings requirements. The Money Management Act establishes the State Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The County is currently complying with all the provisions of the Money Management Act for all County operating funds.

*The Utah Public Treasurers’ Investment Fund.* A significant portion of County funds may be invested in the Utah Public Treasurers Investment Fund (“PTIF”). The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. All investments in the PTIF must comply with the Money Management Act and rules of the Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, and obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the Money Management Council and is audited by the State Auditor. The PTIF is not rated.

See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—3. Deposits and Investments” (CAFR page 59).

**Population**

	<u>County</u>	<u>% Change From Prior Period</u>	<u>State of Utah</u>	<u>% Change From Prior Period</u>
2019 Estimate (1) .....	1,160,437	12.7%	3,205,958	16.0%
2010 Census .....	1,029,655	14.6	2,763,885	23.8
2000 Census .....	898,387	23.7	2,233,169	29.6
1990 Census .....	725,956	17.3	1,722,850	17.9
1980 Census .....	619,066	35.0	1,461,037	37.9
1970 Census .....	458,607	19.7	1,059,273	18.9
1960 Census .....	383,035	39.3	890,627	29.3
1950 Census .....	274,895	29.9	688,862	25.2
1940 Census .....	211,623	9.0	550,310	8.4
1930 Census .....	194,102	21.9	507,847	13.0
1920 Census .....	159,282	21.2	449,396	20.4

(1) U.S. Bureau of the Census estimates for July 1, 2019. Percentage change is calculated from the 2010 Census.  
(Source: U.S. Department of Commerce, Bureau of the Census.)

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# Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah

## Labor Force, Nonfarm Jobs and Wages within Salt Lake County

	Calendar Year (1)						% change from prior year				
	2019	2018	2017	2016	2015	2014	2018-19	2017-18	2016-17	2015-16	2014-15
Civilian labor force.....	634,741	619,396	614,498	601,570	585,134	575,348	2.5	0.8	2.1	2.8	1.7
Employed persons.....	618,767	601,161	595,348	582,448	265,279	554,142	2.9	1.0	2.2	119.6	(52.1)
Unemployed persons.....	15,974	18,235	19,150	19,122	19,855	21,206	(12.4)	(4.8)	0.1	(3.7)	(6.4)
Total private sector (average).....	629,291	612,475	595,855	581,825	565,635	540,662	2.7	2.8	2.4	2.9	4.6
Agriculture, forestry, fishing and hunting.....	292	250	220	214	192	179	16.8	13.6	2.8	11.5	7.3
Mining.....	2,647	2,853	2,407	2,428	2,696	2,948	(7.2)	18.5	(0.9)	(9.9)	(8.5)
Utilities.....	1,551	1,548	1,470	1,439	1,532	1,483	0.2	5.3	2.2	(6.1)	3.3
Construction.....	42,773	40,033	38,050	35,777	33,452	31,621	6.8	5.2	6.4	7.0	5.8
Manufacturing.....	57,832	56,664	55,973	54,492	53,357	52,468	2.1	1.2	2.7	2.1	1.7
Wholesale trade.....	32,920	32,076	32,285	32,050	31,414	30,538	2.6	(0.6)	0.7	2.0	2.9
Retail trade.....	74,020	74,000	72,156	71,791	69,427	67,280	0.0	2.6	0.5	3.4	3.2
Transportation and warehousing.....	37,394	35,636	33,012	31,579	30,334	28,319	4.9	7.9	4.5	4.1	7.1
Information.....	20,567	20,040	20,200	18,888	17,959	18,154	2.6	(0.8)	6.9	5.2	(1.1)
Finance and insurance.....	48,296	47,602	46,313	45,194	43,228	40,888	1.5	2.8	2.5	4.5	5.7
Real estate, rental and leasing.....	11,606	11,121	10,660	12,025	9,840	9,609	4.4	4.3	(11.4)	22.2	2.4
Professional, scientific, and technical services.....	60,431	56,611	52,861	51,656	49,355	46,708	6.7	7.1	2.3	4.7	5.7
Management of companies and enterprises.....	16,177	15,878	16,493	16,263	16,622	16,559	1.9	(3.7)	1.4	(2.2)	0.4
Admin., support, waste mgmt., remediation.....	53,258	53,232	52,748	52,777	50,397	48,327	0.0	0.9	(0.1)	4.7	4.3
Education services.....	16,169	15,502	14,889	13,975	13,016	12,215	4.3	4.1	6.5	7.4	6.6
Health care and social assistance.....	68,533	67,023	66,255	64,613	62,061	59,778	2.3	1.2	2.5	4.1	3.8
Arts, entertainment and recreation.....	9,678	9,486	9,313	8,806	7,751	7,430	2.0	1.9	5.8	13.6	4.3
Accommodation and food services.....	53,040	51,317	49,477	48,772	47,803	46,218	3.4	3.7	1.4	2.0	3.4
Other services.....	22,293	21,795	21,287	21,018	20,758	20,066	2.3	2.4	1.3	1.3	3.4
Unclassified establishments.....	108	57	6	59	105	56	89.5	850.0	(89.8)	(43.8)	87.5
Total public sector (average).....	107,455	105,383	104,593	102,621	100,193	98,849	2.0	0.8	1.9	2.4	1.4
Federal.....	11,460	11,323	11,368	11,433	11,115	10,374	1.2	(0.4)	(0.6)	2.9	7.1
State.....	50,776	48,683	47,719	46,631	45,306	44,389	4.3	2.0	2.3	2.9	2.1
Local.....	45,219	45,377	45,507	44,557	43,771	44,086	(0.3)	(0.3)	2.1	1.8	(0.7)
Total payroll (in millions).....	\$ 41,767	\$ 38,876	\$ 36,455	\$ 34,589	\$ 32,692	\$ 30,472	7.4	6.6	5.4	5.8	7.3
Average monthly wage.....	\$ 4,724	\$ 4,513	\$ 4,337	\$ 4,211	\$ 4,120	\$ 3,971	4.7	4.1	3.0	2.2	3.8
Average employment.....	736,746	717,857	700,449	684,445	661,297	639,511	2.6	2.5	2.3	3.5	3.4
Establishments.....	48,075	45,856	43,798	42,765	41,519	40,022	4.8	4.7	2.4	3.0	3.7

(1) Source: Utah Department of Workforce Services.

## Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah—continued

### Personal Income; Per Capita Personal Income; Median Household Income within Salt Lake County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2019	2018	2017	2016	2015	2014	2018–19	2017–18	2016–17	2015–16	2014–15
Total Personal Income (in \$1,000's):											
Salt Lake County.....	\$ 0	\$ 60,673,924	\$ 56,738,279	\$ 53,961,250	\$ 51,313,881	\$ 47,595,221	(100.0)	6.9	5.1	5.2	7.8
State of Utah.....	155,153,500	146,422,529	136,543,686	128,929,427	121,884,897	113,140,896	6.0	7.2	5.9	5.8	7.7
Total Per Capita Personal Income:											
Salt Lake County.....	0	52,639	49,866	48,150	46,538	43,655	(100.0)	5.6	3.6	3.5	6.6
State of Utah.....	48,395	46,320	44,002	42,375	40,867	38,517	4.5	5.3	3.8	3.7	6.1
Median Household Income:											
Salt Lake County.....	0	73,619	71,396	68,404	65,549	62,536	(100.0)	3.1	4.4	4.4	4.8
State of Utah.....	76,613	71,381	68,395	65,931	62,961	60,943	7.3	4.4	3.7	4.7	3.3

### Construction within Salt Lake County (2)

	Calendar Year						% change from prior year				
	2019	2018	2017	2016	2015	2014	2018–19	2017–18	2016–17	2015–16	2014–15
Number new dwelling units.....	9,798.0	8,150.0	6,602.0	8,328.0	6,058.0	6,529.0	20.2	23.4	(20.7)	37.5	(7.2)
New (in \$1,000's):											
Residential value.....	\$ 1,804,752.7	\$ 1,470,556.5	\$ 1,288,967.8	\$ 1,406,216.3	\$ 1,029,441.8	\$ 995,150.6	22.7	14.1	(8.3)	36.6	3.4
Non-residential value.....	1,188,464.2	951,421.3	979,451.0	803,698.8	595,354.5	517,995.9	24.9	(2.9)	21.9	35.0	14.9
Additions, alterations, repairs (in \$1,000's):											
Residential value.....	110,826.6	89,998.6	86,352.0	106,592.6	83,507.4	95,237.0	23.1	4.2	(19.0)	27.6	(12.3)
Non-residential value.....	734,589.0	503,313.2	544,894.7	950,431.8	352,053.5	421,514.0	46.0	(7.6)	(42.7)	170.0	(16.5)
Total construction value (in \$1,000's).....	<u>\$ 3,838,632.5</u>	<u>\$ 3,015,289.6</u>	<u>\$ 2,899,665.5</u>	<u>\$ 3,266,939.5</u>	<u>\$ 2,060,357.2</u>	<u>\$ 2,029,897.5</u>	27.3	4.0	(11.2)	58.6	1.5

### Sales Taxes Within Salt Lake County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2019	2018	2017	2016	2015	2014	2018–19	2017–18	2016–17	2015–16	2014–15
Gross Taxable Sales (in \$1,000's):											
Salt Lake County.....	\$ 30,093,152	\$ 28,846,015	\$ 27,084,521	\$ 25,415,491	\$ 24,256,515	\$ 22,940,973	4.3	6.5	6.6	4.8	5.7
State of Utah.....	68,910,384	64,982,524	61,031,692	56,502,434	53,933,277	51,709,163	6.0	6.5	8.0	4.8	4.3
	Fiscal Year						% change from prior year				
	2019	2018	2017	2016	2015	2014	2018–19	2017–18	2016–17	2015–16	2014–15
Local Sales and Use Tax Distribution:											
Salt Lake County (and all cities).....	\$259,473,601	\$248,453,077	\$230,302,588	\$220,401,770	\$211,079,080	\$200,829,369	4.4	7.9	4.5	4.4	5.1

- (1) Source: U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau  
(2) Source: University of Utah Kem C. Gardner Policy Institute, Ivory-Boyer Utah Report and Database.  
(3) Source: Utah State Tax Commission.

**Largest Employers**

The County is the business and financial center for many of the major businesses and industries in the State. Major employers (over 2,000 employees) in the County area include:

<u>Employer (Location)</u>	<u>Business Category</u>	<u>Range of Number of Employees</u>
State of Utah (county-wide).....	All state government services	20,000+
University of Utah (county-wide).....	Higher education, health care	20,000+
Intermountain Health Care Center (county-wide).....	Health care and social assistance	15,000–20,000
United States Federal Government (county-wide).....	Federal government services	15,000–20,000
Church of Jesus Christ of Latter-day Saints.....	Religious organizations	7,000–10,000
Granite School District (county-wide).....	Education services	7,000–10,000
Wal Mart (county-wide).....	Retail trade	7,000–10,000
Zions Bancorporation (county-wide).....	Finance and insurance	7,000–10,000
Jordan School District (county-wide).....	Education services	5,000–7,000
Salt Lake County (county-wide).....	County administration	5,000–7,000
Canyons School District (county-wide).....	Education services	4,000–5,000
Delta Airlines (Salt Lake).....	Transportation and warehousing	4,000–5,000
Smiths (county-wide).....	Retail trade	4,000–5,000
Associated Reg. & University Patholo (Salt Lake).....	Health care and social assistance	3,000–4,000
C.R. England Inc. (Salt Lake).....	Transportation and warehousing	3,000–4,000
Department of Veterans Affairs (Salt Lake).....	Health care and social assistance	3,000–4,000
Discover (Salt Lake).....	Finance and insurance	3,000–4,000
L3 Communications Corp. (Salt Lake).....	Manufacturing	3,000–4,000
Salt Lake City School District (Salt Lake).....	Education services	3,000–4,000
Salt Lake Community College (county-wide).....	Education services	3,000–4,000
United Parcel Service (Salt Lake).....	Transportation and warehousing	3,000–4,000
Amazon Fulfillment Services (Salt Lake).....	Delivery services	2,000–3,000
Goldman Sachs and Co. (Salt Lake).....	Finance and insurance	2,000–3,000
Jet Blue Airways (Salt Lake).....	Administration	2,000–3,000
Kennecott Utah Copper (county-wide).....	Mining; manufacturing	2,000–3,000
McDonalds (county-wide).....	Restaurants	2,000–3,000
Salt Lake City.....	City government	2,000–3,000
Target (county-wide).....	Retail trade	2,000–3,000
Utah Transit Authority (Salt Lake).....	Transportation and warehousing	2,000–3,000
Wells Fargo Bank/Advisors (county-wide).....	Finance and insurance	2,000–3,000

(Source: Utah Department of Workforce Services. Updated information as of September 2019.)

For additional demographic, economic, and principal employers as of the County’s Fiscal Year 2019 as presented by the County see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section—Demographic and Economic Statistics Last Ten Years” (CAFR page 199) and “—Principal Employers—Most Current Calendar Year Available and Nine Years Prior” (CAFR page 200).

**Rate Of Unemployment—Annual Average**

<u>Year</u>	<u>Salt Lake County</u>	<u>State of Utah</u>	<u>United States</u>
2020 (1).....	4.9%	4.1%	8.5%
2019 (2).....	2.5	2.6	3.8
2018.....	2.9	3.0	3.9
2017.....	3.1	3.3	4.4
2016.....	3.2	3.4	4.9
2015.....	3.4	3.6	5.3

(1) Preliminary, subject to change. As of August 2020 (not seasonally adjusted).

(Source: Utah Department of Workforce Services.)

**DEBT STRUCTURE OF SALT LAKE COUNTY, UTAH**

**Outstanding Sales Tax Revenue Bonded Indebtedness**

*Sales Tax Revenue Bonds issued under the Indenture.* The County has issued the 2020B Bonds under the Indenture. The 2020B Bonds are not issued on a parity with the County’s currently outstanding sales tax bonds issued under the 2010 Transportation Indenture (as defined below) nor do the Indenture and the 2010 Transportation Indenture share security in any revenues pledged therein. As of the date of this OFFICIAL STATEMENT, the County has outstanding the following sales tax revenue bonds:

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2020B (a).....	Refunding	\$20,050,000*	February 1, 2035*	\$ 20,050,000*
2020 (1).....	Buildings/refunding	43,555,000	February 1, 2035	43,555,000
2017B (2).....	Buildings/land	38,520,000	February 1, 2037	38,520,000
2017A (2) (3).....	Buildings/land	13,550,000	February 1, 2024	7,550,000
2014 (2) (4).....	Buildings/land	30,000,000	February 1, 2035	23,935,000
2012A (2) (4).....	Refunding	43,725,000	February 1, 2025	6,605,000
2011 (5).....	Solar energy/QECB	1,917,804	February 1, 2028	994,000
2010D (2) (6) (8).....	Building (BABs)	33,020,000	December 2, 2020 (9)	<u>0</u>
Total principal amount of outstanding debt.....				<u>\$141,209,000*</u>

\* Preliminary; subject to change.

- (a) **Ratings applied for.** For purposes of this OFFICIAL STATEMENT the 2020B Bonds will be considered issued and outstanding.
  - (1) *Not rated; no rating applied for.* Issued as a direct placement. Interest on this bond is federally taxable.
  - (2) Rated “AAA” by S&P Global Ratings (“S&P”) and “AAA” by Fitch Ratings (“Fitch”), as of the date of this OFFICIAL STATEMENT.
  - (3) Interest on this bond is federally taxable.
  - (4) Portions of this bond has been refunded by the 2020 Bonds.
  - (5) *Not rated; no rating applied for.* Issued as a direct placement; issued as “Qualified Energy Conservation Bonds (QECB)” with a 2.25% interest rate.
  - (6) Interest on this bond is federally taxable (direct pay, 35% issuer subsidy, Build America Bonds (“BABs”)).
  - (8) This bond has been refunded by the 2020B Bonds.
  - (9) Final payment date after this bond has been refunded by the 2020B Bonds.

(Source: Municipal Advisor.)

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**Outstanding General Obligation Bonded Indebtedness**

The County has outstanding the following general obligation bonds (collectively, the “GO Bonds”), which GO Bonds are payable from proceeds of ad valorem taxes levied (without limitation as to rate or amount) on all ad valorem taxable property in the County.

<u>Series (1)</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2019.....	Recreation	\$39,615,000	December 15, 2027	\$ 39,615,000
2017B.....	Refunding	29,345,000	December 15, 2032	28,920,000
2017.....	Recreation	39,125,000	December 15, 2027	23,825,000
2016.....	Refunding/crossover	27,885,000	December 15, 2029	25,755,000
2015B.....	Recreation/open space	22,000,000	December 15, 2035	18,685,000
2015A.....	Refunding	13,925,000	December 15, 2027	11,485,000
2013 (2).....	Recreation/open space	25,000,000	June 15, 2023 (4)	3,440,000
2012B (3).....	Refunding	38,165,000	June 15, 2021	4,675,000
2012.....	Zoo/aviary	14,600,000	December 15, 2031	<u>9,445,000</u>
Total principal amount of outstanding debt.....				<u>\$165,845,000</u>

- (1) All bonds rated “AAA” by Fitch; “Aaa” by Moody’s Investors Service, Inc. (“Moody’s); and “AAA” by S&P, as of the date of this OFFICIAL STATEMENT.
- (2) Principal portions of this bond were refunded by the 2017B GO Bonds.
- (3) Issued as federally taxable bonds.
- (4) Final maturity date after a portion of this bond was refunded by the 2017B GO Bonds.

(Source: Municipal Advisor.)

**Outstanding Transportation Tax Revenue Bonded Indebtedness**

The County has outstanding the following transportation tax revenue bonds (collectively, the “Transportation Bonds”). The Transportation Bonds are special limited obligations of the County, payable solely from and secured by a pledge of the revenues, moneys, securities and funds pledged therefor in the 2010 transportation indenture. The pledged revenues consist of certain highway fund revenues received by the County pursuant to an Interlocal Cooperation Agreement with the State. The most significant source of highway fund revenues is certain transportation related sales taxes and fees collected within the County. The Transportation Bonds are not issued on a parity with the County’s other sales or excise tax revenue bonds (as described herein).

The 2010 Transportation Bonds are not issued on a parity with the County’s currently outstanding sales tax bonds issued under the Indenture nor do the 2010 Transportation Indenture and the Indenture share security in any revenues pledged therein. As of the date of this OFFICIAL STATEMENT, the County has outstanding the following Transportation Bonds:

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2010B (1).....	Transportation (BABs)	\$57,635,000	August 15, 2025	<u>\$44,415,000</u>

- (1) Rated “AAA” by Fitch and “AAA” by S&P, as of the date of this OFFICIAL STATEMENT. Federally taxable (direct pay, 35% issuer subsidy, BABs).

(Source: Municipal Advisor.)

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**Outstanding Excise Tax Road Revenue Bonded Indebtedness**

The County has outstanding the following excise tax revenue bonds (collectively, the “Excise Tax Bonds”). The Excise Tax Bonds are special limited obligations of the County, payable solely from and secured by a pledge of the revenues, moneys, securities and funds pledged therefor in the 2014 excise tax indenture. The pledged revenues consist of certain fee-in-lieu tax revenues and uniform fees collected in the County. The Excise Tax Bonds are not issued on a parity with the County’s sales tax revenue bonds (as described herein).

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2017 (1) .....	Refunding	\$23,925,000	August 15, 2033	\$23,645,000
2014 (1) (2).....	Roads	38,600,000	August 15, 2023 (3)	<u>5,145,000</u>
Total principal amount of outstanding debt.....				<u>\$28,790,000</u>

- (1) Rated “AAA” by Fitch and “AAA” by S&P, as of the date of this OFFICIAL STATEMENT.
- (2) Principal portions of this bond were refunded by the 2017 Excise Tax Road Revenue Bonds.
- (3) Final maturity date after a portion of this bond were refunded by the 2017 Excise Tax Road Revenue Bonds.

(Source: Municipal Advisor.)

**Outstanding Sales Tax Revenue (TRCC) Bonded Indebtedness**

The County has outstanding the following sales tax revenue (Tourism, Recreation, Cultural, and Convention (“TRCC”)) bond (the “TRCC Sales Tax Revenue Bonds”). The TRCC Sales Tax Revenue Bonds are special limited obligations of the County, payable solely from and secured by a pledge of the revenues, moneys, securities and funds pledged therefor in the 2017 sales tax (TRCC) indenture. The pledged revenues consist of revenues produced by the sales and use taxes levied by the County under the Tourism, Recreation, Cultural, Convention, and Airport Facilities Tax Act (related to restaurant, rental of motor vehicles, and transit room (hotel/motel) sales taxes). The TRCC Sales Tax Revenue Bonds are not issued on a parity with any of the County’s sales or excise tax revenue bonds (as described herein).

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2017 (1) .....	Buildings	\$44,230,000	February 1, 2037	<u>\$40,065,000</u>

- (1) Rated “AAA” by Fitch and “AAA” by S&P, as of the date of this OFFICIAL STATEMENT.

(Source: Municipal Advisor.)

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**Debt Service Schedule Of Outstanding Sales Tax Revenue Bonds By Fiscal Year**

Fiscal Year Ending December 31	Issued under the 2001 Sales Tax Indenture (a)											
	Series 2020B \$20,050,000*		Series 2020 \$43,555,000		Series 2017B \$38,520,000		Series 2017A (1) \$13,550,000		Series 2014 \$30,000,000		Series 2012A \$43,725,000	
	Principal*	Interest (c)	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,378,363	\$ 2,000,000	\$ 230,045	\$ 1,115,000	\$ 992,931	\$ 4,110,000	\$ 1,408,375
2020.....	0	0	0	0	0	1,378,363	2,025,000	197,119	1,155,000	934,381 (2)	4,325,000	799,938 (2)
2021.....	1,225,000	634,923	4,940,000	1,149,672	0	1,378,363	2,075,000	157,939	955,000	879,831 (2)	1,195,000	264,375 (2)
2022.....	950,000	917,500	5,140,000	936,859	0	1,378,363	2,100,000	112,410	1,000,000	830,956 (2)	1,260,000	203,000 (2)
2023.....	1,000,000	868,750	5,245,000	841,801	0	1,378,363	2,175,000	60,548	1,050,000	779,706 (2)	1,320,000	138,500 (2)
2024.....	1,050,000	817,500	5,090,000	739,853	1,020,000	1,352,863	1,200,000	16,680	1,390,000	718,706	1,390,000	70,750 (2)
2025.....	1,100,000	763,750	4,055,000	644,069	2,300,000	1,298,613	–	–	1,460,000	647,456	1,440,000	18,000 (2)
2026.....	1,175,000	706,875	1,035,000	588,762	2,400,000	1,209,863	–	–	1,535,000	572,581	–	–
2027.....	1,225,000	646,875	1,060,000	564,612	2,525,000	1,086,738	–	–	1,605,000	502,106	–	–
2028.....	1,275,000	584,375	1,090,000	538,913	2,625,000	988,175	–	–	1,670,000	436,606	–	–
2029.....	1,350,000	518,750	1,115,000	511,465	2,675,000	914,619	–	–	1,730,000	377,259	–	–
2030.....	1,425,000	449,375	1,145,000	481,888	2,775,000	834,875	–	–	1,780,000	324,606	–	–
2031.....	1,500,000	376,250	1,175,000	449,120	2,850,000	750,500	–	–	1,835,000	270,381	–	–
2032.....	1,575,000	299,375	1,215,000	412,728	2,950,000	661,656	–	–	1,890,000	214,506	–	–
2033.....	1,650,000	218,750	1,250,000	373,275	3,025,000	566,406	–	–	1,950,000	156,906	–	–
2034.....	1,725,000	134,375	1,300,000	330,661	3,150,000	454,250	–	–	2,010,000	96,250	–	–
2035.....	1,825,000	45,625	8,700,000	154,251	3,275,000	325,750	–	–	2,075,000	32,422	–	–
2036.....	–	–	–	–	3,400,000	192,250	–	–	–	–	–	–
2037.....	–	–	–	–	3,550,000	62,125	–	–	–	–	–	–
Totals.....	\$ 20,050,000	\$ 7,983,048	\$ 43,555,000	\$ 8,717,930	\$ 38,520,000	\$ 17,590,494	\$ 11,575,000	\$ 774,740	\$ 26,205,000	\$ 8,767,594	\$ 15,040,000	\$ 2,902,938

Fiscal Year Ending December 31	Issued under the 2001 Sales Tax Indenture (a)						Totals		
	Series 2011 (3) \$1,917,804		Series 2010D \$33,020,000		Series 2010A (b) \$8,855,000		Total Principal	Total Interest (7)	Total Debt Service
	Principal	Interest	Principal	Interest (5)	Principal	Interest			
2019.....	\$ 110,000 (4)	\$ 26,123	\$ 1,275,000	\$ 1,207,159	\$ 160,000	\$ 7,963	\$ 8,770,000	\$ 5,250,958	\$ 14,020,958
2020.....	112,000 (4)	23,625	1,305,000	1,165,721	165,000	2,681	9,087,000	4,501,828	13,588,828
2021.....	115,000 (4)	21,071	0	0 (6)	–	–	10,505,000	3,851,251	14,356,251
2022.....	117,000 (4)	18,461	0	0 (6)	–	–	10,567,000	3,480,049	14,047,049
2023.....	120,000 (4)	15,795	0	0 (6)	–	–	10,910,000	3,214,712	14,124,712
2024.....	123,000 (4)	13,061	0	0 (6)	–	–	11,263,000	2,911,913	14,174,913
2025.....	126,000 (4)	10,260	0	0 (6)	–	–	10,481,000	2,618,398	13,099,398
2026.....	128,000 (4)	7,403	0	0 (6)	–	–	6,273,000	2,378,609	8,651,609
2027.....	131,000 (4)	4,489	0	0 (6)	–	–	6,546,000	2,157,944	8,703,944
2028.....	134,000 (4)	1,508	0	0 (6)	–	–	6,794,000	1,965,202	8,759,202
2029.....	–	–	0	0 (6)	–	–	6,870,000	1,803,343	8,673,343
2030.....	–	–	0	0 (6)	–	–	7,125,000	1,641,369	8,766,369
2031.....	–	–	0	0 (6)	–	–	7,360,000	1,470,002	8,830,002
2032.....	–	–	0	0 (6)	–	–	7,630,000	1,288,891	8,918,891
2033.....	–	–	0	0 (6)	–	–	7,875,000	1,096,588	8,971,588
2034.....	–	–	0	0 (6)	–	–	8,185,000	881,161	9,066,161
2035.....	–	–	0	0 (6)	–	–	15,875,000	512,423	16,387,423
2036.....	–	–	–	–	–	–	3,400,000	192,250	3,592,250
2037.....	–	–	–	–	–	–	3,550,000	62,125	3,612,125
Totals.....	\$ 1,216,000	\$ 141,795	\$ 2,580,000	\$ 2,372,880	\$ 325,000	\$ 10,644	\$ 159,066,000	\$ 41,279,014	\$ 200,345,014

\* Preliminary; subject to change.

(a) These bonds are issued on a parity basis under the 2001 Sales Tax Indenture.

(b) This bond issued is included in this table because final principal and interest payments occurred within Fiscal Years 2019 and 2020.

(c) Preliminary; subject to change. Interest has been estimated at an average interest rate of 5% per annum.

(1) This bond is issued as a federally taxable bond.

(2) Remaining principal and interest payments after a portion of these bonds are being paid from a 2020 Escrow Account funded from proceeds of the 2020 Sales Tax Bonds.

(3) Private placement; issued as a QECB bond.

(4) Mandatory sinking fund principal payments from a \$994,000 2.25% term bond due February 1, 2028.

(5) Federally taxable (direct pay, 35% federal interest subsidy, BABs). Does not reflect any federal interest subsidy payments.

(6) Principal and interest to be refunded by the 2020B Bonds.

(7) Does not reflect any federal interest rate subsidy payments on the 2010D Sales Tax Bonds which were issued as BABs.

(Source: Municipal Advisor.)

**Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year**

Fiscal Year Ending December 31	Series 2019 \$39,615,000		Series 2017B \$29,345,000		Series 2017 \$39,125,000		Series 2016 \$27,885,000		Series 2015B \$22,000,000		Series 2015A \$13,925,000	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019.....	\$ 0	\$ 0	\$ 225,000	\$ 957,900	\$ 7,925,000	\$ 1,587,500	\$ 2,130,000	\$ 652,300 (b)	\$ 885,000	\$ 602,950	\$ 1,145,000	\$ 535,800
2020.....	4,165,000	1,964,244	1,620,000	946,650	2,500,000	1,191,250	2,110,000	1,198,100	930,000	558,700	1,200,000	478,550
2021.....	4,350,000	1,772,500	1,700,000	865,650	2,625,000	1,066,250	2,195,000	1,113,700	950,000	540,100	1,265,000	418,550
2022.....	4,575,000	1,555,000	1,800,000	780,650	2,750,000	935,000	2,285,000	1,025,900	970,000	521,100	1,350,000	355,300
2023.....	4,800,000	1,326,250	1,875,000	690,650	2,875,000	797,500	2,375,000	934,500	990,000	501,700	1,410,000	287,800
2024.....	5,050,000	1,086,250	3,200,000	596,900	3,025,000	653,750	2,470,000	839,500	1,035,000	452,200	1,475,000	217,300
2025.....	5,300,000	833,750	3,350,000	436,900	3,175,000	502,500	2,590,000	716,000	1,090,000	400,450	1,540,000	143,550
2026.....	5,550,000	568,750	2,225,000	369,900	3,350,000	343,750	2,720,000	586,500	1,110,000	378,650	1,595,000	97,350
2027.....	5,825,000	291,250	2,300,000	325,400	3,525,000	176,250	2,860,000	450,500	1,145,000	345,350	1,650,000	49,500
2028.....	-	-	2,325,000	277,100	-	-	3,000,000	307,500	1,180,000	311,000	-	-
2029.....	-	-	2,400,000	223,625	-	-	3,150,000	157,500	1,210,000	278,550	-	-
2030.....	-	-	2,425,000	164,825	-	-	-	-	1,250,000	242,250	-	-
2031.....	-	-	1,825,000	101,775	-	-	-	-	1,285,000	204,750	-	-
2032.....	-	-	1,875,000	52,500	-	-	-	-	1,325,000	166,200	-	-
2033.....	-	-	-	-	-	-	-	-	1,365,000	126,450	-	-
2034.....	-	-	-	-	-	-	-	-	1,405,000	85,500	-	-
2035.....	-	-	-	-	-	-	-	-	1,445,000	43,350	-	-
Totals.....	<u>\$ 39,615,000</u>	<u>\$ 9,397,994</u>	<u>\$ 29,145,000</u>	<u>\$ 6,790,425</u>	<u>\$ 31,750,000</u>	<u>\$ 7,253,750</u>	<u>\$ 27,885,000</u>	<u>\$ 7,982,000</u>	<u>\$ 19,570,000</u>	<u>\$ 5,759,250</u>	<u>\$ 12,630,000</u>	<u>\$ 2,583,700</u>

Fiscal Year Ending December 31	Series 2013 \$25,000,000		Series 2012B \$38,165,000		Series 2012 \$14,600,000		Series 2011A (a) \$25,000,000		Totals		
	Principal	Interest	Principal	Interest (2)	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total Debt Service
2019.....	\$ 985,000	\$ 248,375	\$ 6,645,000	\$ 236,850	\$ 685,000	\$ 235,075	\$ 1,490,000	\$ 44,700	\$ 22,115,000	\$ 5,101,450	\$ 27,216,450
2020.....	1,035,000	197,875	5,325,000	139,088	695,000	221,375	0	0 (1)	19,580,000	6,895,831	26,475,831
2021.....	1,090,000	144,750	4,675,000	45,581	715,000	207,475	0	0 (1)	19,565,000	6,174,556	25,739,556
2022.....	1,145,000	88,875	-	-	740,000	193,175	0	0 (1)	15,615,000	5,455,000	21,070,000
2023.....	1,205,000	30,125	-	-	745,000	178,375	0	0 (1)	16,275,000	4,746,900	21,021,900
2024.....	0	0 (1)	-	-	755,000	163,475	0	0 (1)	17,010,000	4,009,375	21,019,375
2025.....	0	0 (1)	-	-	770,000	148,375	0	0 (1)	17,815,000	3,181,525	20,996,525
2026.....	0	0 (1)	-	-	790,000	131,050	0	0 (1)	17,340,000	2,475,950	19,815,950
2027.....	0	0 (1)	-	-	810,000	111,300	0	0 (1)	18,115,000	1,749,550	19,864,550
2028.....	0	0 (1)	-	-	830,000	91,050	0	0 (1)	7,335,000	986,650	8,321,650
2029.....	0	0 (1)	-	-	850,000	70,300	0	0 (1)	7,610,000	729,975	8,339,975
2030.....	0	0 (1)	-	-	870,000	47,988	0	0 (1)	4,545,000	455,063	5,000,063
2031.....	0	0 (1)	-	-	875,000	24,063	-	-	3,985,000	330,588	4,315,588
2032.....	0	0 (1)	-	-	-	-	-	-	3,200,000	218,700	3,418,700
2033.....	0	0 (1)	-	-	-	-	-	-	1,365,000	126,450	1,491,450
2034.....	-	-	-	-	-	-	-	-	1,405,000	85,500	1,490,500
2035.....	-	-	-	-	-	-	-	-	1,445,000	43,350	1,488,350
Totals.....	<u>\$ 5,460,000</u>	<u>\$ 710,000</u>	<u>\$ 16,645,000</u>	<u>\$ 421,519</u>	<u>\$ 10,130,000</u>	<u>\$ 1,823,075</u>	<u>\$ 1,490,000</u>	<u>\$ 44,700</u>	<u>\$ 194,320,000</u>	<u>\$ 42,766,413</u>	<u>\$ 237,086,413</u>

(a) This bond issue is included in this table because final principal and interest payments occurred in Fiscal Year 2019.

(b) A portion of the interest (in the amount of \$652,300) was paid from moneys held in a 2016 crossover escrow account.

(1) Principal and interest was refunded by the 2017B General Obligation Bonds.

(2) Issued as federally taxable bonds.

(Source: Municipal Advisor.)

**Debt Service Schedule Of Outstanding Transportation Tax Revenue  
Bonds By Fiscal Year**

Fiscal Year Ending December 31	<b>Issued under the 2010 Transportation Indenture</b>		
	Series 2010B \$57,635,000		Total Debt Service (2)
	Principal	Interest (2)	
2019.....	\$ 6,325,000	\$ 2,269,393	\$ 8,594,393
2020.....	6,895,000	2,057,000	8,952,000
2021.....	7,265,000	1,818,571	9,083,571
2022.....	7,995,000	1,556,450	9,551,450
2023.....	8,710,000 (1)	1,255,997	9,965,997
2024.....	9,295,000 (1)	880,771	10,175,771
2025.....	<u>11,150,000 (1)</u>	<u>480,342</u>	<u>11,630,342</u>
Totals.....	<u>\$ 57,635,000</u>	<u>\$ 10,318,523</u>	<u>\$ 67,953,523</u>

(1) Mandatory sinking fund principal payments from a \$29,155,000 4.308% term bond due August 15, 2025.

(2) Federally taxable (direct pay, 35% issuer subsidy, BABs). Does not reflect any federal interest subsidy payments.

(Source: Municipal Advisor.)

**Debt Service Schedule Of Outstanding Excise Tax Road Revenue Bonds By Fiscal Year**

Fiscal Year Ending December 31	Issued under the 2014 Excise Indenture						
	Series 2017 \$23,925,000		Series 2014 \$38,600,000		Total	Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest	Debt Service
2019.....	\$ 0	\$ 1,043,150	\$ 1,475,000	\$ 408,500	\$ 1,475,000	\$ 1,451,650	\$ 2,926,650
2020.....	0	1,043,150	1,550,000	334,750	1,550,000	1,377,900	2,927,900
2021.....	0	1,043,150	1,630,000	257,250	1,630,000	1,300,400	2,930,400
2022.....	0	1,043,150	1,715,000	175,750	1,715,000	1,218,900	2,933,900
2023.....	0	1,043,150	1,800,000	90,000	1,800,000	1,133,150	2,933,150
2024.....	1,880,000	1,043,150	0	0 (1)	1,880,000	1,043,150	2,923,150
2025.....	1,975,000	949,150	0	0 (1)	1,975,000	949,150	2,924,150
2026.....	2,080,000	850,400	0	0 (1)	2,080,000	850,400	2,930,400
2027.....	2,180,000	746,400	0	0 (1)	2,180,000	746,400	2,926,400
2028.....	2,295,000	637,400	0	0 (1)	2,295,000	637,400	2,932,400
2029.....	2,410,000	522,650	0	0 (1)	2,410,000	522,650	2,932,650
2030.....	2,535,000	402,150	0	0 (1)	2,535,000	402,150	2,937,150
2031.....	2,670,000	275,400	0	0 (1)	2,670,000	275,400	2,945,400
2032.....	2,760,000	168,600	0	0 (1)	2,760,000	168,600	2,928,600
2033.....	2,860,000	85,800	0	0 (1)	2,860,000	85,800	2,945,800
Totals.....	<u>\$ 23,645,000</u>	<u>\$ 10,896,850</u>	<u>\$ 8,170,000</u>	<u>\$ 1,266,250</u>	<u>\$ 31,815,000</u>	<u>\$ 12,163,100</u>	<u>\$ 43,978,100</u>

(1) Principal and interest was refunded by the 2017 Excise Tax Bonds.

(Source: Municipal Advisor.)

**Debt Service Schedule Of Outstanding Sales Tax Revenue (TRCC) Bonds  
By Fiscal Year**

Fiscal Year Ending December 31	Issued under the 2017 TRCC Indenture		Total Debt Service
	Series 2017 \$44,230,000		
	Principal	Interest	
2019.....	\$ 1,430,000	\$ 2,067,350	\$ 3,497,350
2020.....	1,500,000	1,994,100	3,494,100
2021.....	1,555,000	1,941,050	3,496,050
2022.....	1,610,000	1,885,250	3,495,250
2023.....	1,695,000	1,802,625	3,497,625
2024.....	1,780,000	1,715,750	3,495,750
2025.....	1,870,000	1,624,500	3,494,500
2026.....	1,970,000	1,528,500	3,498,500
2027.....	2,070,000	1,427,500	3,497,500
2028.....	2,175,000	1,321,375	3,496,375
2029.....	2,285,000	1,209,875	3,494,875
2030.....	2,405,000	1,092,625	3,497,625
2031.....	2,525,000	969,375	3,494,375
2032.....	2,655,000	839,875	3,494,875
2033.....	2,795,000	703,625	3,498,625
2034.....	2,935,000	560,375	3,495,375
2035.....	3,085,000	409,875	3,494,875
2036.....	3,245,000	251,625	3,496,625
2037.....	3,410,000	85,250	3,495,250
Totals.....	<u>\$ 42,995,000</u>	<u>\$ 23,430,500</u>	<u>\$ 66,425,500</u>

(Source: Municipal Advisor.)

**Current And Historical Tax And Revenue Anticipation Note Borrowing; Other Debt**

*Current and Historical Tax and Revenue Anticipation Note Borrowing.* The County has historically issued tax and revenue anticipation notes over the past 10 Fiscal Years as follows:

<u>Fiscal Year</u>	<u>Series</u>	<u>Amount</u>	<u>Date of Sale</u>	<u>Type of Sale</u>	<u>Rating (2)</u>
2020 (1) .....	2020	\$65,000,000	July 8, 2020	Public offering	MIG 1
2019 .....	2019	70,000,000	July 2, 2019	Public offering	MIG 1
2018 .....	2018	55,000,000	July 10, 2018	Public offering	MIG 1
2017 .....	2017	60,000,000	July 12, 2017	Public offering	MIG 1
2016 .....	2016	47,000,000	August 11, 2016	Public offering	MIG 1
2015 .....	2015	43,000,000	August 12, 2015	Public offering	MIG 1
2014 .....	2014	65,000,000	July 30, 2014	Public offering	MIG 1
2013 .....	2013	67,000,000	June 25, 2013	Public offering	MIG 1
2012 .....	2012	50,000,000	June 26, 2012	Public offering	MIG 1
2011 .....	2011	35,000,000	June 28, 2011	Public offering	MIG 1
2010 .....	2010	45,000,000	July 20, 2010	Public offering	MIG 1

(1) Principal and interest on the 2020 Notes are due Wednesday, December 30, 2020.

(2) Moody’s rating.

(Source: Municipal Advisor.)

*Other Debt. Capital Leases.* The County has several capital leases outstanding. As of Fiscal Year 2019, the present value of net minimum lease payments is \$245,070, with payments extending through Fiscal Year 2022. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—9. Long-Term Liabilities—Section 9.6 Capital Lease Obligations” (CAFR page 73).

*Notes Payable.* Salt Lake County NMTA, Inc., a blended component unit of the County, controls: (i) Historical Capitol Theatre, LLC, which company issued promissory notes in Fiscal Year 2013 totaling \$7,640,000 (current balance outstanding \$7,640,000); (ii) SLCO Downtown Health Clinic, LLC, which company issued promissory notes in Fiscal Year 2017 totaling \$11,212,500 (current balance outstanding \$11,212,500); and (iii) Kearns Library LLC, which company issued promissory notes in Fiscal Year 2019 totaling \$14,137,500 (current balance outstanding \$14,137,500).

The County also received a \$23,200,000 note in Fiscal Year 2018 from the Utah Department of Transportation (“UDOT”). Proceeds from the UDOT loan will be loaned to various municipalities for parking structure projects (current balance outstanding \$21,491,360). Additionally, in Fiscal Year 2019 the County issued a \$1 million note for maintenance agreement on communications equipment (current balance outstanding \$673,185).

For a schedule showing future debt service requirements on these notes see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—9. Long-Term Liabilities—Section 9.7 Notes Payable” (CAFR page 73).

*Joint Ventures and Undivided Interests.* The County is a 25% partner with Salt Lake City, Utah (“Salt Lake City”) and the Salt Lake City Redevelopment Agency (the “Salt Lake City RDA”) as 75% partners of the Utah Performing Arts Center Agency (“UPACA”) a theater for the performing arts. Beginning in Fiscal Year 2015 (and continuing through 2040) the County allocates incremental tax revenues to the Salt Lake City RDA to be used by Salt Lake City RDA to make debt service payments on bonds Salt Lake City RDA issued to finance UPACA. The principal balance due to Salt Lake City RDA as of Fiscal Year 2019 is \$23,833,171 (for further detailed discussion of UPACA see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—14. Joint Ventures—Section 14.3 UPACA (Eccles Theater)” (CAFR page 87) and for Fiscal Year payments due to Salt Lake City RDA see “...9. Long-Term Liabilities—Section 9.7 Notes Payable” (CAFR page 73).

The County is an equal partner with Salt Lake City of the City/County Landfill for solid waste management and disposal services.

The County has a 50% ownership with Salt Lake City in the Sugar House Park Authority for maintaining and improving land used as a public park.

The County has entered into interlocal cooperation agreements with Tracy Aviary and Hogle Zoo.

For a detailed discussion and accounting of these joint ventures see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—14. Joint Ventures and Undivided Interests” (CAFR page 85).

**Future Issuance Of Debt**

The Authority (as defined below in the follow section) may issue approximately \$46 million of lease revenue bonds for construction of libraries in Fiscal Year 2021 or 2022.

**The Municipal Building Authority Of Salt Lake County, Utah**

The Municipal Building Authority of Salt Lake County, Utah (the “Authority”) is a body politic and corporate, operating under the Local Building Authority Act. The Authority was created in 1992 for acquiring, constructing, improving or extending projects on behalf of the County pursuant to the predecessor to the Local Building Authority Act.

*The Authority’s debt does not constitute legal debt within the meaning of any constitutional provision or statutory limitation of the County. The Authority has entered certain annual leases with the County for each project on an “all or none” basis. The leases may be terminated by the County in any year and payments by the County may be made only from moneys which are annually budgeted and appropriated by the County for such purpose.*

The Authority has issued lease revenue bonds: (i) in 2009, which bond proceeds were used for the acquisition, construction, improvements and equipping a public works building, libraries and senior centers (the “2009 Projects”) and (ii) in 2019, which bond proceeds were used for the acquisition, construction, improvements and equipping several libraries (the “2019 Projects” and with the 2009 Projects, the “Projects”). The Authority has issued lease revenue bonds under a general indenture of trust, as amended and supplemented by supplemental indentures (collectively, the “2009 MBA Indenture”). The Authority has leased the Projects to the County, pursuant to a master lease, as amended and supplemented by lease agreements, (collectively, the “2009 MBA Master Lease”). All lease revenue bonds issued under the 2009 MBA Master Lease are cross-collateralized in that the Authority has granted to a trustee, for the benefit of the owners of all lease revenue bonds issued under the 2009 MBA Master Lease, a security interest in all the Authority’s right, title and interest in the Projects financed with lease revenue bonds issued under the 2009 MBA Indenture. The Authority may, from time to time, issue additional bonds under the 2009 MBA Indenture.

The Authority has outstanding the following lease revenue bonds issued under the 2009 MBA Indenture.

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2019 (1) .....	Operations center/libraries	\$17,840,000	January 15, 2041	\$17,840,000
2009B (2).....	Public works/libraries/senior centers (BABs)	58,390,000	December 1, 2029	<u>50,175,000</u>
Total principal amount of outstanding debt.....				<u>\$68,015,000</u>

- (1) For purposes of this OFFICIAL STATEMENT, the 2019 MBA Bonds will be considered issued and outstanding. Rated “AA+” by Fitch and “AA+” by S&P, as of the date of this OFFICIAL STATEMENT.
- (2) Rated “AA+” by Fitch; “Aa1” by Moody’s; and “AA+” by S&P, as of the date of this OFFICIAL STATEMENT. The 2009B MBA Bonds are federally taxable, direct pay, 35% issuer subsidy, BABs.

(Source: Municipal Advisor.)

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**Debt Service Schedule Of Outstanding Lease Revenue Bonds Of The Municipal Building Authority Of Salt Lake County, Utah By Fiscal Year**

Fiscal Year Ending December 31	Issued under 2009 MBA Indenture (a)						
	Series 2019 \$17,840,000		Series 2009B \$58,390,000		Totals		
	Principal	Interest	Principal	Interest (4)	Total Principal	Total Interest (5)	Total Debt Service
2019.....	\$ 0	\$ 0 (1)	\$ 4,165,000	\$ 2,952,166	\$ 4,165,000	\$ 2,952,166	\$ 7,117,166
2020.....	0	2,090 (1)	4,300,000	2,757,244	4,300,000	2,759,334	7,059,334
2021.....	0	192,682 (1)	4,425,000	2,551,704	4,425,000	2,744,386	7,169,386
2022.....	530,000	878,750	4,570,000 (2)	2,335,764	5,100,000	3,214,514	8,314,514
2023.....	560,000	851,500	4,725,000 (2)	2,094,468	5,285,000	2,945,968	8,230,968
2024.....	585,000	822,875	4,895,000 (2)	1,844,988	5,480,000	2,667,863	8,147,863
2025.....	610,000	793,000	5,060,000 (3)	1,586,532	5,670,000	2,379,532	8,049,532
2026.....	655,000	761,375	5,235,000 (3)	1,292,040	5,890,000	2,053,415	7,943,415
2027.....	685,000	727,875	5,450,000 (3)	987,363	6,135,000	1,715,238	7,850,238
2028.....	715,000	692,875	5,650,000 (3)	670,173	6,365,000	1,363,048	7,728,048
2029.....	760,000	656,000	5,865,000 (3)	341,343	6,625,000	997,343	7,622,343
2030.....	795,000	617,125	–	–	795,000	617,125	1,412,125
2031.....	840,000	576,250	–	–	840,000	576,250	1,416,250
2032.....	880,000	533,250	–	–	880,000	533,250	1,413,250
2033.....	925,000	488,125	–	–	925,000	488,125	1,413,125
2034.....	970,000	440,750	–	–	970,000	440,750	1,410,750
2035.....	1,020,000	391,000	–	–	1,020,000	391,000	1,411,000
2036.....	1,075,000	338,625	–	–	1,075,000	338,625	1,413,625
2037.....	1,130,000	283,500	–	–	1,130,000	283,500	1,413,500
2038.....	1,180,000	225,750	–	–	1,180,000	225,750	1,405,750
2039.....	1,245,000	165,125	–	–	1,245,000	165,125	1,410,125
2040.....	1,310,000	101,250	–	–	1,310,000	101,250	1,411,250
2041.....	1,370,000	34,250	–	–	1,370,000	34,250	1,404,250
Totals.....	<u>\$ 17,840,000</u>	<u>\$ 10,574,022</u>	<u>\$ 54,340,000</u>	<u>\$ 19,413,785</u>	<u>\$ 72,180,000</u>	<u>\$ 29,987,807</u>	<u>\$ 102,167,807</u>

(a) These bonds were issued on a parity basis under the 2009 MBA Indenture.

(1) Final payment due after payments of capitalized interest on the 2019 MBA Bonds through July 1, 2021 (from certain proceeds of the 2019 MBA Bonds).

(2) Mandatory sinking fund principal payments from a \$14,190,000 5.28% term bond due December 1, 2024.

(3) Mandatory sinking fund principal payments from a \$27,260,000 5.82% term bond due December 1, 2029.

(4) Federally taxable (direct pay, 35% issuer subsidy, Build America Bonds). Does not reflect any federal interest rate subsidy payments.

(5) Does not reflect any federal interest rate subsidy payments on the Authority's 2009B MBA Bonds which were issued as BABs.

(Source: Municipal Advisor.)

## Federal Sequestration

Pursuant to the Budget Control Act of 2011 (the “BCA”), cuts to federal programs necessary to reduce federal spending to levels specified in the BCA (known as “sequestration”) were ordered in federal fiscal years ending September 30, 2013 through 2021 and were subsequently extended through September 30, 2030. These reductions include cuts to the subsidy payments to be made to issuers of BABs and various other federal expenditures.

The County and the Authority are impacted by federal sequestration in Fiscal Year 2020 with reductions in subsidy payments in the approximate amount of \$123,000. *The County and the Authority anticipate that any future reductions of subsidy payments and reductions in other federal grants as a result of sequestration; will have no material impact on its operations or financial position.* The County cannot predict whether Congress will act to avoid or extend sequestration in the future.

## Overlapping And Underlying General Obligation Debt

Taxing Entity	2020 Taxable Value (1)	County's Portion of Tax- able Value	County's Per- centage	Entity's General Obligation Debt	County's Portion of G.O. Debt
<i>Overlapping:</i>					
State of Utah .....	\$340,706,436,091	\$129,712,350,477	38.1%	\$2,512,925,000	\$ 957,424,425
CUWCD (2).....	201,846,624,177	129,712,350,477	64.3	185,295,000	<u>119,144,685</u>
Total overlapping .....					<u>1,076,569,110</u>
<i>Underlying:</i>					
School District:					
Salt Lake City .....	34,769,506,242	34,769,506,242	100.0	20,375,000	20,375,000
Granite .....	34,340,633,115	34,340,633,115	100.0	232,355,000	232,355,000
Jordan.....	28,499,871,567	28,499,871,567	100.0	238,877,000	238,877,000
Canyons .....	27,129,715,893	27,129,715,893	100.0	392,120,000	392,120,000
Murray .....	4,972,723,660	4,972,723,660	100.0	31,825,000	31,825,000
Salt Lake City .....	34,819,188,148	34,819,188,148	100.0	119,790,000	119,790,000
West Jordan City .....	9,088,943,165	9,088,943,165	100.0	3,485,000	3,485,000
Draper City (3) .....	7,584,648,598	7,257,372,178	95.7	2,390,000	2,287,230
Sandy Suburban					
Imp. District .....	5,027,134,774	5,027,134,774	100.0	4,753,000	4,753,000
Cottonwood Heights					
Parks and Rec. ....	2,824,674,209	2,824,674,209	100.0	1,700,000	1,700,000
Magna Water District ...	1,804,698,146	1,804,698,146	100.0	24,870,000	<u>24,870,000</u>
Total underlying .....					<u>1,072,437,230</u>
Total overlapping and underlying general obligation debt .....					<u>\$2,149,006,340</u>
Total <i>overlapping</i> general obligation debt (excluding the State) (4) .....					\$119,144,685
Total <i>direct</i> general obligation bonded indebtedness .....					<u>165,845,000</u>
Total <i>direct</i> and <i>overlapping</i> general obligation debt (excluding the State) .....					<u>\$284,989,685</u>

This table excludes any additional principal amounts attributable to unamortized original issue bond premium.

- (1) Taxable value is preliminary; subject to change. Taxable value used in this table *excludes* the taxable value used to determine uniform fees on tangible personal property and valuation on semiconductor manufacturing equipment. See “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH—Taxable, Fair Market And Market Value Of Property” below.
- (2) Central Utah Water Conservancy District (“CUWCD”) outstanding general obligation bonds are limited ad valorem tax bonds. Certain portions of the principal of and interest on CUWCD’s general obligation bonds are paid from revenues from the sale of water.
- (3) Includes portions of the city located in Utah County.
- (4) The State’s general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.

(Source: Municipal Advisor.)

## Debt Ratios Regarding General Obligation Debt

The following table sets forth the ratios of general obligation debt (excluding any additional principal amounts attributable to unamortized original issue bond premium) that is expected to be paid from taxes levied specifically for such debt and not from other revenues over the taxable value of property within the County, the estimated market value of such property and the population of the County. *The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation debt.*

	To 2020 Estimated Taxable Value (1)	To 2020 Estimated Market Value (2)	To 2019 Population Estimate Per Capita (3)
Direct general obligation debt .....	0.13%	0.09%	\$143
Direct and overlapping general obligation debt .....	0.22	0.15	246

(1) Based on an estimated 2020 Taxable Value of \$129,712,350,477, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.

(2) Based on an estimated 2020 Market Value of \$187,934,952,880, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.

(3) Based on 2019 population estimate of 1,160,437 by the U.S. Census Bureau.

(Source: Municipal Advisor.)

See “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH—Taxable, Fair Market And Market Value Of Property” below.

For a 10–year history of the County’s presentation of debt ratios of general obligation bonds see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section—Ratios of General Bonded Debt Outstanding” (CAFR page 190).

## General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

The general obligation indebtedness of the County is limited by State law to 2% of the fair market value of taxable property in the County (*based on the last equalized property tax assessment roll*). The debt limit and additional debt incurring capacity of the County shown below are based on the fair market value for 2019 and the calculated valuation from 2019 uniform fees, and are calculated as follows (final 2020 values are not available):

2019 “Fair Market Value” .....	\$173,450,125,039
2019 valuation from Uniform Fees (1) .....	<u>747,944,695</u>
2019 “Fair Market Value for Debt Incurring Capacity” .....	<u>\$174,198,036,734</u>
“Fair Market Value for Debt Incurring Capacity” times 2% equals (the “Debt Limit”)..	\$3,483,960,735
Less: currently outstanding general obligation debt (net) (2) .....	<u>(183,868,893)</u>
Additional debt incurring capacity .....	<u>\$3,300,091,842</u>

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the County, the value of all motor vehicles and state–assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the County.

(2) For accounting purposes, the net unamortized bond premium was \$18,028,893 (as of December 31, 2019) and together with current outstanding direct general obligation debt of \$165,845,000, results in total outstanding net direct debt of \$183,868,893.

(Source: Municipal Advisor.)

For a 10–year history of the County’s presentation of general obligation legal debt margin see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section—Legal Debt Margin Information” (CAFR page 192).

## **No Defaulted Obligations**

The County has never failed to pay principal of and interest on any of its financial obligations when due.

## **FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH**

### **Fund Structure; Accounting Basis**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties for goods or services.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The remaining governmental and enterprise funds are combined into a single column and reported as other (nonmajor) funds. Internal service funds are aggregated and reported in single column on the proprietary fund financial statements.

Revenues and expenditures are recognized using the modified accrual basis of accounting in the governmental fund statements. Revenues are recognized in the accounting period in which they become both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues on cost-reimbursement grants are accrued when the related expenditures are incurred.

In the proprietary fund statements and the government-wide statements, revenues and expenses are recognized using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred.

### **Budgets And Budgetary Accounting**

The budget and appropriation process of the County is governed by the Uniform Fiscal Procedures Act for Counties, Title 17, Chapter 36, Utah Code (the "Fiscal Procedures Act"). Pursuant to the Fiscal Procedures Act, the budget officer of the County is required to prepare budgets for the general fund, special revenue funds, debt service funds, capital project funds and proprietary funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

The County Mayor is the Budget Officer of the County. On or before November 1<sup>st</sup> of each year, the County Mayor is required to submit a Proposed Budget to the County Council for all funds for the fiscal year commencing January 1. Various actual and estimated budget data are required to be set forth in the proposed budget including estimated revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. After the Proposed Budget is submitted by the Mayor, the County Council then makes "appropriation" decisions. The recommended final budget is then made available to citizens at least 10 days prior to a public hearing. After public notice and hearing, the final budget is adopted by the County Council. If the County proposes to budget an increased amount of property tax revenue exclusive of revenues from new growth (i.e. above the "certified tax rate" as described below in "Public Hearing On Certain Tax Increases"), the County Council shall comply with the certain notice and hearing requirements contained in the Property Tax Act, Chapter 2, Title 59, Utah Code (the "Property Tax Act") in adopting the budget. Once the final budget is adopted by the County Council, the County Mayor may veto a line item in the final budget. Budget items vetoed by the County Mayor may be overridden by the County Council.

On or before December 31 in each year, the final budgets for all funds are adopted by the County Council. The Fiscal Procedures Act prohibits the County Council from making any appropriation in the final budget of any fund more than the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the County Council during the fiscal year. However, to increase the budget of the general fund, public notice and hearing must be provided. To increase the budget of funds, other than the general fund, public notice must be provided.

*Adoption of Ad Valorem Tax Levy.* The legislative body of each taxing entity shall, before June 22 of each year, adopt a proposed, or, if the tax rate is not more than the certified tax rate, a final, tax rate for the taxing entity. The legislative body shall report the rate and levy, and any other information prescribed by rules of the State Tax Commission for the preparation, review, and certification of the rate, to the county auditor of the county in which the taxing entity is located.

*Net Position or Fund Balance.* A county may accumulate net position in any enterprise or internal service fund or a fund balance in any other fund; but with respect to the general fund, its use shall be restricted to the following purposes: (i) to provide cash to finance expenditures from the beginning of the budget period until general property taxes, sales taxes, or other revenues are collected; (ii) to provide a fund or reserve to meet emergency expenditures; and (iii) to cover unanticipated deficits for future years. The maximum accumulated unappropriated surplus in the general fund, as determined prior to adoption of the tentative budget, may not exceed an amount equal to the greater of: (a) for a county with a taxable value of \$750 million or more and a population of 100,000 or more (the County falling within this parameter), 20% of the total revenues of the general fund for the current fiscal period; or (b) for any other county, 50% of the total revenues of the general fund for the current fiscal period; and the estimated total revenues from property taxes for the current fiscal period. Any surplus balance more than the above computed maximum shall be included in the estimated revenues of the general fund budget for the next fiscal period and any fund balance exceeding 5% (State law) of the total general fund revenues may be used for budgetary purposes or may be placed into a Disaster Recovery Fund established by the County.

Also, see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—1. Summary of Significant Accounting Policies—1.10 Budgets and Budgetary Accounting” (CAFR page 55).

### **Financial Controls**

The County utilizes a computerized financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the County has also empowered the County Mayor to maintain control by major categories within departments. These controls are such that a requisition will not be entered into the purchasing system unless the appropriated funds are available. The County Mayor checks for sufficient funds again prior to the purchase order being issued and again before the payment check is issued. Voucher payments are also controlled by the County Mayor for sufficient appropriations.

### **Financial Management**

The County Mayor is statutorily empowered with certain financial duties and powers. These responsibilities include responsibilities as finance officer and County budget officer. As budget officer, the Mayor is responsible for revenue projections and preparation of a “proposed” budget which is presented to the County Council. The County Council may adjust the proposed budget prior to final budget adoption. See in this section “Budgets And Budgetary Accounting” above.

The County Council has adopted financial goals and policies which formalize the County’s commitment to financial best practice and compliance with relevant statutory and ordinance requirements. The financial goals and policies address the key financial operations of the County in the following areas: (i) operating and capital budgeting; (ii) debt issuance; (iii) revenues; (iv) minimum reserves; (v) investments; and (vi) accounting, financial reporting, and auditing.

The County’s most significant financial management policies include: (i) a county-wide cost allocation plan; (ii) a long-range budget and planning process which projects revenues, budgets, and minimum fund balances three years into the future; and (iii) a Debt Review Committee, consisting of seven representatives (one from the County Auditor, one from the County Treasurer, one from the District Attorney, two from the County Mayor, and two representatives from the County Council) which reviews all forms of debt requests, and forwards its recommendations to the County Council.

*Reserves (unassigned fund balances).* The County has a policy of maintaining minimum fund balance reserves or “rainy-day” funds. The County Council has adopted a financial policy to maintain a minimum level of certain components of fund balance in the General Fund and selected special revenue funds. These amounts are intended to provide fiscal stability when economic downturns or other unexpected events occur, to supply resources to satisfy certain current obligations, or to provide a leveling for self-insured risks. The policy requires the unassigned fund balance in the General Fund to be at least 10% of budgeted expenditures; the fund balances in the following special revenue funds are to be at least 5% of budgeted expenditures: Flood Control; State Tax Administration Levy; Health; Planetarium; Library; and TRCC. Also, the County’s policy is to commit resources for compensated absences in the funds at 15% of unpaid vacation leave and 40% of unpaid sick leave, and to accumulate an unrestricted net position in the Employee Service Reserve (Internal Service) Fund of at least 15% of medical and dental claims paid during the year for active employees plus \$300,000 for early retirement. If a fund balance

component falls below the minimum target level because it has been used as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within the next budget cycle.

These budgetary unassigned fund balances for the indicated County’s funds are summarized as follows:

Fund	Minimum	Ending Balance as of December 31 (in \$1,000)						
	Annual 2020 Budget Reserves	Budget 2020 (1)	2019	2018	2017	2016	2015	2014
County-wide ....	\$37,812	\$83,949	\$85,586	\$76,562	\$82,059	\$74,426	\$70,096	\$63,598
% change (2) ..	–	(1.9)%	11.8	(6.7)%	10.3%	6.2%	10.2%	6.0%
Library .....	\$2,261	\$6,025	\$13,012	\$6,613	\$11,063	\$12,681	\$9,764	\$8,336
% change (2) ..	–	(53.7)%	96.8%	(40.2)%	(12.8)%	29.8%	17.2%	32.1%
TRCC (3) .....	\$893	\$1,469	9,628	\$7,945	\$7,863	\$6,353	\$5,990	\$5,079
% change (2) ..	–	(84.7)%	21.2%	1.0%	23.8%	6.1%	17.9%	43.8%

- (1) Fiscal Years 2014 through 2019 unassigned ending fund balances includes budgetary under-expend. Budgetary under-expend is not included in the calculation of budgeted ending fund balances and consequently, actual ending fund balances have been consistently above the amount budgeted. (Budget 2020 information are from the June 2020 Adjusted Budget.)
- (2) Percent change over previous year.
- (3) The Tourism, Recreation, Cultural and Convention (TRCC) Fund figures include only the budgetary fund with a minimum fund balance policy. The TRCC fund reported in the CAFR includes five additional budgetary funds and two New Market Tax Credit entities, namely Salt Palace Convention Center Fund, Mountain America Expo Center Fund, Arts and Culture Fund, Equestrian Park Fund, Visitor Promotion Fund, Wasatch View Solar LLC, and Historical Capital Theatre LLC.

(Source: County Mayor’s Office of Financial Administration.)

The unrestricted net positions for the County’s proprietary funds are summarized as follows:

Fund	Ending Balance as of December 31 (in \$1,000)				
	2019	2018	2017	2016	2015
Internal service funds (1) .....	\$68,259	\$41,488	\$30,720	\$28,533	\$29,277
% change over previous year ..	64.5%	35.1%	7.7%	(2.5)%	4.0%
Enterprise funds (2) (3) .....	\$35,945	\$(8,145)	\$(9,791)	\$525	\$772
% change over previous year ....	541.3%	(16.8)%	(1,965.0)%	(32.0)%	(20.8)%

- (1) Includes fleet maintenance services, facilities services and employee medical and dental insurance and other benefits.
- (2) Beginning in Fiscal Year 2017 the Enterprise Funds include Public Works and Other Services, a new fund created to provide various municipal services to the Greater Salt Lake Municipal Service District and other local government entities on a contract basis. Fiscal Years 2015 and 2016 includes only Golf Courses.
- (3) With the implementation of GASB Statement 75 in Fiscal Year 2017, Net OPEB obligations are reported as a liability in the CAFR, impacting the unrestricted net position. Beginning Balances for Fiscal Year 2017 were restated to include the Net OPEB obligation by \$(824) for the Golf Courses Fund and \$(3,452) for the Public Works and Other Services Fund.

(Source: County Mayor’s Office of Financial Administration.)

See in this section “Management’s Current Discussion And Analysis Of Financial Operations–Fund Balances” below.

*Capital Planning Process.* The County employs a facilities management staff to annually review and assess the County’s buildings and physical plant for capital maintenance/project needs. Facilities management staff compiles the data, which is presented to the Capital Project Prioritization Committee. This committee analyzes capital project requests, recommends priorities for present and future building needs, reviews and approves agency master plans, and makes recommendations to the Mayor and County Council to ensure an effective, well-coordinated building program. Substantial emphasis has been placed on previously identified but unfunded capital projects and maintenance needs for existing facilities. These needs are reviewed and reprioritized in subsequent years along with all newly identified capital project and maintenance needs.

## Management's Current Discussion And Analysis Of Financial Operations

*Potential Impact Of The Coronavirus (COVID-19). Summary.* The State's first confirmed case of COVID-19 was on March 6, 2020, hours after the Governor of the State declared a state of emergency. Since then, the virus has spread throughout the State. Public health data and other information related to the State is published at <https://coronavirus.utah.gov/>.

The economic effects have also spread across the State with individuals in the leisure and hospitality sector experiencing the greatest impact, both in job losses and unemployment claims.

*State Current Actions.* The State did not impose a mandatory statewide shelter in place order. However, the Governor did issue a "Stay Safe, Stay Home" directive which directed State residents to stay home whenever possible and follow specific social distancing instructions to slow the spread of the virus. Some local governments have chosen to issue more restrictive mandatory orders, such as the County. The State continues to actively monitor the effects of COVID-19 on the State economy and adapt its responses as appropriate to facilitate a successful economic recovery. Future special legislative sessions are anticipated as COVID-19 public health and economic impacts become clearer.

*County Current Actions.* On March 6, 2020, County Mayor Jennifer Wilson declared a state of emergency in the County in order to prepare for and manage COVID-19. The disease, and the resulting expected recession, is having an impact on certain boutique tax revenues and operational revenues. County management immediately implemented certain measures to cope with the ongoing financial impacts created by this emergency. The expected estimated impact and plan to deal with the crisis is detailed below. The plan was presented to the County Council with corresponding budget measures on June 2, 2020.

The impact of COVID-19 is expected to be material. The declared emergency, coupled with the public health order significantly curtails in-room dining at local restaurants, prohibits mass gatherings, and implements social distancing requirements for certain places of business. The necessary order has had a positive impact on controlling the spread of the disease, but also slowed the local economy. As of August 2020, unemployment in the County increased to 4.9%, up over 2% since February 2020. The result is a predicted shortfall in budgeted revenues in almost all of the funds in the County's budget. Certain special revenue fund sales taxes are expected to decline between 20 to 50% (these boutique taxes include restaurant, car rental, and hotel taxes). In total, County revenues are expected to decline less than cuts enacted during the budget reopening.

Immediately after the declared emergency, Mayor Wilson ordered a hiring freeze be put into place, as well as an admonition to cut all discretionary spending. All proposed new hires now must apply through a hiring freeze committee, which analyzes positions for necessity, opportunity for redeployment from other departments, as well as whether the work anticipated from the position can qualify for federal grant dollars. The hiring freeze has had a positive impact, with just over 10% of budgeted positions currently vacant. On June 16, 2020, with only minor changes to the budget proposed by Mayor Wilson, the County Council adopted an adjusted budget for Fiscal Year 2020 with approximately \$77 million in cuts. The budgeted ending fund balance in the General Fund for Fiscal Year 2020 increased from \$41.7 million to \$72.2 million.

The budgeting strategy included enacting budget measures designed to bolster the General Fund balance. This included drawing down certain fund balances that had exceeded required reserve levels, such as the Employee Service Reserve Fund, which holds reserves for the purpose of handling unexpected revenue declines. The proposed budget also closed out aging capital project funds, with the proceeds transferred to the General Fund. The goal is to enable the County to attain structural balance over time. The County Council adopted legislative intent to conduct monthly revenue reviews and budget status updates. These updates are required on the second Tuesday of each month for the balance of the year.

The County was also the direct recipient of the Coronavirus Aid, Relief and Economic Security Act ("CARES") funding in the amount of \$203.6 million. These dollars can be spent on costs directly associated with COVID-19. The County anticipates using proceeds to cover the unexpected costs of fighting COVID-19, as well as purchasing and implementing a county-wide vaccination program. The County will also grant funds to cities, local businesses impacted by the public health order, the Utah Food Bank, and school districts. CARES funding may not be used to offset revenue losses. However, to the extent that County employees have been redeployed to the emergency, some budget relief may occur. The County's expectation is that all CARES funding will be spent by the deadline. County management also expects enough budgetary relief in the General Fund and Health Fund to more than offset the continued expense of the public health emergency throughout Fiscal Year 2021.

Significant developments regarding COVID-19 continue to occur daily and the extent to which COVID-19 will impact the County in the future is highly uncertain and cannot be predicted. ***However, the County does not expect the various aspects of COVID-19 to negatively impact the County's ability to pay the principal of and interest on the 2020B Bonds. See "SECURITY AND SOURCES OF PAYMENT" above.***

*Fund Balances.* The budgetary unassigned fund balance in the General Fund at the end of the Fiscal Year 2019 was \$65.5 million. For comparison, the budgetary unassigned fund balance at the end of Fiscal Year 2018 was \$56.8 million. The increase is primarily attributable to one-time land purchases in 2018, increased personnel underspend and higher than projected revenue in Fiscal Year 2019. The budgetary unassigned fund balance is projected to be \$82.2 million at the end of Fiscal Year 2020. The County Council has adopted a minimum reserve policy of 10% of budgeted expenditures in the General Fund. The 10% policy was exceeded in Fiscal Years 2001 through 2019. The County expects the minimum reserve policy to again be exceeded in Fiscal Year 2020. For Fiscal Year 2019 the budgeted ending fund balance was \$42.4 million. The budgeted ending fund balance for Fiscal Year 2020 is \$72.2 million. Budgetary under spend is not included in the calculation of budgeted ending fund balances and consequently, actual ending fund balances have been above the amount budgeted. For Fiscal Years 2017, 2018, and 2019, actual expenditures average approximately 94% of the total budget in the General Fund.

*Property Tax Collections.* For Fiscal Years 2002 through 2019, property tax revenues in the General Fund increased each year. Since Fiscal Year 2011, the collection rate (for current year property taxes) has returned to historically high levels. Overall, collection rates improved from 94.0% in Fiscal Year 2009 to 97.9% in Fiscal Year 2019.

*The impact from COVID-19 on collection rates for Fiscal Year 2020 is projected to be relatively minor, with baseline and pessimistic projections of 97.8% and 97.0%, respectively.* The County increased property taxes in Fiscal Year 2020 by \$16 million for its county-wide tax funds for a new mandated criminal court, election costs, public safety compensation, and inflationary increases in the cost of services and capital maintenance. The County last increased taxes in Fiscal Year 2016 in the General Fund by \$9.4 million, dedicated to the criminal justice system. In addition the County increased property taxes in Fiscal Year 2013 for its county-wide tax funds and Library Fund. Fiscal Year 2019 actual property tax revenues are \$157.9 million in the General Fund and projected property tax revenues are \$167.9 million for Fiscal Year 2020. The projected 2020 property taxes are higher because of a tax increase as well as additional taxes the County can capture from new growth. Property tax revenues are projected to comprise approximately 45% of current year revenues in the General Fund for Fiscal Year 2020.

*Sales Tax Collections.* Sales tax revenues have continued to grow, increasing approximately 6.5% in Fiscal Year 2018 and 4.9% during Fiscal Year 2019. County-wide sales tax projections for Fiscal Year 2020 are projected to grow 2%.

*Other Budgetary Considerations.* The focus of the 2019 budget was (i) annualizing the impact of criminal justice decisions made in 2018; (ii) employee compensation; and (iii) continued focus on capital maintenance projects. *The effects of COVID-19 are expected to have material financial impacts on the County see in this section above "County Current Actions."* The budgeted ending fund balance for Fiscal Year 2020 meets the minimum reserve requirements of the County's financial policy.

*Fiscal Year 2019 Narrative.* The administration of the County prepared a narrative discussion, overview, and analysis of the financial activities of the County for Fiscal Year 2019. See "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Management's Discussion and Analysis" (CAFR page 20).

## **Other Sales And Use Taxes**

*Total County-Wide Sales and Use Taxes.* As of the date of this OFFICIAL STATEMENT, within the County the general sales and use tax rate is 7.25% (consisting of a 4.85% State tax; a 1% local sales tax (which the County collects only from the unincorporated area within the County); a 0.25% county option tax (*these sales and use tax revenues pledged to the repayment of Bonds and consists of the Pledged Revenues*); a 0.30% mass transit tax; a 0.25% additional mass transit tax; a 0.25% county option transportation tax; a 0.25% transportation infrastructure tax; and a 0.10% botanical, cultural, zoo tax).

In addition, within the County are other county-wide sales and use taxes on specific business's which may include: (i) a 5.07% transient room tax (consisting of a 4.25% transient room; a 0.32% state transient room; and a 0.50% tourism transient room); (ii) a 9.5% tourism-short-term leasing tax (consisting of a 2.5% motor vehicle rental (for State), a 3% tourism-short-term leasing (for County), and a 4% tourism-short-term leasing population (for County)); (iii) a 1% tourism-restaurant tax; and (iv) a \$1.48 monthly per line county telecommunications (consisting of \$0.71 E911 emergency; \$0.25 unified state-wide 911; and \$0.52 radio network) tax.

Cities (within the County) may impose: (i) a 1% city local option tax; (ii) a 1% municipal transient room tax; (iii) a 0.50% additional municipal transient room tax; (iv) a 6% municipal energy tax; and (v) a 3.5% municipal telecommunications license tax. Towns in a county may impose a 0.20% town option tax. Certain cities or towns within a county who are considered "impacted communities" may impose up to 1.6% resort community tax and a 0.50% correctional facility tax.

*State–Wide Sales and Use Tax.* The State levies a state–wide sales and use tax, which is currently imposed at a rate of 4.85% (imposed within the County as identified above) of the purchase price of taxable goods and services and a 3% on un-prepared food and food ingredients tax (State rate of 1.75%; local option of 1% and county option of 0.25%). The State also imposes a 2.5% tax on all short–term leases and rentals of motor vehicles (as identified above); a 0.32% state transient room (as identified above); and for sales of residential energy, the State imposes a 2% tax (the State tax of 4.85% is reduced by 2.85%).

### **Sources Of General Fund Revenues (excludes Other Governmental Funds)**

Set forth below are brief descriptions of the various sources of revenues available to the County’s General Fund as compiled by the Municipal Advisor from information taken from the Fiscal Year 2019 CAFR. The percentage of total General Fund revenues represented by each source is based on the County’s Fiscal Year 2019 period (total general fund revenues were \$342,730,135).

*Taxes and fees.* Approximately 71% (or \$241,847,613) of general fund revenues are from taxes (general property taxes approximately 46.1% (or \$157,899,552) and sales taxes approximately 22% (or \$75,405,802)); and approximately 2.5% (or \$8,542,259) of general fund revenues are from motor vehicles fees.

*Charges for services.* Approximately 11.1% (or \$38,055,573) of general fund revenues are from charges for services.

*Interfund charges.* Approximately 7.7% (or \$26,510,552) of general fund revenues are collected from interfund charges.

*Grants and contributions.* Approximately 7.1% (or \$24,296,951) of general fund revenues are from federal and State shared revenues.

*Interest, rents, and other.* Approximately 2.5% (or \$8,448,573) of general fund revenues are collected from interest, rents and other revenues.

*Licenses and permits.* Less than 1% (or \$2,317,786) of general fund revenues are collected from licenses and permits.

*Fines and forfeitures—*Less than 1% (or \$1,253,087) of general fund revenues are collected from fines and forfeitures.

### **Five–Year Financial Summaries**

The summaries contained herein were extracted from the County’s CAFR reports. The summaries themselves have not been audited.

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# Salt Lake County

## Statement of Net Position

(This summary has not been audited)

	As of December 31				
	2019	2018	2017	2016	2015
Assets and deferred outflows of resources					
Assets					
Capital assets					
Buildings, improvements, equipment and other depreciable assets, net of accumulated depreciation.....	\$ 726,782,972	\$ 723,086,024	\$ 664,318,327	\$ 698,935,304	\$ 692,205,280
Land, roads, and construction in progress.....	315,370,747	280,115,065	325,655,336	480,967,885	450,882,242
Cash and investments					
Pooled cash and investments.....	374,781,753	354,471,040	322,829,991	276,438,296	270,214,762
Restricted cash and investments.....	110,336,296	93,125,466	141,597,983	40,956,066	86,616,633
Other cash.....	1,037,599	1,077,783	855,804	7,246,372	7,634,910
Restricted cash and investments with fiscal agent.....	9,334	32,585,284	33,570,391	34,570,899	-
Receivables					
Taxes.....	88,819,164	80,302,586	68,911,294	69,208,046	67,301,138
Accounts.....	37,835,671	25,221,751	26,185,782	9,674,836	6,376,361
Notes.....	37,523,054	20,829,500	18,156,400	10,931,000	16,768,015
Interest, rents and other.....	22,261,728	5,773,520	5,316,057	4,439,555	3,428,501
Grants and contributions.....	18,304,800	16,540,816	16,077,447	18,625,936	21,768,577
Revolving loans.....	15,111,738	16,188,662	14,896,168	15,382,517	15,382,807
Investment in joint ventures.....	51,042,340	51,328,752	52,533,648	53,862,578	19,260,922
Inventories and prepaid items.....	17,949,020	12,035,038	12,084,059	11,020,337	4,299,619
Net pension asset.....	-	80,249	57,658	123,686	240,893
Total assets.....	<u>1,817,166,216</u>	<u>1,712,761,536</u>	<u>1,703,046,345</u>	<u>1,732,383,313</u>	<u>1,662,380,660</u>
Deferred outflows of resources					
Related to pensions.....	88,196,630	69,893,919	81,483,550	70,677,125	35,085,123
Related to OPEB.....	5,661,398	2,928,163	3,165,939	-	-
Deferred charges on refundings.....	3,841,379	4,864,256	6,088,586	3,956,743	5,195,956
Total deferred outflows of resources.....	<u>97,699,407</u>	<u>77,686,338</u>	<u>90,738,075</u>	<u>74,633,868</u>	<u>40,281,079</u>
Total assets and deferred outflows of resources.....	<u>\$ 1,914,865,623</u>	<u>\$ 1,790,447,874</u>	<u>\$ 1,793,784,420</u>	<u>\$ 1,807,017,181</u>	<u>\$ 1,702,661,739</u>
Liabilities, deferred inflows or resources and net position					
Liabilities					
Long-term liabilities					
Portion due or payable after one year.....	\$ 822,964,686	\$ 762,587,910	\$ 843,207,498	\$ 658,918,138	\$ 621,962,984
Portion due or payable within one year.....	64,014,124	66,171,991	54,422,648	62,434,530	57,219,478
Accrued expenses.....	81,580,005	66,877,384	66,465,505	58,666,852	48,932,065
Accounts payable.....	57,096,683	36,215,979	32,764,955	24,407,412	20,267,464
Unearned revenue.....	23,000,425	17,165,695	16,671,846	14,987,163	13,599,056
Accrued interest.....	5,115,365	4,770,017	5,489,836	3,932,173	4,137,591
Performance deposits.....	-	1,121,710	1,090,096	-	-
Total liabilities.....	<u>1,053,771,288</u>	<u>954,910,686</u>	<u>1,020,112,384</u>	<u>823,346,268</u>	<u>766,118,638</u>
Deferred inflows of resources					
Related to OPEB.....	13,962,491	9,727,255	7,012,679	-	-
Related to pensions.....	5,278,445	40,219,129	20,141,761	14,805,256	12,876,263
Total deferred inflows of resources.....	<u>19,240,936</u>	<u>40,219,129</u>	<u>20,141,761</u>	<u>14,805,256</u>	<u>12,876,263</u>
Net position					
Net invested in capital assets.....	627,467,220	615,113,780	613,984,485	824,845,685	767,048,988
Restricted for					
Transportation.....	118,868,634	99,603,732	75,544,465	32,618,598	40,027,888
Capital improvements.....	52,850,745	39,049,134	17,779,699	14,671,614	21,167,339
Convention and tourism.....	24,166,033	28,562,263	24,426,515	18,880,236	21,031,792
Housing and human services.....	20,366,475	22,834,891	21,343,149	12,932,534	11,339,231
Debt service.....	14,763,591	14,979,134	17,400,615	17,858,489	16,208,517
Infrastructure.....	4,279,138	5,575,530	7,153,644	16,544,459	14,796,288
Redevelopment.....	2,920,578	2,887,554	2,269,401	1,714,145	-
Drug and vice enforcement.....	3,045,379	2,730,363	2,678,051	2,517,512	-
Pet adoption:					
Nonexpendable.....	1,757,216	1,717,597	1,637,510	1,637,510	1,637,510
Expendable.....	152,312	104,860	71,182	53,022	38,174
Tort liability.....	1,585,800	1,356,398	1,632,102	3,410,355	3,513,308
Other purposes.....	(5,821,637)	1,253,628	660,763	1,049,302	3,952,838
Education and cultural.....	(3,758,544)	504,473	1,000,125	1,031,021	4,500,263
Law enforcement.....	-	-	-	7,400,985	8,260,644
Libraries.....	-	-	-	3,523,844	3,513,216
Tax administration.....	-	-	-	-	2,315,289
Unrestricted (1).....	(20,789,541)	(50,682,533)	(41,064,110)	8,176,346	4,315,553
Total net position.....	<u>841,853,399</u>	<u>785,590,804</u>	<u>746,517,596</u>	<u>968,865,657</u>	<u>923,666,838</u>
Total liabilities, deferred inflows of resources and net position.....	<u>\$ 1,914,865,623</u>	<u>\$ 1,780,720,619</u>	<u>\$ 1,786,771,741</u>	<u>\$ 1,807,017,181</u>	<u>\$ 1,702,661,739</u>

(1) Negative unrestricted net position is a result of the County reporting the full obligation related to the County's other postemployment benefit plan and the County's proportionate share of the Utah State Retirement net pension liability.

(Source: Information extracted from the County's audited financial statements by the Municipal Advisor.)

# Salt Lake County

## Statement of Activities

(This summary has not been audited)

	Net (Expense) Revenue and Changes in Net Assets (1)				
	Fiscal Year Ended December 31				
	2019	2018	2017	2016	2015
Activities/Functions					
Governmental activities					
Public works (2).....	\$ (274,202,276)	\$ (233,475,979)	\$ (173,202,993)	\$ (228,960,681)	\$ (207,142,430)
Public safety and criminal justice.....	(176,570,670)	(175,758,837)	(170,057,746)	(189,215,238)	(180,743,484)
Education, recreation, and cultural.....	(142,317,200)	(145,052,982)	(147,560,426)	(99,933,979)	(130,855,867)
Social services.....	(60,852,688)	(50,075,266)	(56,290,076)	(54,042,782)	(54,178,575)
Tax administration.....	(27,351,642)	(26,384,400)	(25,943,091)	(23,601,192)	(24,791,999)
Interest on long-term debt.....	(18,367,287)	(18,680,224)	(18,969,183)	(18,403,107)	(18,131,396)
Health and regulatory.....	(15,313,289)	(14,477,550)	(11,627,319)	(16,293,935)	(15,879,684)
General government.....	(13,446,310)	3,302,622	(10,525,531)	(22,840,432)	(9,000,975)
Total governmental activities.....	<u>(728,421,362)</u>	<u>(660,602,616)</u>	<u>(614,176,365)</u>	<u>(653,291,346)</u>	<u>(640,724,410)</u>
Business-type activities					
Public works and other services.....	1,300,353	1,418,756	87,730	–	–
Golf courses.....	(233,749)	1,759,072	(460,590)	(783,731)	28,902
Total business-type activities.....	<u>1,066,604</u>	<u>3,177,828</u>	<u>(372,860)</u>	<u>(783,731)</u>	<u>28,902</u>
Total County.....	<u>(727,354,758)</u>	<u>(657,424,788)</u>	<u>(614,549,225)</u>	<u>(654,075,077)</u>	<u>(640,695,508)</u>
General revenues					
Taxes					
Property taxes.....	304,166,348	288,844,720	286,706,637	315,906,837	306,993,385
Mass transit taxes (2).....	286,406,611	230,086,897	199,526,003	187,510,192	220,261,590
Sales taxes.....	141,794,056	143,218,923	142,284,090	145,660,199	135,738,373
Transient room taxes.....	27,729,179	26,857,173	25,542,154	22,754,517	21,835,946
Tax equivalent payments.....	15,308,105	14,556,960	16,104,615	17,762,105	17,270,313
Cable television franchise taxes.....	1,228,901	53,613	46,282	1,144,872	1,045,224
Total taxes.....	<u>776,633,200</u>	<u>703,618,286</u>	<u>670,209,781</u>	<u>690,738,722</u>	<u>703,144,831</u>
Unrestricted investment earnings.....	7,492,362	2,784,434	10,087,732	6,415,175	5,488,704
Transfers—special item (contribution of capital assets to other governments).....	(508,210)	(653,452)	(217,864,733) (3)	–	–
Special item (gain on cancellation of debt).....	–	1,575,600	–	2,120,004	–
Special item (disposal of tax software).....	–	(10,826,870)	–	–	–
Total general revenues and special.....	<u>783,617,352</u>	<u>696,497,998</u>	<u>462,432,780</u>	<u>699,273,901</u>	<u>708,633,535</u>
Change in net position.....	56,262,594	39,073,210	(152,116,445)	45,198,824	67,938,027
Net position—beginning (restated).....	785,590,805	746,517,595	898,634,040 (3)	923,666,833	855,728,811 (4)
Net position—ending.....	<u>\$ 841,853,399</u>	<u>\$ 785,590,805</u>	<u>\$ 746,517,595</u>	<u>\$ 968,865,657</u>	<u>\$ 923,666,838</u>

- (1) This report is presented in summary format concerning the single item of “Net (Expense) Revenue and Changes in Net Assets” and is not intended to be complete.
- (2) Beginning in Fiscal Year 2014, the County began recording revenue and pass-thru expenses for mass transit taxes that are passed to Utah Transit Authority and Utah Department of Transportation (all tax revenues levied by a local government need to be recognized as tax revenues by that government regardless of how the income is distributed). The dollars had not previously been recorded due to the fact that the County actually never physically sees the cash as it is passed straight to the entities from the Utah State Tax Commission.
- (3) Restated as required for the adoption and implementation of Government Accounting Standards Board Statement No. 75 (includes reclassifications and restatement of \$50,140,863) and other capital assets transfers.
- (4) Restated as required for the adoption and implementation of Government Accounting Standards Board Statement No. 68

(Source: Information extracted from the County’s audited financial statements by the Municipal Advisor.)

# Salt Lake County

## Balance Sheet—Governmental Funds

### General Fund

(This summary has not been audited)

	Fiscal Year Ended December 31				
	2019	2018	2017	2016	2015
<b>Assets</b>					
Cash and investments					
Pooled cash and investments.....	\$ 51,572,009	\$ 56,399,179	\$ 56,604,126	\$ 56,402,642	\$ 48,886,625
Restricted cash and investments.....	11,887,999	11,716,624	11,500,009	3,580,084	576,023
Other cash.....	159,880	161,386	226,880	228,830	227,010
Restricted cash and investments with fiscal agent.....	2,469	3,456	—	—	—
Due from other funds.....	28,954,315	9,776,549	9,976,580	10,135,525	9,438,774
Receivables					
Taxes.....	18,225,991	16,868,586	16,474,603	15,944,008	15,272,850
Grants and contributions.....	3,819,750	6,878,596	3,974,309	2,788,315	2,625,890
Accounts.....	3,648,861	2,943,472	7,241,315	1,046,258	765,632
Interest, rents and other.....	1,834,005	195,420	420,219	735,633	743,007
Inventories and prepaid items.....	540,912	56,776	354,287	727,793	—
Total assets.....	<u>\$ 120,646,191</u>	<u>\$ 105,000,044</u>	<u>\$ 106,772,328</u>	<u>\$ 91,589,088</u>	<u>\$ 78,535,811</u>
<b>Liabilities, deferred inflows of resources and fund balances</b>					
Liabilities					
Accrued expenditures.....	\$ 10,057,151	\$ 8,248,451	\$ 7,556,533	\$ 6,581,702	\$ 5,520,180
Accounts payable.....	6,814,841	6,095,520	6,619,833	6,598,039	5,276,065
Unearned revenue.....	2,431,717	2,183,191	2,465,422	2,131,377	2,106,271
Total liabilities.....	<u>19,303,709</u>	<u>16,527,162</u>	<u>16,641,788</u>	<u>15,311,118</u>	<u>12,902,516</u>
Deferred inflows of resources					
Unavailable property tax revenue.....	3,686,262	3,626,016	3,540,163	3,745,015	3,756,791
Total deferred inflows of resources.....	<u>3,686,262</u>	<u>3,626,016</u>	<u>3,540,163</u>	<u>3,745,015</u>	<u>3,756,791</u>
Fund balances					
Unassigned.....	65,529,647	56,840,013	58,288,033	51,396,885	45,933,056
Restricted for					
Housing and human services.....	11,987,452	11,716,624	11,500,000	3,000,000	—
Drug and vice enforcement.....	3,045,379	2,730,363	2,678,051	2,517,512	2,644,888
Other purposes.....	1,467,867	923,181	849,420	1,116,634	1,060,762
Debt service.....	2,469	3,456	—	580,084	576,023
Committed to					
Contractual obligations.....	6,824,235	4,990,157	4,895,403	5,746,072	3,079,183
Compensated absences.....	2,602,192	2,447,970	2,207,431	2,100,976	2,087,210
Other purposes.....	75,855	75,855	75,855	75,855	75,855
Assigned to					
Governmental immunity and tax refunds.....	5,452,894	4,982,471	5,661,897	5,191,144	5,002,527
Other purposes.....	127,318	80,000	80,000	80,000	1,417,000
Nonspendable					
Inventories and prepaid items.....	540,912	56,776	354,287	727,793	—
Total fund balances.....	<u>97,656,220</u>	<u>84,846,866</u>	<u>86,590,377</u>	<u>72,532,955</u>	<u>61,876,504</u>
Total liabilities, deferred inflows of resources and fund balances.....	<u>\$ 120,646,191</u>	<u>\$ 105,000,044</u>	<u>\$ 106,772,328</u>	<u>\$ 91,589,088</u>	<u>\$ 78,535,811</u>

(Source: Information extracted from the County's audited financial statements by the Municipal Advisor.)

## Salt Lake County

### Statement of Revenues, Expenditures and Changes in Fund Balance—Governmental Funds

#### General Fund

(This summary has not been audited)

#### Fiscal Year Ended December 31

	2019	2018	2017	2016	2015
Revenues					
Taxes					
Property taxes.....	\$ 157,899,552	\$ 151,535,420	\$ 148,933,482	\$ 146,029,887	\$ 132,567,294
Sales taxes.....	75,405,802	71,905,455	67,492,769	63,144,412	60,564,180
Tax equivalent payments.....	8,542,259	7,893,138	8,874,046	8,793,732	7,959,191
Total taxes.....	<u>241,847,613</u>	<u>231,334,013</u>	<u>225,300,297</u>	<u>217,968,031</u>	<u>201,090,665</u>
Charges for services.....	38,055,573	35,019,833	27,040,819	25,702,568	27,127,760
Interfund charges.....	26,510,552	26,992,711	27,597,573	27,426,956	26,652,033
Grants and contributions.....	24,296,951	20,074,207	24,214,054	22,172,998	19,583,321
Interest, rents, and other.....	8,448,573	8,619,915	6,581,218	4,468,578	4,407,299
Licenses and permits.....	2,317,786	2,251,548	2,242,393	2,280,316	1,705,946
Fines and forfeitures.....	1,253,087	1,387,919	1,398,083	1,350,393	1,491,249
Total revenues.....	<u>342,730,135</u>	<u>325,680,146</u>	<u>314,374,437</u>	<u>301,369,840</u>	<u>282,058,273</u>
Expenditures					
Current					
Public safety and criminal justice.....	192,624,080	194,833,437	178,617,228	165,533,947	160,148,257
General government.....	55,400,032	48,533,946	42,674,443	43,495,243	38,794,511
Education, recreation, and cultural.....	49,772,565	51,996,553	49,874,593	48,085,284	47,872,417
Social services.....	12,902,661	12,235,924	13,403,814	15,538,597	11,897,180
Debt service					
Principal retirement.....	3,098,893	2,445,453	1,038,642	1,113,199	483,626
Interest and fiscal charges.....	2,391,976	2,468,053	1,549,725	881,175	769,311
Capital outlay.....	484,990	54,469	121,248	182,269	239,827
Total expenditures.....	<u>316,675,197</u>	<u>312,567,835</u>	<u>287,279,693</u>	<u>274,829,714</u>	<u>260,205,129</u>
Excess (deficiency) of revenues over (under) expenditures....	<u>26,054,938</u>	<u>13,112,311</u>	<u>27,094,744</u>	<u>26,540,126</u>	<u>21,853,144</u>
Other financing sources (uses)					
Transfers in.....	20,664,000	20,218,532	24,395,554	17,003,656	15,687,010
Proceeds from sale of capital leases and notes payable.....	797,630	-	16,932	997,466	-
Proceeds from sale of capital assets.....	241,505	-	13,326	641,500	15,304
Transfers out.....	<u>(34,948,719)</u>	<u>(35,074,354)</u>	<u>(37,463,134)</u>	<u>(34,526,297)</u>	<u>(34,707,055)</u>
Total other financing sources (uses).....	<u>(13,245,584)</u>	<u>(14,855,822)</u>	<u>(13,037,322)</u>	<u>(15,883,675)</u>	<u>(19,004,741)</u>
Net change in fund balance.....	12,809,354	(1,743,511)	14,057,422	10,656,451	2,848,403
Fund balance—beginning of year.....	84,846,866	86,590,377	72,532,955	61,876,504	59,028,101
Fund balance—end of year.....	<u>\$ 97,656,220</u>	<u>\$ 84,846,866</u>	<u>\$ 86,590,377</u>	<u>\$ 72,532,955</u>	<u>\$ 61,876,504</u>

(Source: Information extracted from the County's audited financial statements by the Municipal Advisor.)

For a 10-year financial history of various County funds see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section” at the indicated pages as set forth below.

- (i) see “Net Position by Component” (CAFR page 170);
- (ii) see “Changes in Net Position” (CAFR page 172);
- (iii) see “Fund Balances, Governmental Funds” (CAFR page 176); and
- (iv) see “Changes in Fund Balances, Governmental Funds” (CAFR page 178).

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## Taxable, Fair Market And Market Value Of Property

Calendar Year	Taxable Value (1)	% Change Over Prior Year	Fair Market/Market Value (2)	% Change Over Prior Year
2020 *	\$ 129,712,350,477	8.3	\$ 187,934,952,880	8.4
2019	119,791,267,354	9.7	173,450,125,039	9.9
2018	109,217,595,759	10.6	157,774,378,112	10.5
2017	98,779,809,378	7.9	142,777,797,770	8.4
2016	91,575,146,555	9.2	131,752,566,867	9.2

\* Preliminary; subject to change. Fair Market/Market Value calculated by the Municipal Advisor.

- (1) Taxable valuation includes redevelopment agency valuation but **excludes** semi-conductor manufacturing equipment ("SCME"). The estimated redevelopment agency valuation for Calendar Year 2020 was approximately \$10.3 billion; for Calendar Year 2019 was approximately \$9.7 billion; for Calendar Year 2018 was approximately \$7.4 billion; for Calendar Year 2017 was approximately \$8 billion; and for Calendar Year 2016 was approximately \$7.6 billion.
- (2) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act. Does not include market valuation for SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

## Historical Summaries Of Taxable Values Of Property

	Calendar Year					
	2020		2019	2018	2017	2016
	Taxable Value*	% of T.V.	Taxable Value	Taxable Value	Taxable Value	Taxable Value
Set by State Tax Commission (centrally assessed)						
Total centrally assessed.....	\$ 7,905,743,984	6.1 %	\$ 7,648,066,878	\$ 7,442,435,340	\$ 6,532,121,534	\$ 6,820,452,484
Set by County Assessor (locally assessed)						
Real property (land and buildings)						
Primary residential.....	71,110,673,493	54.8	65,532,763,370	59,295,816,221	53,722,558,352	49,051,447,423
Secondary residential.....	3,000,000,000	2.3	2,292,609,420	2,280,521,990	2,231,338,750	2,207,497,950
Commercial and industrial.....	40,000,000,000	30.8	36,621,312,590	33,391,786,220	29,785,995,430	27,257,908,650
FAA (greenbelt).....	50,000,000	0.0	50,519,570	52,936,280	55,748,590	943,210
Unimproved non FAA (vacant)....	145,000	0.0	145,200	145,200	216,900	58,767,020
Agricultural.....	3,500,000	0.0	3,562,760	5,677,750	6,060,360	6,581,580
Total real property.....	<u>114,164,318,493</u>	<u>88.0</u>	<u>104,500,912,910</u>	<u>95,026,883,661</u>	<u>85,801,918,382</u>	<u>78,583,145,833</u>
Personal property						
Primary mobile homes.....	50,285,000	0.0	50,284,912	51,362,210	52,760,794	54,288,514
Secondary mobile homes.....	8,331,000	0.0	8,330,814	11,332,382	8,637,487	8,384,050
Other business.....	7,583,672,000	5.8	7,583,671,840	6,685,582,166	6,384,371,181	6,108,875,674
SCME.....	2,798,027	0.0	2,798,461	2,576,432	2,959,593	7,417,474
Total personal property.....	<u>7,645,086,027</u>	<u>5.9</u>	<u>7,645,086,027</u>	<u>6,750,853,190</u>	<u>6,448,729,055</u>	<u>6,178,965,712</u>
Total locally assessed.....	<u>121,809,404,520</u>	<u>93.9</u>	<u>112,145,998,937</u>	<u>101,777,736,851</u>	<u>92,250,647,437</u>	<u>84,762,111,545</u>
Total taxable value.....	<u>\$ 129,715,148,504</u>	<u>100.0 %</u>	<u>\$ 119,794,065,815</u>	<u>\$ 109,220,172,191</u>	<u>\$ 98,782,768,971</u>	<u>\$ 91,582,564,029</u>
Total taxable value (1).....	<u>\$ 129,712,350,477</u>		<u>\$ 119,791,267,354</u>	<u>\$ 109,217,595,759</u>	<u>\$ 98,779,809,378</u>	<u>\$ 91,575,146,555</u>

\* Preliminary; subject to change.

- (1) Not including taxable valuation associated with SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

For a 10-year history of the County's presentation of taxable and fair market valuation see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Statistical Section—Assessed Value and Actual Value of Taxable Property" (CAFR page 181).

## LEGAL MATTERS

### Absence Of Litigation Concerning The 2020B Bonds

There is no litigation pending or threatened questioning or in any manner relating to or affecting the validity of the 2020B Bonds.

On the date of the execution and delivery of the 2020B Bonds, certificates will be delivered by the County to the effect that to the knowledge of the County, there is no action, suit, proceeding or litigation pending or threatened against the County, which in any way materially questions or affects the validity or enforceability of the 2020B Bonds or any proceedings or transactions relating to their authorization, execution, authentication, marketing, sale or delivery or which materially adversely affects the existence or powers of the County.

A non-litigation opinion issued by Ralph Chamness, Chief Deputy District Attorney, dated the date of closing, will be provided stating, among other things, that there is not now pending, or to his knowledge threatened, any action, suit, proceeding, inquiry, or any other litigation or investigation, at law or in equity, before or by any court, public board or body, challenging the creation, organization or existence of the County, or the ability of the County, or its respective officers to authenticate, execute or deliver the 2020B Bonds or such other documents as may be required in connection with the issuance and sale of the 2020B Bonds, or to comply with or perform their respective obligations thereunder, or seeking to restrain or enjoin the issuance, sale or delivery of the 2020B Bonds, or directly or indirectly contesting or affecting the proceedings or the authority by which the 2020B Bonds are issued, the legality of the purpose for which the 2020B Bonds are issued, or the validity of the 2020B Bonds or the issuance and sale thereof.

For a general discussion of litigation involving the County see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Notes to the Basic Financial Statements—9. Long-Term Liabilities—Section 9.8 Claims and Judgments Payable" (CAFR page 74) and "—12. Risk Management—Section 12.3 Legal Contingent Liability Claims" (CAFR page 83).

### General

Certain legal matters incident to the authorization, issuance and sale of the 2020B Bonds are subject to the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel to the County. Certain legal matters will be passed upon for the County by the Chief Deputy District Attorney, Ralph Chamness. Certain legal matters will be passed on for the Underwriter by Chapman and Cutler LLP. The approving opinion of Bond Counsel will be delivered with the 2020B Bonds.

The employment of Bond Counsel is limited to the review of the transcripts of legal proceedings authorizing the issuance of the 2020B Bonds and to the issuance of the legal opinion, in conventional form, relating solely to the validity of the 2020B Bonds pursuant to such authority and the excludability of interest on the 2020B Bonds for income tax purposes as described below. Except for said legal matters, which will be specifically covered in its opinion, Bond Counsel has assumed no responsibility for the accuracy or completeness of any information furnished to any person in connection with or any offer or sale of the 2020B Bonds in the OFFICIAL STATEMENT or otherwise.

The various legal opinions to be delivered concurrently with the delivery of the 2020B Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the 2020B Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation

that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the 2020B Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the 2020B Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the 2020B Bonds.

### **Tax Status Of The 2020B Bonds**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the County, under the law currently existing as of the issue date of the 2020B Bonds:

*Federal Tax Exemption.* The interest on the 2020B Bonds is excludable from gross income for federal income tax purposes.

*Alternative Minimum Tax.* The interest on the 2020B Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the 2020B Bonds, subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the 2020B Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the 2020B Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the 2020B Bonds.

*State of Utah Tax Exemption.* The interest on the 2020B Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the 2020B Bonds but has reviewed the discussion under this section.

### **Other Tax Consequences**

*[Original Issue Discount.* For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a 2020B Bond over its issue price. The issue price of a 2020B Bond is generally the first price at which a substantial amount of the 2020B Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a 2020B Bond during any accrual period generally equals (1) the issue price of that 2020B Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that 2020B Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that 2020B Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that 2020B Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

*[Original Issue Premium.* For federal income tax purposes, premium is the excess of the issue price of a 2020B Bond over its stated redemption price at maturity. The issue price of a 2020B Bond is generally the first price at which a substantial amount of the 2020B Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the 2020B Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the 2020B Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the 2020B Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

*Sale, Exchange or Retirement of Bonds.* Upon the sale, exchange or retirement (including redemption) of a 2020B Bond, an owner of the 2020B Bond generally will recognize gain or loss in an amount equal to the difference between the amount

of cash and the fair market value of any property received on the sale, exchange or retirement of the 2020B Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the 2020B Bond. To the extent a 2020B Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the 2020B Bond has been held for more than 12 months at the time of sale, exchange or retirement.

*Reporting Requirements.* In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the 2020B Bonds, and to the proceeds paid on the sale of the 2020B Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

*Collateral Federal Income Tax Consequences.* Prospective purchasers of the 2020B Bonds should be aware that ownership of the 2020B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the 2020B Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of 2020B Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the 2020B Bonds, including the possible application of state, local, foreign and other tax laws.

## MISCELLANEOUS

### **Bond Ratings**

As of the date of this OFFICIAL STATEMENT, the 2020B Bonds have been rated "[AAA]" by S&P and "[AAA]" by Fitch. An explanation of the ratings may be obtained from S&P and Fitch. The County has not directly applied to Moody's for a rating on the 2020B Bonds.

Such ratings do not constitute a recommendation by the rating agencies to buy, sell or hold the 2020B Bonds. Such ratings reflect only the views of S&P and Fitch and any desired explanation of the significance of such ratings should be obtained from S&P and Fitch. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own.

There is no assurance that the ratings given the outstanding 2020B Bonds will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2020B Bonds.

### **Trustee**

The obligations and duties of the Trustee are described in the Indenture and the Trustee has undertaken only those obligations and duties that are expressly set out in the Indenture. The Trustee has not independently passed upon the validity of the 2020B Bonds, the security therefor, the adequacy of the provisions for payment thereof or the exclusion from gross income for federal tax purposes of the interest on the 2020B Bonds. The Trustee may resign or be removed or replaced as provided in the Indenture. See "APPENDIX B—THE GENERAL INDENTURE OF TRUST."

### **Escrow Verification**

Public Finance Partners LLC, Minneapolis, Minnesota, will verify the accuracy of the mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the obligations of the United States of America, together with other escrowed moneys to be placed in the Escrow Account, to pay when due pursuant to prior redemption, the redemption price of, and interest on the 2010D Refunded Bonds.

## **Underwriter**

*The Underwriter has reviewed the information in this OFFICIAL STATEMENT in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.*

The Underwriter has agreed, subject to certain conditions, to purchase all 2020B Bonds from the County. The Underwriter is obligated to accept delivery and pay for all the 2020B Bonds, if any are delivered, at an aggregate price of \$ \_\_\_\_\_, being an amount equal to the par amount of the 2020B Bonds of \$ \_\_\_\_\_, plus an original issue premium of \$ \_\_\_\_\_, less an original issue discount of \$ \_\_\_\_\_ and less an Underwriter's fee of \$ \_\_\_\_\_.

The Underwriter may resell the 2020B Bonds to the public at prices which may be higher or lower than the prices set forth on the inside cover pages of this OFFICIAL STATEMENT.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, investment management, principal investment, hedging, financing and brokerage activities.

In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own accounts and for the accounts of its customers and may at any time hold long and/or short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

*J.P. Morgan Securities LLC (the Underwriter of the 2020B Bonds).* J.P. Morgan Securities LLC ("JPMS") has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase 2020B Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any 2020B Bonds that such firm sells.

## **Municipal Advisor**

The County has entered an agreement with the Municipal Advisor whereunder the Municipal Advisor provides financial recommendations and guidance to the County with respect to preparation for sale of the 2020B Bonds, timing of sale, taxable and tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2020B Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the County, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

## **Independent Auditors**

The basic financial statements and required supplementary information of the County as of December 31, 2019, and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Squire & Company, PC, Certified Public Accountants and Business Consultants, Orem, Utah ("Squire"), as stated in their report in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019" (CAFR page 16). Squire has not been engaged to perform and has not performed, since the date of their report included in the Fiscal Year 2019 CAFR, any procedures on the financial statements addressed in the Fiscal Year 2019 CAFR.

Squire has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non-participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

## **Additional Information**

All quotations contained herein from and summaries and explanations of, the State Constitution, statutes, programs, and laws of the State, court decisions and the Indenture, do not purport to be complete, and reference is made to said State Consti-

tution, statutes, programs, laws, court decisions and the Indenture for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether expressly so stated, are intended as such and not as representation of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

***This PRELIMINARY OFFICIAL STATEMENT is in a form deemed final for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.***

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the County.

**Salt Lake County, Utah**

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## APPENDIX A

### COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019

The CAFR for Fiscal Year 2019 is contained herein. *The County's CAFR for Fiscal Year 2020 must be completed under State law by June 30, 2021.*

#### **Government Finance Officers Association—Financial Reporting**

*Certificate of Achievement for Excellence in Financial Reporting.* The Government Finance Officers Association of the United States and Canada (“GFOA”) have awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the 33<sup>rd</sup> consecutive year, beginning with Fiscal Year 1986 through Fiscal Year 2018.

For the Fiscal Year 2018 certificate see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF SALT LAKE COUNTY, UTAH FOR FISCAL YEAR 2019—Introductory Section—Certificate of Achievement for Excellence in Financial Reporting” (CAFR page 11).

The County will submitted its Fiscal Year 2019 CAFR to GFOA to determine its eligibility for a Certificate of Achievement. The County believes that its Fiscal Year 2019 CAFR continues to meet the Certificate of Achievement program requirements.

To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

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# Salt Lake County, Utah

## Comprehensive Annual Financial Report



For The Year Ended December 31, 2019

**SALT LAKE COUNTY, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2019**

**Prepared by:**

**Salt Lake County Mayor's Financial Administration**

**Published: June 24, 2020**

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**Year Ended December 31, 2019**

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June 24, 2020

To the Honorable County Council, Honorable Mayor, and Citizens of Salt Lake County, Utah:

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2019.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Squire & Company, PC, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on Salt Lake County's (the County's) financial statements for the year ended December 31, 2019. The independent auditor's report is located at the front of the financial section of this report.

An audit to verify the County's compliance with requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), has also been performed. A separate federal compliance audit report has been issued in conjunction with the independent audit; the federal compliance audit report contains the results of the federal compliance audit and required schedules. Also, an audit to verify the County's compliance with state requirements as specified in the *State Compliance Audit Guide* has been performed and a report has been issued.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

### **Profile of the County and our Government**

The County is the most populous county in Utah. The 2019 County population of 1,160,437 represents approximately 36% of Utah's population. The Salt Lake City area, often referred to as "the crossroads of the west", is the largest metropolitan area between Phoenix and the Canadian border, north to south, and between Denver and California, east to west. The Salt Lake area received worldwide attention as host of the 2002 Olympic Winter Games.

The County is structured as a mayor-council form of government, where the elected Mayor serves as the County executive. There are nine part-time Council members, three voted at-large to staggered six-year terms, and six are elected by district with staggered four-year terms. The Mayor's term is four years. The County has eight other elected officials, who have independent authority defined by statute, whose terms are also four years: Assessor, Auditor, Clerk, District Attorney, Recorder, Sheriff, Surveyor, and Treasurer. The County is empowered to levy a property tax on real and personal property located within its boundaries. The property tax system is administered by the Council, Assessor, Auditor, District Attorney, Recorder, Surveyor, and Treasurer. As depicted on the organizational chart following this letter, the Mayor's area of responsibility is organized into major departments and offices.

The County provides a diversified range of services, which include the following:

Human services such as mental health, public health, substance abuse, aging, criminal justice, University of Utah extension, indigent defense, diversity and inclusion, new Americans and refugees, and youth;

Public works services such as flood control, road maintenance and street lighting, emergency services, animal, fleet, transportation preservation, and solid waste management (through a joint venture with Salt Lake City);

Community services such as educational, recreation and cultural development, including the Calvin L. Rampton Salt Palace and Mountain America convention centers and the Equestrian Park and Event Center, arts and culture (including the George S. and Dolores Doré Eccles Theatre through a joint venture with Salt Lake City), visitor promotion, parks and recreation, golf courses, libraries, children's museum, and planetarium;

Regional development services such as economic development, planning and development, housing and community development and environmental;

Property tax assessing and collecting, auditing, surveying, recording, marriage licenses, passports, criminal justice services, and ordinance enactment and enforcement; and

Administrative services that include internal services such as human resources, purchasing, accounting, budgeting, information technology, data and innovation, records and archives, addressing, facilities services, and risk management.

Library services are county-wide except for those taxing areas within the cities of Salt Lake and Murray, who maintain their own library systems. Fire services are provided by contract through the Unified Fire Authority (UFA), which started July 1, 2004. Law enforcement services are provided by contract through the Unified Police Department (UPD), which started January 1, 2010. Sanitation services are provided by contract through Wasatch Front Waste and Recycling District, which started January 1, 2013. The Greater Salt Lake Municipal Services District (MSD) began January 1, 2016 which contracts with the County to provide animal, planning and development, business licenses, street lighting, traffic engineering, and highway services for the unincorporated County area.

Also, the Municipal Building Authority, Redevelopment Agency, and the Salt Lake County NMTC, Inc., are separate legal entities for which the County is financially accountable, so they are included in this report. See Notes 1.1 through 1.5 to the basic financial statements for more information regarding the reporting entity.

### **County Budget Process**

The Mayor, as the statutory budget officer, is responsible for revenue projections and the preparation of a proposed budget. The Mayor submits the proposed budget to the Council, which makes appropriation decisions and adopts a budget on or before December 31 preceding the calendar year.

The budget is prepared by fund, organization, and appropriation unit. Appropriation units are related categories of expenditures which are grouped together within each organization. Generally, organization budgets include these appropriation unit categories: salaries, wages and employee benefits; materials, supplies, and services; overhead costs; capital outlay; debt service; other financing uses; and other appropriations. While budgets are adopted at the organization level by the Council, transfers between appropriation units also require Council approval. However, given the uncertainties surrounding COVID-19 impacts to revenues and the resulting budget cuts, the Council suspended the appropriation unit approval requirement for 2020 to provide organizations more flexibility to meet their new lower budgets. Additionally, while specific items were cut from the budget in June 2020, cuts to operations were entered as negative amounts in contra-expense accounts in each organization to allow for easier restoration when revenues recover. The County will be closely monitoring sales tax and operating revenues monthly through the remainder of 2020 to adjust the budget as necessary to maintain structural balance.

The budget is reopened in June and December to consider necessary adjustments. Final tax rates are adopted at the conclusion of the June budget and tax rate setting process. Budget-to-actual comparisons are presented for the General Fund and each major special revenue fund in the basic financial statements. Budget-to-actual comparisons for all governmental funds are found in the supplementary information section of this report.

## **Financial Condition of the County and Other Information to Assist in Assessing Economic Condition**

**Local economy:** Despite the recent pandemic, Salt Lake County is still the business and financial center for most major businesses and industries in the state. Evidences of this are the \$4 billion dollar remodel of the Salt Lake International Airport and a new state prison, both located in the northwestern quadrant of the County.

Because the County includes 36% of the state's population, produced 44% of the state's taxable sales and accounted for 54% of the state's wages and salaries, it remains the hub of the state economy. Major employers in the County are spread across economic sectors, including: mining, manufacturing, transportation, medical services, technology, communications, financial, government and non-profit services. The County's deeply developed and diverse economic sectors led to the State's first place economic diversity ranking in the country during 2018.

In May 2020, job growth in the Salt Lake Metro Area fell 6.5%, not as much as the Los Angeles (-13.8%) and Denver (-8.8%) metro areas, but 1 percent higher than Phoenix's 5.5% drop. Despite the pandemic, the goods producing sector employment rose 3.0% in May 2020. Natural resources, mining and construction jobs were up 3% while manufacturing jobs were flat. Service jobs fell nearly 8%. Leisure and hospitality jobs fell 27%, while professional and business service jobs, as well as state government jobs fell almost 10 percent.

Although Salt Lake County employment declined 4.3% in May 2020, low mortgage rates, an expanding money supply, and continued pent-up demand from the last recession combined to drive up new residential construction permit values by 53% during the first four months of 2020. Recent job declines in many sectors will probably push new construction lower for the remainder of 2020. For example, April new residential permit values rose only 2%.

Housing prices continue to grow, as demand outstrips supply, bidding prices up in the Salt Lake Metro Area by 10.2% in the first quarter of 2020. Taxable sales in the County rose 4.2% in 2019 but are expected to decline between 5% and 6% in 2020. Despite the pandemic, preliminary data shows that County taxable sales increased 1.7% between February and April.

In eight of the last nine years, the County's taxable sales increased faster than the sum of population and inflation growth. This is a sign that revenues grew faster than demand for services in the County. Even though the County economy has slowed during the pandemic, its economic outlook is relatively favorable, slowed down by a job decline of -4% in May 2020. This compared to national job losses of 11.8%.

**Long-term financial planning:** To enhance long-term planning and prudent financial management, the County has implemented significant financial management policies and practices. The most significant of these includes the following: 1) financial goals and policies approved by the Council, which address key financial operations in these areas: operating and capital budgeting, debt issuance, revenues, minimum reserves, investments, accounting, financial reporting, and auditing; 2) a county-wide cost allocation plan; 3) a long-range budget and planning process which projects revenues, budgets and minimum fund balances three years into the future; 4) use of a debt review committee, which reviews all forms of debt requests, provides analysis, and forwards its recommendations, if appropriate, to the Mayor and the Council; and 5) a five-year facilities master plan.

**Relevant financial policies:** The County Council has adopted a financial policy, which is included in the financial goals and policies mentioned above, to maintain a minimum level of fund balance in the General Fund (unassigned fund balance of at least 10% of the budgeted expenditures) and selected special revenue funds (total fund balances of at least 5% of budgeted expenditures). The County's policy also establishes minimum reserves for certain employee benefit obligations. The Council considers the minimum fund balance policy when evaluating the potential financial impact of new programs, projects, etc. The County is in compliance with its financial goals and policies. These policies and the long-term financial planning tools referred to above have made a significant contribution to the County's excellent bond rating and overall financial condition. These financial management policies and related practices enabled the County to adjust effectively to economic downturns while still maintaining relatively favorable fund balances.

**Major Initiatives:** Mayor Jenny Wilson champions a strategic and result-oriented agenda that guides the County's priorities in four distinct areas for 2020. Her priorities and achievements include:

### ***Standard of Living Improved for Those Left Behind:***

- a. Through the Mayor's Council on Diversity Affairs (CODA), change policies and focus on measurable progress to eliminate systemic issues of racial inequality and racial bias.

- b. Work in partnership with community organizations and State agencies to provide resources to diverse and underserved communities during COVID-19 response.
- c. Reduce unnecessary pre-trial incarceration, expand alternatives to incarceration for those who can be safely managed in the community, and expand community-based behavioral health programs with an emphasis on the opening of a receiving center.
- d. Implement the Expungement Navigator Project.
- e. Implement remote case management during COVID-19 response to divert individuals from jail and hold jail beds open.
- f. Collaborate with partners to increase and coordinate services to individuals experiencing homelessness.
- g. Assist with security funding for Shelter the Homeless Resource Centers, with emphasis on New Market Tax Credit equity.
- h. Implement Milestone Transitional Living program to serve up to 19 homeless youth.
- i. Provide access to safe, stable, and affordable housing.
- j. Identify housing opportunities for individuals who are aging, as well as those with underlying health issues.
- k. Provide daily congregate meals at senior centers – continued to provide as a drive-through service during COVID-19 response.
- l. Operate Wellness Call-In program for seniors during COVID-19 – called 9,000 seniors each week to address social isolation and provide information for additional services and resources.
- m. Maximize use of CARES Act and other COVID-related funds to better serve those systemically left behind and to create service infrastructures that can be maintained post-COVID.

***Safe & Healthy People:***

- a. Manage COVID-19 emergency through a Unified Command structure and following best emergency operation practices.
- b. Implement Continuity of Operation Plans (COOP) in each agency for County government emergency response.
- c. Maintain parks and other open spaces to allow for physical activity during the pandemic.
- d. Work to open recreation centers, day care centers, facilities as soon as practical during the pandemic, remaining cognizant of CDC and health guidelines to keep the public safe.
- e. Prepare to re-open convention, visitor, and Arts & Culture facilities based on data and recommendations from the Salt Lake County Health Department and CDC and carefully balancing public health issues.
- f. Improve community wellness by preventing suicides and overdoses through programming at the County Libraries and Recreation Centers.
- g. Provide pop-up farmers’ markets in senior centers that align with drive through meal service during COVID-19.
- h. Provide online prevention and case management program for youth in crisis.
- i. Implementation of telehealth model for youth and family therapy.
- j. Partner with Jordan School district on credit recovery program for youth previously expelled from school.
- k. Promote policies and practices internally and externally to minimize the environmental impact on our communities, incentivize energy-wise consumption, and clean air.
- l. Provide best in class Animal Support services and amended services to address COVID-19 needs, including pet food pantry, free pet boarding; and virtual training courses.

***Inclusive, Smart Growth:***

- a. Adopt Wasatch Canyons Master Plan.
- b. Construct a 26-story, 700 guest room convention center hotel.
- c. Coordinate “smart growth” planning, with an emphasis on promoting transportation infrastructure, multi-modal transit opportunities, and “livable communities.”
- d. Develop a vision for the West Bench General plan and scenarios for future development on Rio Tinto property.
- e. Manage Opportunity Zone development by bridging resources between state, federal, and local entities to ensure that these designated areas in the County are built strategically to benefit the most residents and provide the most significant economic impact.
- f. Publicly release research reports on two separate but related topics: automation and employee values. Use findings to: 1) inform businesses and policymakers of current workforce data trends and bring attention to jobs that are at risk of being lost to automation, 2) fund or support programs that upskill County residents, especially those who are unemployed due to COVID-19, and 3) inform business owners of employee values in an effort to better retain talent in Salt Lake County.
- g. Maximize CARES Act funding to sustain programs and efforts started during the COVID-19 crisis in order to support the long-term economic recovery of the County; including direct financial support to businesses, technical assistance to bolster business resiliency, targeted programs for minority and underserved populations, and data compilation and dissemination to support decisions and planning at the municipal and regional levels.

### ***Smart Government:***

- a. Maintain prestigious AAA bond rating, even amidst the fiscal challenges posed by COVID-19.
- b. Continue the County's reputation as the best local government employer in Utah.
- c. Expand virtual employee enrichment programs to reduce stress and isolation during the pandemic.
- d. Implement smart telework programs to keep staff working through COVID-19 and to meet clean-air initiatives.
- e. Support data-driven decision making in all areas of County government.
- f. Develop and deliver an internal employee training program based on inclusion, diversity, equity, and accessibility principles.
- g. Develop an enterprise-wide GRAMA/Public records portal to promote government transparency.
- h. Implement results-based contracting to maximize the value of each contract and save tax dollars.
- i. Support emergency procurement and contracting to bolster County response to COVID-19.
- j. Implement capital projects to provide critical maintenance, but also to support economic recovery post-COVID-19.
- k. Modernize county real estate practices by digitizing processes and records.
- l. Redesign County website to provide greater accessibility and ease of navigation for County residents.

### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to the County for its comprehensive annual financial report for the fiscal year ended December 31, 2018. This is the 33rd consecutive year that the County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The County's bond rating remains one of the strongest in the nation, with three major rating agencies giving Salt Lake County the highest possible rating of AAA on its underlying general obligation debt, effectively placing it in the top 1% of all counties in terms of creditworthiness.

Salt Lake County Health Department was honored as "Local Health Department of the Year" by the National Association of County and City Health Officials, the voice of the nation's nearly 3,000 local governmental health departments. Salt Lake County Health Department was awarded due to its response to the hepatitis A outbreak during 2017 through 2019, innovative use of real-time public health data, proactive regulation of scrap metal recycling and its new public health center in downtown Salt Lake City.

The U.S. Department of Housing and Urban Development (HUD) took notice of the work being performed by the Salt Lake County's Housing and Community Development Program in the area of Lead and Healthy Homes and the unique affordable housing development HUB of Opportunity. U.S. Secretary of HUD Ben Carson visited the Salt Lake County programs in July of 2019 to learn about the collaboration drawing attention to the healthy homes initiative and the transit-oriented affordable mixed-use housing for special needs populations located in an Opportunity Zone.

Salt Lake County Animal Services received the National Association of Counties *Achievement Award* for their Free County-Wide Microchipping Program. Animal Services also received the 2019 Utah Best of State in Community Development for the same program.

Public Works Operations was awarded the "Utah Chapter Member of the Year" awarded to Mike Russell by the American Public Works Association.

Regional Development Planning and Transportation Division Director Wilf Sommerkorn received the Envision Utah Lifetime Achievement Award.

The Salt Lake County Library was honored in 2019 as one of Utah's Top Workplaces for the sixth consecutive year.

Salt Lake County Calvin L. Rampton Salt Palace Convention Center employee, Chance Thompson, was awarded the *2019 EIC Pacesetter Award* for Sustainability and Corporate Social Responsibility by the Events Industry Council (EIC). The EIC is a national organization that represents over 19,500 firms and properties involved in the events industry.

We express sincere appreciation to all those who are involved in the independent audit process and who contribute to the preparation and publishing of this report. We also greatly appreciate the professional service and assistance rendered by our independent auditors, Squire & Company, PC.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'D. Casper', with a long horizontal flourish extending to the right.

Darrin Casper  
Chief Financial Officer

A handwritten signature in blue ink, appearing to read 'Shanell Beecher', with a long horizontal flourish extending to the right.

Shanell Beecher, CPA  
Director of Accounting



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
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Reporting

Presented to

**Salt Lake County  
Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morill*

Executive Director/CEO

## Mayor Wilson

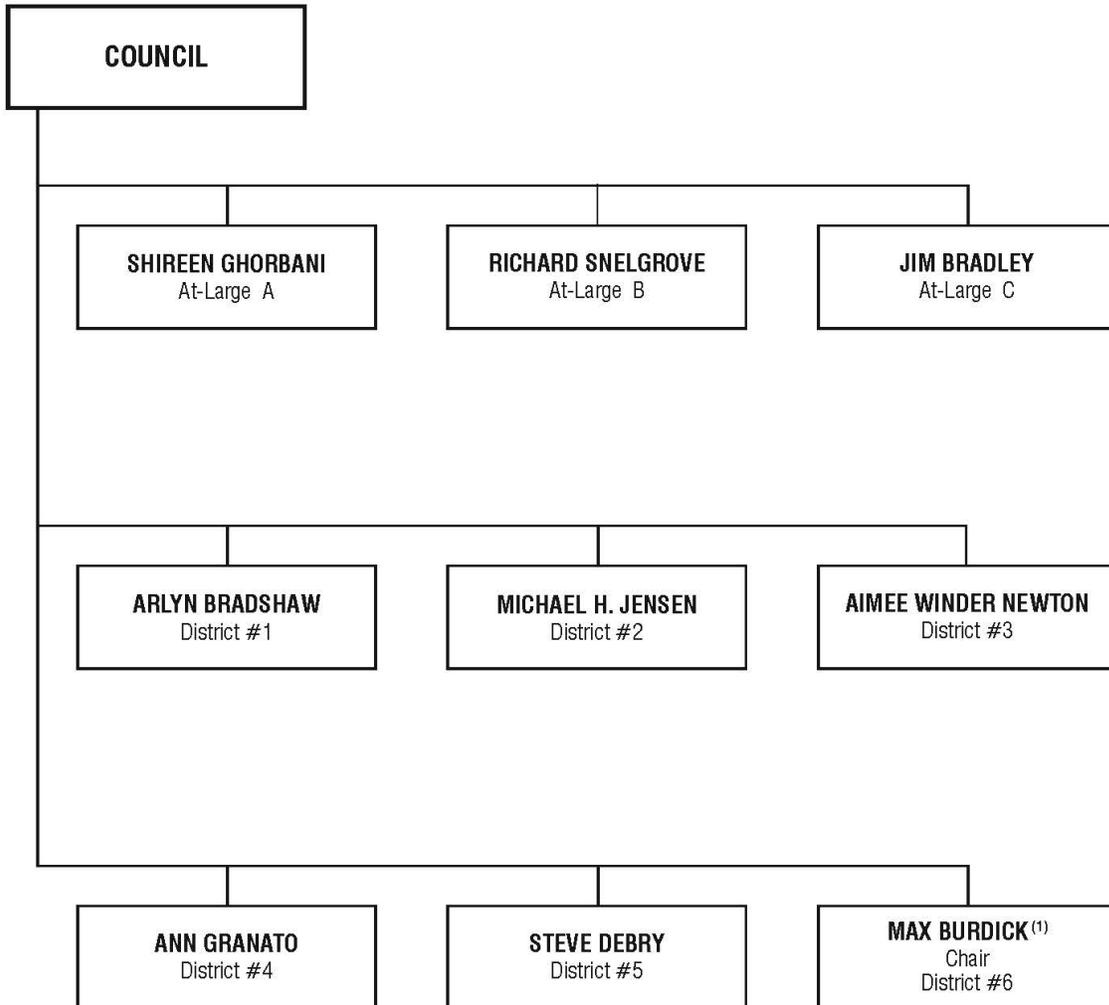
Deputy Mayor of Finance & Administration (CFO) <i>Darrin Casper</i>	Deputy Mayor of County Services (CAO) <i>Erin Litvack</i>	Deputy Mayor of Regional Operations (CRO) <i>Catherine Kanter</i>	Mayor Wilson Mayor's Office
<p><b>Associate Deputy Mayor:</b> Jill Miller</p> <p><u>Office of Finance</u>  <b>Budget:</b> Rod Kitchens  <b>Accounting:</b> Shanell Beecher  <b>Finance &amp; Payroll:</b> Greg Folta</p> <p><u>Dept. Administrative Services</u>  <b>Director:</b> Megan Hillyard                      -Records &amp; Archives                      -Contracts &amp; Procurement                      -Data &amp; Innovation                      -Facilities                      -IS / IT                      -Real Estate                      -Addressing</p> <p><u>Human Resources</u>  <b>Director:</b> Kathleen Johnston</p> <p><u>Internal Communications</u>  <b>Manager:</b> Melina Myers</p> 	<p><b>Associate Deputy Mayor:</b> Kimberly Barnett</p> <p><u>Office of Convention &amp; Visitor Services</u>  <b>Salt Palace Convention Center:</b> Dan Hayes, SMG*  <b>Mountain America Expo Center:</b> Dan Hayes, SMG*  <b>Convention/Visitor Sales &amp; Marketing:</b> Kaitlin Eskelson, VSL*</p> <p><u>Office of Criminal Justice Initiatives</u>  <b>Director:</b> Jojo Liu</p> <p><u>Office of Programs &amp; Partnerships</u>  <b>Director:</b> Katherine Fife                      -Continuum of Care                      -SLV Coalition to End Homelessness</p> <p><u>Dept. Community Services</u>  <b>Director:</b> Holly Yocom  <b>Assoc Director:</b> Robin Chalhoub                      -Arts &amp; Culture/Eccles Theater                      -Zoo, Arts &amp; Parks                      -Clark Planetarium                      -Parks &amp; Recreation/Golf                      -Equestrian Park                      -Libraries                      -Children's Museum</p> <p><u>Dept. Human Services</u>  <b>Director:</b> Karen Crompton  <b>Assoc Director:</b> Christopher Otto                      -Health Department                      -Aging &amp; Adult Services                      -Youth Services                      -Criminal Justice Services                      -Behavioral Health Services                      -USU Extension Services                      -Indigent Defense</p>	<p><b>Associate Deputy Mayor:</b> Mike Reberg</p> <p><u>Dept. Public Works</u>  <b>Director:</b> Scott Baird                      -PW Operations &amp; Street Lights                      -PW Engineering                      -Planning &amp; Zoning                      -Animal Services                      -Flood Control Engineering                      -Fleet</p> <p><u>Salt Lake County Landfill</u>  <b>Executive Director:</b> Patrick Craig</p> <p><u>Emergency Services</u>  <b>Unified Fire Authority</b>  <b>Representative:</b> Clint Mecham</p> <p><u>Office Regional Development</u>  <b>Director:</b> Dina Blaes  <b>Economic Development:</b> Blake Thomas  <b>Planning and Transportation:</b> Ryan Perry  <b>Housing &amp; Community Development:</b> Mike Gallegos  <b>Environmental Program Manager:</b> Michael Shea  <b>Special Projects:</b> Valerie Walton</p>	<p><b>Chief of Staff:</b> Kerri Nakamura</p> <p><u>Mayor's Office Administration</u>  <b>Office Administrator:</b> Michelle Hicks                      Executive Asst to Mayor: Abby Laver                      Executive Asst: Destiny Garcia                      Executive Asst: Sherri Trujillo                      Receptionist: Mariah Espinal</p> <p><u>Special Initiatives</u>  <b>Director:</b> Karen Hale                      -Diversity &amp; Inclusion: Lorena Riffon-Jenson*                      -New Americans &amp; Refugees: Ze Xiao</p> <p><u>Communications</u>  <b>Communications Director:</b> Chloe Morroni  <b>Communications Assistant:</b> Gabe Moreno</p> <p><b>Outreach and Strategy Senior Advisor:</b> Eric Biggart</p> <p><b>Legislative Affairs Director &amp; Senior Advisor:</b> Justin Stewart</p>

\*Contracted Employees/Organizations

Last Updated 06/04/20

# SALT LAKE COUNTY ORGANIZATIONAL CHART

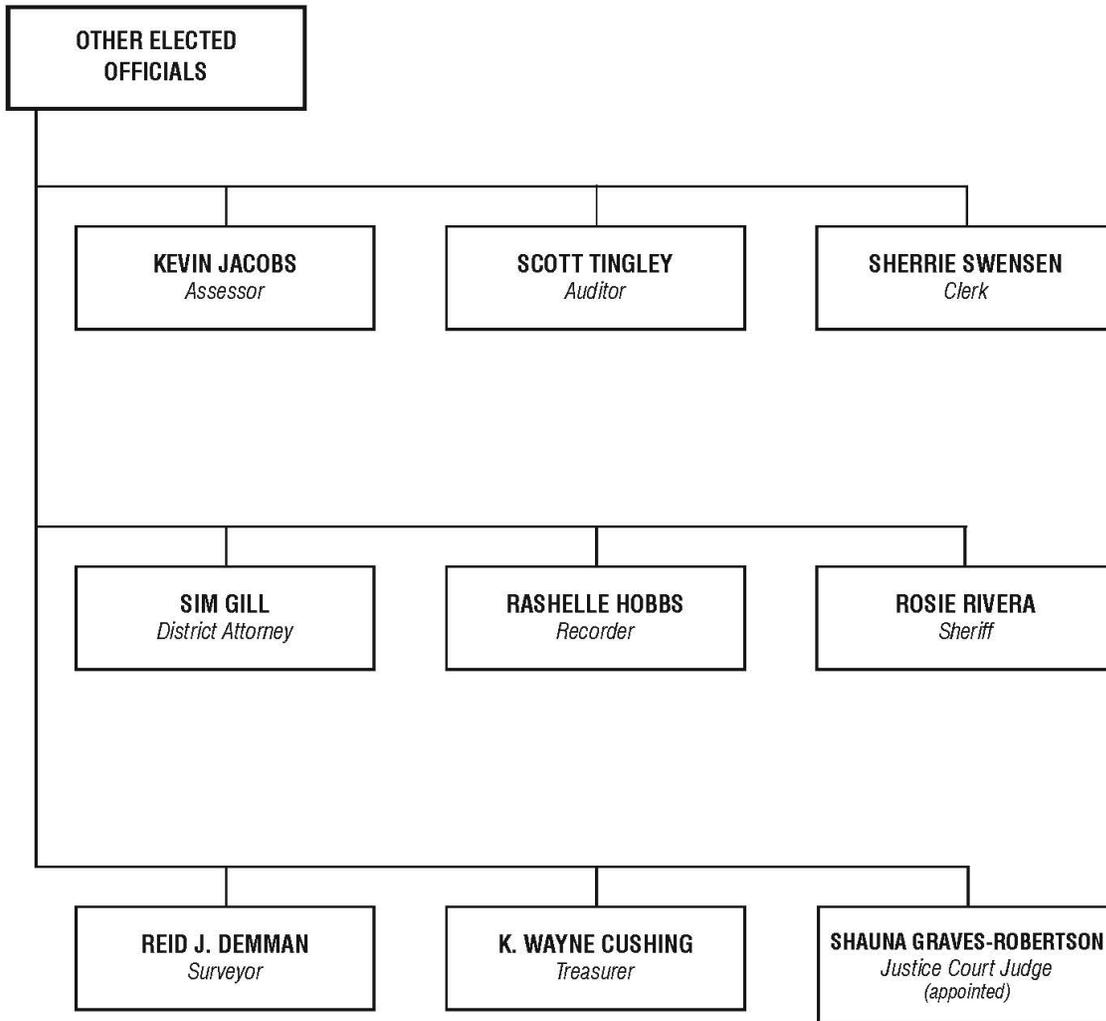
As of June, 2020



<sup>(1)</sup> Max Burdick was elected Council Chair January 14, 2020.

# SALT LAKE COUNTY ORGANIZATIONAL CHART

As of June, 2020



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## Independent Auditor's Report

Honorable Mayor Wilson and Members of the County Council  
Salt Lake County, Utah

### **Report on the Basic Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Salt Lake County, Utah (the County) as of and for the year ended December 31, 2019, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Basic Financial Statements***

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

#### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Salt Lake County, Utah as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 1 to the basic financial statements, in 2019, the County adopted Government Accounting Standards Board Statement No. 84, *Fiduciary Activities* and Government Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Our opinions on the basic financial statements are not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the information about infrastructure assets reported using the modified approach, the schedules of the County's proportionate share of the net pension liability (asset) – Utah Retirement Systems, the schedules of County contributions – Utah Retirement Systems, the schedules of changes in the County's net OPEB liability and related ratios – other postemployment benefit plan, the schedules of County contributions – other postemployment benefit plan, the schedules of County investment returns – other postemployment benefit plan, and the related notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 the County's internal control over financial reporting and compliance.

*Squire + Company, PC*

Orem, Utah  
June 24, 2020

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**Salt Lake County, Utah**  
**Management's Discussion and Analysis (MD&A)**

The following narrative is presented to facilitate a better understanding of the financial position and results of activities of Salt Lake County, Utah (the County) as of and for the year ended December 31, 2019. We encourage readers to consider the information presented in this document as well as in here in the transmittal letter, the basic financial statements, and the notes to the basic financial statements. For simplification, numbers are generally rounded to the nearest one-hundred thousand dollars, thus may vary from numbers in the body of this report.

**Financial Highlights**

- The County's total net position (the amount by which assets and deferred outflows of resources exceed liabilities and deferred inflows of resources) as of December 31, 2019 was \$841.9 million. Net position increased by \$56.3 million during 2019.
- Total fund balances in the governmental funds increased in 2019 by 4.2% to \$484.7 million. Most of the largest changes took place in the major governmental funds and are discussed in the *Financial Analysis of Salt Lake County's Funds* section of the management's discussion and analysis.
- The County is actively involved in construction projects including the Draper City recreation center, mid-valley cultural center, and multiple libraries, as well as improvements to various parks, county facilities, software development and infrastructure with costs totaling \$67.9 million in 2019. New buildings completed and placed into service during the year totaled \$40.9 million; including \$14.0 million for a downtown health clinic, \$6.2 million for a park and public works operations building complex, \$5.3 million for a library facilities shop, \$6.1 million for Capital Theatre building improvements, and \$3.0 million for the Holladay Library expansion.
- Taxes comprise the largest source of revenue for the County. During 2019, every tax stream increased and in total taxes increased \$80.6 million, or 11.6%. A continuing improvement in collection rates, the economy, and increasing occupancy rates resulted in strong increases in property, sales, and transient room tax collections. New legislation enabled the County to levy an additional transportation tax in 2018. Per statute, the County recognized and appropriated 100% of collections from October 2018 through June 2019. Beginning on July 1, 2019, the County share is 20%, with the remaining 80% passed-through to municipalities within Salt Lake County and the Utah Transit Authority. This levy resulted in \$48.0 million in new revenue for 2019 that is restricted for transportation projects.
- In 2019, Kearns Library, LLC, which is controlled by Salt Lake County, NMTC, Inc., a blended component unit of the County, was created and issued \$14.1 million in promissory notes to begin construction on the Kearns library.
- The County issued two new series of bonds in 2019. General obligation bonds of \$39.6 million were issued for the purpose of paying costs of acquisition, construction, renovation, improvement and equipping of parks and recreation facilities. The bonds are the second and final tranche of bonds issued from a 2016 Bond Election. Lease revenue bonds of \$17.8 million were issued to finance a portion of the costs of acquisition, construction, improvements and equipping of a library operations center and two libraries, and to finance the acquisition of a collection of books and digital media for one of the libraries.
- June 15, 2019 was the crossover date for \$27.9 million in general obligation crossover refunding bonds issued in 2016. On that date the County used funds held in escrow from the 2016 bond issuance to refund in advance \$18.6 million of 2009B general obligation bonds and \$13.4 million of 2010B general obligation bonds. The crossover refunding resulted in a net present value savings of \$2.2 million.
- During 2019 the County entered into an agreement with Shelter the Homeless, Inc. to loan up to \$21.0 million for the construction of three homeless resources centers in Salt Lake County. The outstanding receivable balance at the end of December was \$16.7 million.

## Overview of the Financial Statements

The financial section of this report includes five parts: 1) the independent auditor's report; 2) management's discussion and analysis; 3) the basic financial statements and related note disclosures; 4) required supplementary information and related note disclosures; and 5) supplementary information. Two distinct ways of presenting financial information are found within the basic financial statements: 1) the government-wide financial statements, and 2) the fund financial statements.

Immediately following the notes to the basic financial statements, the required supplementary information contains narrative and schedules about 1) the County's infrastructure (roads), 2) the County's proportionate share of the net pension liability for benefits provided through pension plans administered by Utah Retirement Systems, and contributions to those plans and, 3) multi-year actuarial information regarding the County's other postemployment benefit plan. Thereafter, the supplementary information contains additional fund data, such as combining schedules and individual fund budget-to-actual comparisons. The supplementary information also includes a property tax collection and disbursement schedule.

**Government-wide financial statements:** The government-wide financial statements provide a view of County finances as a whole, similar to a non-governmental or for-profit entity. They consist of the statement of net position and the statement of activities.

The *statement of net position* shows the County's assets and deferred outflows of resources offset by the liabilities and deferred inflows of resources, with the difference being reported as *net position*. This number (and the related change in net position from year to year) is an important financial measurement to enable understanding of the financial position of the County and whether financial position improves or declines each year. To evaluate the County's overall economic condition, however, the reader needs to consider other important factors such as the economic outlook, stability of and control over revenue sources, and the condition of and plan to maintain capital assets. An analysis of economic condition can assist in determining whether the County's current financial position will improve or decline in the future.

The *statement of activities* shows how the County's net position changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires revenue or expense to be recognized (the accrual basis of accounting), regardless of when the related cash is received or disbursed. For example, tax revenues are reported when the taxes are legally due, even though they may not be collected for some time after that date; and an obligation to pay benefits to employees is reported as an expense as the employee provides services, even though the obligation may not be paid until later.

There are two distinct types of activities reflected in the government-wide statements. *Governmental activities* are supported primarily by taxes, and grants and contributions. *Business-type activities* are activities where all costs (or at least a significant portion of costs) are intended to be recovered through user fees and charges.

As reported by the County, governmental activities are comprised of these functions, which include the following distinct County functions:

- *General Government*—Council; Mayor Administration; Mayor's Financial Administration; Clerk; Election Clerk; Auditor; Recorder; Surveyor; Information Services; Contracts and Procurement; Human Resources; Records Management and Archives; Printing; Facilities Management; Addressing; and General Fund Statutory and General.
- *Public Safety and Criminal Justice*—District Attorney; County Jail; Sheriff Court Services and Security; Sheriff Investigation and Support; Sheriff Law Enforcement; Criminal Justice Services; Emergency Services; Indigent Legal Services; and Governmental Immunity.
- *Social Services*—Youth Services; Behavioral Health Services; Aging and Adult Services; Transportation, Regional and Economic Development; Grant Programs Statutory and General; and Revolving Loan Programs.
- *Education, Recreation and Cultural*—USU Extension Services; Parks; Recreation; Zoo, Arts and Parks Programs; Libraries; Planetarium; Wheeler Farm; Millcreek Canyon; Tourism, Recreation, Cultural, and Convention (TRCC) which includes Calvin L. Rampton Salt Palace Convention Center, Mountain America Exposition Center, Equestrian Park and Events Center, and Salt Lake County Arts and Culture; Visitor Promotion Contract; Visitor Promotion County Expenditures; and Open Space.
- *Health and Regulatory*—Health Department.
- *Public Works*—Flood Control Engineering; Flood Control Projects; Redevelopment Agency; and Transportation Preservation.

- *Tax Administration*—Assessor; Treasurer; Tax Administration Statutory and General; also the tax administration functions in the following offices: Council, Auditor, Recorder, District Attorney, and Surveyor.

Business-type activities include:

- *Golf Courses*—The County operates six golf courses.
- *Public Works and Other Services*—Street Lighting, Animal Services, Road Projects and Maintenance, Public Works Engineering, and Justice Courts

**Fund financial statements:** As is common in other state or local government entities, the County uses *funds* to account for separate activities and to help demonstrate compliance with financially related legal requirements, such as budgetary compliance and the restricted use of certain revenue sources. A fund is a set of closely related accounts used to maintain control over financial resources which have been segregated for specific activities or purposes. All funds are categorized as governmental, proprietary, or fiduciary, which are explained below.

- *Governmental Funds*—The financial statements for governmental funds illustrate essentially the same services and functions consolidated in governmental activities as shown in the government-wide statements. However, the accounting and reporting for governmental funds is determined with a different approach. At the fund level, the focus is on changes in near-term spendable resources and the balance available to spend at the end of the fiscal year, rather than on long-term net position. To facilitate understanding, a reconciliation between the two types of statements is presented immediately following each of the governmental fund statements.

The General Fund is the primary operating governmental fund of the County. There are thirty-one governmental funds included in this report. Five of the thirty-one funds are considered major funds: General Fund; Grants Programs Fund; Transportation Preservation Fund; Tourism, Recreation, Cultural, and Convention (TRCC) Fund; and General Government Debt Service Fund. A summary of the other funds is combined into one column for nonmajor governmental funds. The composition of the nonmajor funds is shown in combining statements later in the report under the supplementary information section. The County is required to adopt an annual budget showing appropriations for all governmental funds. To demonstrate legal compliance, statements comparing budget-to-actual numbers for the General Fund and major special revenue funds are included in the basic financial statements. Budget-to-actual schedules for all governmental funds are included in the supplementary information.

- *Proprietary Funds*—Proprietary funds are categorized as either *enterprise* or *internal service*.

Enterprise funds are used to report business-type activities, just as is done at the government-wide level. The County reports two enterprise funds: the Golf Courses Fund and the Public Works and Other Services Fund.

Internal service funds provide services to County organizations on a cost-reimbursement basis. The County reports three internal service funds in 2019: Fleet Management (to provide vehicles for County use), Facilities Services (to provide maintenance and related services for County buildings and to provide telecommunication services), and Employee Service Reserve (primarily for the management of retained risks of the County). Because these internal service activities primarily benefit governmental functions (rather than business-type functions), they have been included in the government-wide statements under governmental activities. Combining statements for the individual internal service funds are shown later in the report under the supplementary information section.

- *Fiduciary Funds*—Fiduciary funds are those used to account for resources, which (although held by the County) are for the benefit of other entities or individuals. Since these are resources which cannot be used for County programs, they are not included in the government-wide statements. In general, the accounting approach for fiduciary funds is similar to that used for proprietary funds. The County reports an Other Postemployment Benefit Trust Fund (OPEB) and five custodial funds. The most significant custodial fund is the Treasurer's Tax Collection Custodial Fund.

### **Financial Analysis of the County as a Whole (Government-wide Financial Statements)**

As of December 31, 2019, the County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$841.9 million (net position); \$627.5 million, or 74.5% of this amount, is represented by the *investment in capital assets*, net of debt outstanding related to the acquisition of those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Further, though the presentation here

shows capital assets net of related debt, the repayment of this debt does not come from the capital assets themselves, but from other resources.

**SALT LAKE COUNTY'S Net Position**

**December 31, 2019 and 2018**

(in millions of dollars)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>		<b>Change 2019-2018</b>
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	
Current and other assets	\$ 765.4	\$ 700.8	\$ 9.6	\$ 8.7	\$ 775.0	\$ 709.5	\$ 65.5
Capital assets	997.0	958.5	45.2	44.7	1,042.2	1,003.2	39.0
Total assets	1,762.4	1,659.3	54.8	53.4	1,817.2	1,712.7	104.4
Deferred outflows of resources	92.4	72.9	5.3	4.8	97.7	77.7	20.0
Other liabilities	161.7	123.2	5.1	2.9	166.8	126.2	40.7
Long-term liabilities outstanding	869.1	811.7	17.8	17.1	886.9	828.8	58.2
Total liabilities	1,030.8	934.9	22.9	20.0	1,053.8	954.9	98.9
Deferred inflows of resources	18.1	46.6	1.2	3.3	19.2	49.9	(30.7)
Net position:							
Net investment in capital assets	584.6	572.8	42.9	42.3	627.5	615.1	12.4
Restricted	234.3	220.5	0.8	0.6	235.2	221.2	14.0
Unrestricted	(13.0)	(42.5)	(7.8)	(8.1)	(20.8)	(50.7)	29.9
Total net position	<u>\$ 805.9</u>	<u>\$ 750.8</u>	<u>\$ 35.9</u>	<u>\$ 34.8</u>	<u>\$ 841.9</u>	<u>\$ 785.6</u>	<u>\$ 56.3</u>

The other categories of net position are *restricted* and *unrestricted*. Restricted funds of \$235.2 million are reported to comply with provisions in contracts and agreements with outside entities which dictate these amounts must be used for specific purposes, to comply with bond covenants, or to comply with other legal requirements. The last category is unrestricted, and any positive balances in this category would be available to meet general, ongoing financial obligations.

Unrestricted net position at the end of 2019 was negative \$13.0 million for governmental activities and negative \$7.8 million for business-type activities. Negative balances are due to reporting the full obligation related to the County's other postemployment benefit plan and the County's proportionate share of the Utah State Retirement net pension liability.

The County's combined net position increased during 2019, by \$56.3 million to \$841.9 million. Significant changes are discussed in the following sections for governmental activities and business-type activities.

**SALT LAKE COUNTY'S Changes in Net Position**  
**Years Ended December 31, 2019 and 2018**  
(in millions of dollars)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>		<u>Change</u>
	<u>Activities</u>		<u>Activities</u>				
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019-2018</u>
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 177.0	\$ 186.9	\$ 46.9	\$ 47.2	\$ 223.9	\$ 234.1	\$ (10.2)
Operating grants and contributions	115.6	100.6	1.6	1.6	117.2	102.2	15.0
Capital grants and contributions	8.2	4.0	—	—	8.2	4.0	4.2
General revenues:							
Property taxes	304.2	288.8	—	—	304.2	288.8	15.4
Sales taxes	141.8	135.6	—	—	141.8	135.6	6.2
Transient room taxes	27.7	26.8	—	—	27.7	26.8	0.9
Mass transit taxes	286.4	230.1	—	—	286.4	230.1	56.3
Tax equivalent payments	15.3	14.6	—	—	15.3	14.6	0.7
Cable television taxes	1.2	0.1	—	—	1.2	0.1	1.1
Investment earnings	7.4	5.0	0.1	(2.2)	7.5	2.8	4.7
Total revenues	<u>1,084.8</u>	<u>992.5</u>	<u>48.5</u>	<u>46.6</u>	<u>1,133.4</u>	<u>1,039.1</u>	<u>94.3</u>
<b>Expenses:</b>							
Governmental activities:							
General government	50.8	34.9	—	—	50.8	34.9	15.9
Public safety and criminal justice	202.3	200.6	—	—	202.3	200.6	1.7
Social services	182.7	173.3	—	—	182.7	173.3	9.4
Educational, recreational, and cultural	205.1	201.3	—	—	205.1	201.3	3.8
Health and regulatory	45.5	42.8	—	—	45.5	42.8	2.7
Public works	295.8	246.2	—	—	295.8	246.2	49.6
Tax administration	28.4	26.6	—	—	28.4	26.6	1.8
Interest on long-term debt	18.4	18.7	—	—	18.4	18.7	(0.3)
Business-type activities:							
Golf courses	—	—	8.3	7.7	8.3	7.7	0.6
Public works and other services	—	—	39.1	38.0	39.1	38.0	1.1
Total expenses	<u>1,029.2</u>	<u>944.4</u>	<u>47.4</u>	<u>45.7</u>	<u>1,076.6</u>	<u>990.1</u>	<u>86.5</u>
Change in net position before transfers and special items	55.6	48.1	1.1	0.9	56.8	49.0	7.8
<b>Transfers</b>	—	0.2	—	(0.2)	—	—	—
<b>Special items</b>	(0.5)	(9.9)	—	—	(0.5)	(9.9)	9.4
Change in net position	55.1	38.4	1.1	0.7	56.3	39.1	17.2
<b>Net position, beginning</b>	<u>750.8</u>	<u>712.4</u>	<u>34.8</u>	<u>34.1</u>	<u>785.6</u>	<u>746.5</u>	<u>39.1</u>
<b>Net position, ending</b>	<u>\$ 805.9</u>	<u>\$ 750.8</u>	<u>\$ 35.9</u>	<u>\$ 34.8</u>	<u>\$ 841.9</u>	<u>\$ 785.6</u>	<u>\$ 56.3</u>

**Governmental activities:** During 2019 changes in net position from the current year's activities resulted in an increase of \$55.1 million for an ending balance of \$805.9 million. Expenses for the County's governmental activities increased by \$84.8 million, or 9.0%, while revenues and transfers increased by \$92.2 million, or 9.3%.

Taxes comprise the largest source of revenue for the County; \$776.6 million was recognized from all tax sources, which is 71.6% of total revenues for governmental activities.

- Combined property taxes and tax equivalent payments increased by \$16.1 million, or 5.3%, compared to 2018. Property taxes include \$22.8 million of pass-through taxes (taxes levied by the County for other governments).

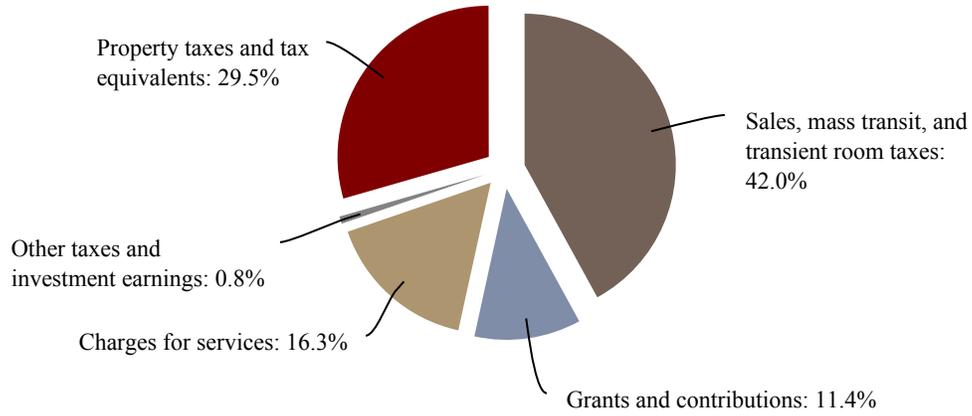
- Combined sales taxes and transient room taxes increased by \$7.1 million, or 4.4%, compared to 2018. The increase is indicative of what was a slowing, but still growing economy. It also includes collections associated with new legislation effective in the 4th quarter requiring marketplace facilitators to collect sales tax for smaller sellers. Transient room taxes increased \$0.9 million in 2019 due to growing occupancy and average daily room rates of hotels across the County. Transient room taxes include \$3.7 million of taxes levied but transferred to another government to service debt related to a soccer stadium project.
- Mass transit taxes increased by \$56.3 million, or 24.5%, compared to 2018. \$48.0 million of the increase is due to a transit tax levy effective October 2018 and of which the County received 100% through June of 2019 and 20% thereafter. The remaining growth reflects a growing economy that began to stabilize in 2019. Mass transit taxes include \$239.3 million of taxes levied by the County and collected by the state of Utah that are forwarded directly to the Utah Transit Authority, municipalities within Salt Lake County, and the Utah Department of Transportation.
- Program revenues increased \$9.3 million from 2018, to a total of \$300.8 million. The increase was primarily due to higher yield on restricted investment earnings in capital project funds and contributions from municipalities for capital projects. Program revenues totaled 29.2% of expenses, compared to 30.9% in 2018.

Overall, expenses in 2019 for governmental activities increased by \$84.8 million, or 9.0%, compared to 2018.

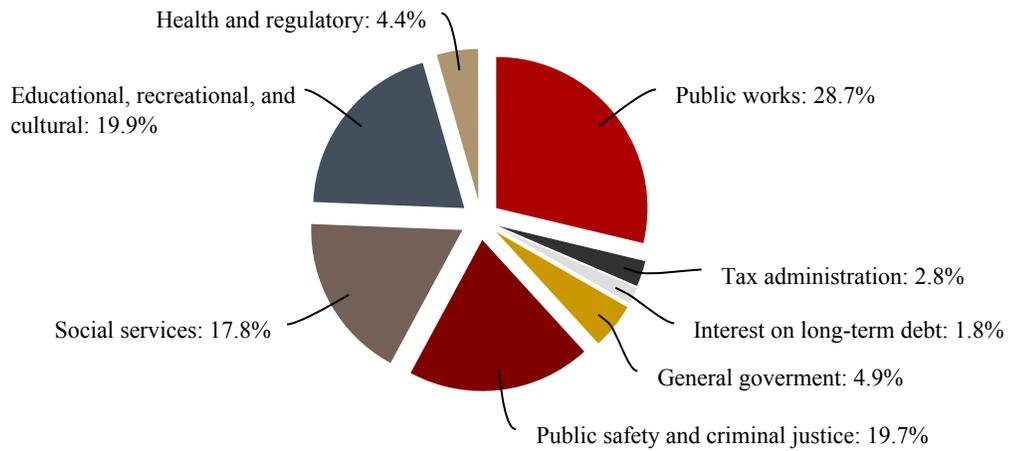
- General government expenses increased by \$15.9 million. The largest component of this increase was the result of an \$11.6 million increase in pension expense in 2019. The County participates in Utah State Retirement System plans. More information can be found in Note 10 to the basic financial statements. Additional increases across various departments in the County were seen in 2019 services related to the revenue increases. The largest increase was \$1.5 million in information technology due largely to increased maintenance costs for essential systems, the implementation of Multi-Factor Authentication to improve system security, and the development of a new property tax system.
- Social services expenses increased by \$9.4 million in 2019 and this was primarily attributable to an increase of \$7.1 million in pass-through property tax expenditures due to new legislation in 2019 requiring prior year tax increases to be passed through to the related community reinvestment areas (CRAs). The legislation adjusted the certified tax rate to pay for the expense.
- Public works expenses increased by \$49.6 million in 2019. The largest increase was in pass-through mass transit dollars of \$34.9 million. This increase is largely due to the receipt of a 4th levy of mass transit sales tax, effective July 2019 provides the County 20% of the levy and passes 80% to municipalities and the Utah Transit Authority. The increase in pass-through tax revenue and expense related to this new revenue stream was \$26.7 million in 2019. The 4th levy increased County transportation projects by \$6.7 million. The remainder of the increase is largely due to spend down during 2019 of a one-time receipt of \$46.9 million in 2017 from the State of Utah. These dollars are largely paid out to other governments on a reimbursement basis for qualifying transportation projects.

The following charts depict revenue sources and expenses for governmental activities with material changes noted above.

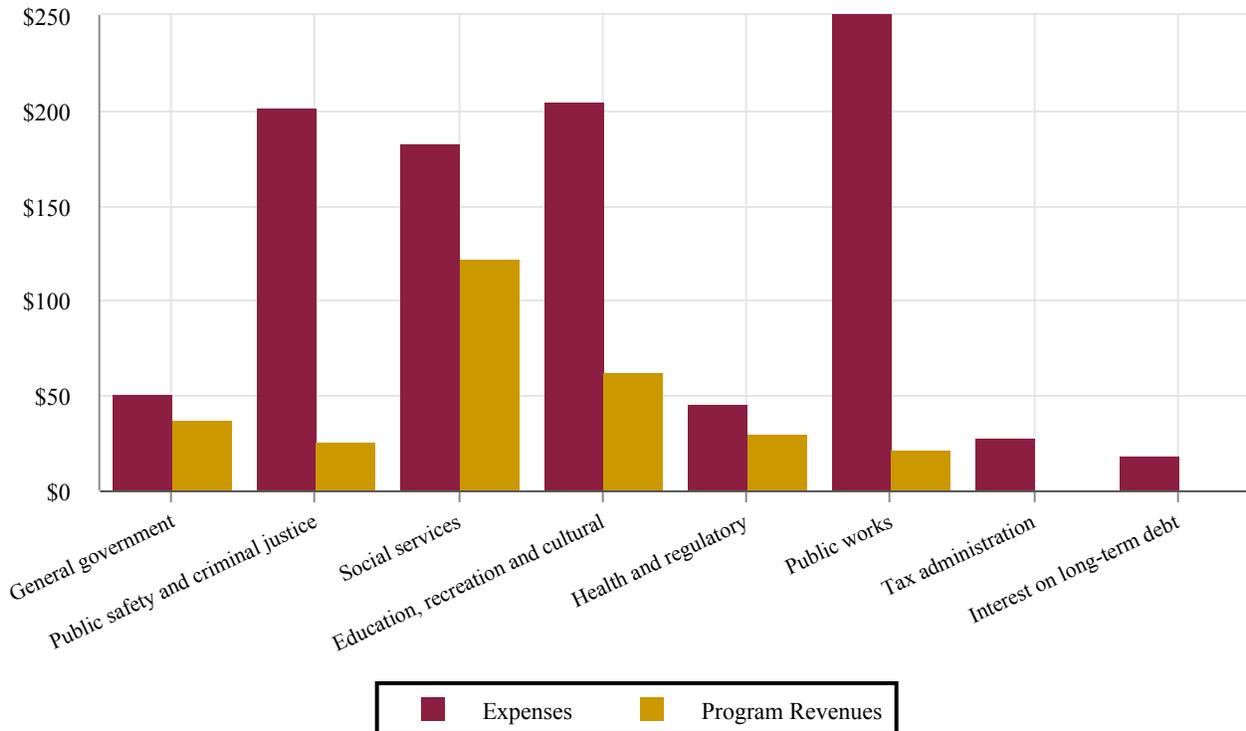
**Salt Lake County  
Revenues by Source - Governmental Activities  
Year Ended December 31, 2019**



**Salt Lake County  
Expenses by Function - Governmental Activities  
Year Ended December 31, 2019**



**Salt Lake County**  
**Expenses and Program Revenue - Governmental Activities**  
**Year Ended December 31, 2019**  
**(in millions of dollars)**



**Business-type activities:**

During 2019, changes in net position for business-type activities increased by \$1.1 million to an ending balance of \$35.9 million. Revenues for these activities increased by \$1.9 million, while total expenses and transfers out increased by \$1.5 million. The increase in net position is largely due to one-time grants and contributions of Mick Riley Golf Course land and a work order system built in the Public Works and Other Services Fund that is being utilized by other organizations. Additionally, the Public Works and Other Services Fund right-sized its contracts during 2019 to include all fixed costs.

To the extent feasible, the County establishes user fees and charges for its business-type activities at a level to recover the full cost of operations, including replacement of capital assets, and to meet other long-term financial needs.

**Financial Analysis of Salt Lake County’s Funds**

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act for Counties (*Utah Code*, Title 17, Chapter 36) and the restricted use of resources.

**Governmental funds:** The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and the constraints placed on fund balance resources. As the County completed the year, the combined fund balance of its governmental funds was \$484.7 million, \$19.5 million more than the prior year. The primary reasons for the change in governmental fund balances mirror those highlighted in the analysis of governmental activities. In addition, certain information regarding fund balances should be noted:

- The General Fund is the principal operating fund of the County. As of December 31, 2019, the unassigned fund balance of the General Fund was \$65.5 million. This amount represents 18.0% of the General Fund’s total budgeted expenditures. For budgeting and financial management purposes and to help maintain the County’s triple-A bond rating, the County has

adopted *Financial Goals and Policies*, which require 10% of General Fund budgeted expenditures to be held in reserve. The minimum reserve requirement is \$36.5 million for 2019. The December 31, 2019 General Fund unassigned fund balance exceeds the minimum reserve by \$29.0 million.

- Total fund balance of the General Fund increased in 2019 by \$12.8 million or 15.1%. Total revenues in the General Fund increased by \$17.0 million, which outpaced the increase in expenditures of \$4.1 million. In 2018 there were a few large one-time expenditures, such as the purchase of land in proximity to new homeless resource centers and retention incentives paid to public safety officers in the jail, that obscure the expenditure growth in relation to the revenue growth. Revenue increases in 2019 include \$6.5 million in increased federal revenue for economic development and jail programs and \$4.2 million in recorder fees there were increased via state legislation effective May of 2019.
- The Grant Programs Fund had an increase in total revenue of \$4.9 million in 2019, which was largely due to the net impact of a \$7.1 million increase in pass-through property tax expenditures from new legislation in 2019 requiring the benefit of prior-year tax increases be passed through to the related community reinvestment areas (CRAs), and a \$2.5 million net decrease in behavioral health grants. The grant decrease was due to a reduction in Medicaid-eligible individuals as a result of a strong economy and changes brought by Medicaid expansion. Expenditures held relatively steady in 2019 as \$7.1 million of the \$8.7 million increase over 2018 was due to the pass-through property taxes. The recurring net transfer from the General Fund decreased \$0.5 million as compared to 2018. The Grant Programs Fund experienced a \$2.1 million decrease to fund balance in 2019.
- The ending fund balance in the Transportation Preservation Fund increased \$11.5 million; from \$107.4 million in 2018 to \$118.9 million in 2019. The increase is largely due to the receipt of \$21.0 million from a 4th levy of mass transit sales tax. The County received 100% of the levy from October 2018 to June 2019. After June 2019, the County receives 20% and passes the remaining 80% to municipalities and the Utah Transit Authority. The increase in pass-through tax revenue and expense related to this new stream in 2019 was \$26.7 million. Overall, the increase in revenues outpaced the spending. The fund balance is held for transportation preservation projects.
- The ending fund balance for the Tourism, Recreation, Cultural, and Convention (TRCC) Fund increased \$0.9 million in 2019. Restaurant sales tax and transient room taxes, which are the main source of revenue for this fund, increased \$2.4 million and \$0.9 million, respectively, during 2019 due to a continual upward climb in the economy, high occupancy rates, and high room rates. Expenditures in the TRCC Fund increased \$0.5 million as compared to 2018, due largely to the net impact of \$5.2 million increased operational expenses and a \$4.8 million decrease in debt service expenditures. The debt service decrease is reflective of a one-time principal payment in 2018 associated with unwinding a new market tax credit transaction. The largest operational increases took place in Salt Palace Convention Center, arts and culture, and visitor promotion programming. The fund balance in the TRCC Fund is limited to tourism, recreation, convention, and cultural programs.
- The ending fund balance in the General Government Debt Service Fund decreased from \$45.9 million in 2018 to \$12.6 million in 2019. The significant decrease is due to the utilization of 2016 general obligation crossover bond proceeds, held in escrow, to refund \$32.1 million of 2009B and 2010B general obligation bonds. The crossover refunding took place on June 15, 2019. Combined property tax and tax equivalent payment revenues decreased by \$2.0 million due to a downward adjustment to the tax rate. The general government debt service tax levy is annually adjusted in line with Utah State Code to cover the general obligation debt service payments of the County each year.

**Proprietary funds:** The County's proprietary funds provide similar information to the government-wide financial statements for business-type activities, but include the internal service funds and additional detail.

The County reports two major proprietary funds, the Golf Courses Enterprise Fund and Public Works and Other Services Enterprise Fund. The services provided in these funds are primarily funded by user fees.

- The change in net position in the Golf Courses Fund for 2019 was a decrease of \$0.2 million. This is due to rising costs and price competition. The loss was mitigated in 2019 due to a contribution of \$0.9 in land that is part of the Mick Riley Golf Course. Golf course management is exploring additional revenue sources and optimizing existing outputs and expenses in response to those conditions.
- The Public Works and Other Services Enterprise Fund experienced an increase in net position during 2019 of \$1.4 million. This increase was largely due to right sizing contracts to include all fixed costs for the fund. The increase also

included one-time contributions in 2019 for a work order system from other County organizations that utilize the software and a true-up from the split off of the Municipal Services District.

### **General Fund Budgetary Highlights**

For 2019, actual revenues of \$360.9 million (on a budgetary basis) were 0.7% lower than the final budgeted revenues. Current year property tax revenues and tax equivalent payments were 1.4% over budget and sales tax revenues were over budget by 0.8%. The property tax revenue positive variance is attributable to a collection rate that was higher than the five-year average used in the budget, to motor vehicle fee-in-lieu of taxes revenue declining less than expected, and a combination of other favorable variances in the actual components of distribution relative to budget. Actual grants and contribution revenue was higher than the final budget but is mostly offset on the charges for services line due to budgeting some of the revenue in a legacy account. For the remaining variance, normally, grants and contribution revenue is budgeted at amounts awarded whereas actual revenues are recognized when services are performed.

The final adopted expenditure budget for the General Fund was \$365.0 million in 2019, which represents a \$5.3 million, or 1.5%, increase in comparison with the original 2019 adopted budget. The largest portions of the increase are in the general government function attributable to an increase for contracted elections expenses, an increase for legacy system modernization and overhead costs, and in the public safety and criminal justice function attributable to increased indigent legal, in-custody medical, and overhead costs.

Actual expenditures on a budgetary basis were \$337.0 million which was approximately \$28.0 million, or 7.7%, less than the final adopted budget. This variance is primarily attributable to “budgetary under-expend”. County agencies typically do not expend their entire budget. For example, when an employee resigns or retires, recruitment and selection of a new employee often occurs weeks after the position becomes vacant. The resulting savings for the period a position is vacant has the effect of reducing expenditures. Savings generated in this fashion were increased beginning in 2015 by a policy decision to deny requests to shift savings in personnel costs to other sectors of budgets. Other components of the under-expend in 2019 are attributable to lower than expected utilities costs, capital projects carried over to the ensuing year, pass-through grant distributions from the social services function to other entities, and to tort liability settlement and judgment costs that were lower than the budgeted contingency for these liabilities.

### **Capital Asset and Debt Administration**

**Capital assets:** The County’s investment in capital assets totaled \$1,042.1 million (net of accumulated depreciation) as of December 31, 2019. This investment in capital assets includes land; infrastructure (including roads, bridges, and flood control); construction in progress (CIP); buildings; improvements other than buildings; leasehold improvements; and furniture, fixtures, and equipment (including internally developed software). Capital asset investment increased in 2019 by \$39.0 million.

**SALT LAKE COUNTY'S Capital Assets**

**December 31, 2019 and 2018**

(net of accumulated depreciation, in millions of dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Change</u> <u>2019-2018</u>
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
Land	\$ 217.0	\$ 209.7	\$ 12.4	\$ 11.5	\$ 229.4	\$ 221.2	\$ 8.2
Infrastructure (roads)	18.1	17.5	—	—	18.1	17.5	0.6
Construction in progress	66.9	41.4	1.0	—	67.9	41.4	26.5
Buildings	523.5	516.0	11.1	11.9	534.5	527.9	6.6
Improvements other than buildings	100.9	103.4	17.9	18.3	118.8	121.7	(2.9)
Leasehold improvements	5.6	6.1	—	0.1	5.6	6.2	(0.6)
Furniture, fixtures, and equipment	41.2	42.7	2.8	2.9	44.0	45.6	(1.6)
Infrastructure (bridges, flood control)	23.8	21.6	—	—	23.8	21.6	2.2
Total	<u>\$ 997.0</u>	<u>\$ 958.4</u>	<u>\$ 45.2</u>	<u>\$ 44.7</u>	<u>\$ 1,042.1</u>	<u>\$ 1,003.1</u>	<u>\$ 39.0</u>

Major capital asset events during 2019 are discussed below:

- The net increase in land of \$8.2 million is largely due to land acquisitions for the Kearns and Granite libraries totaling \$6.3 million.
- Construction projects underway as of December 31, 2019 included the Draper City recreation center, mid-valley cultural center, and multiple libraries. The \$67.9 million in construction costs also includes software development and improvements to various parks, county facilities, and infrastructure.
- New buildings completed and placed into service during the year totaled \$40.9 million including \$14.0 million for a downtown health clinic, \$6.2 million for the park operations building complex, \$5.3 million for a library facilities warehouse, \$6.1 million for Capitol Theatre building improvements, and \$3.0 million for the Holladay Library expansion.
- Improvements other than buildings placed into service totaled \$6.8 million. This includes \$2.6 million for Mick Riley Golf Course, \$2.6 million for a parks and public works fuel station, truck wash, and landscaping, and \$1.6 million for other various park improvement projects.

Additional information on the County's capital assets can be found in Note 8 to the basic financial statements.

The County has adopted an allowable alternative to reporting depreciation for its road network. Under this alternative method, referred to as the "modified approach", the County must maintain an asset management system and demonstrate that its highways and roads are being preserved approximately at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

The County manages its road network using the County Pavement Management System. This system uses a measurement scale that considers the condition of the roads as denoted by a Pavement Condition Index (PCI), ranging from 0 to 100. A road is considered to be in "very good" condition when its PCI rating is between 94 and 100, in "good" condition when its PCI rating is between 76 and 93, in "fair" condition when its PCI rating is between 64 and 75, in "poor" condition when its PCI rating is between 41 and 63, and in "very poor" condition when its PCI rating is 40 or below.

It is the County's policy to maintain approximately 30% of its road network at a category level of "good" or "very good" (PCI rating of 76 or above) and allow no more than 20% at a category level of "very poor" (PCI rating of 40 or below). In order to achieve a complete condition assessment of all County roads within a period of three years, condition assessments are performed on approximately one-third of the roads annually. The most recent condition assessment, completed in 2019, shows that 48% of the County's roads were in "good" or better condition, compared to 42% in 2018 and 43% in 2017. Additionally, 4% of the roads assessed in 2019 were in "very poor" condition, compared to 11% in 2018, and 11% in 2017. In 2019, the County spent approximately \$0.5 million to maintain and preserve its roads, which was 45% of the estimated need. In 2018 and

2017, 91% and 55%, respectively, was spent of the estimated need. See also the Required Supplementary Information section (RSI) for additional modified approach information.

**Long-term debt:** As of December 31, 2019, the County had total bonded debt outstanding of \$528.7 million (net of unamortized premiums). Of the \$528.7 million, \$190.2 million is debt backed by the full faith and credit of the property owners within the County, payable from property tax revenue, and \$338.5 million is debt payable from sales and other tax revenues. Bonds retired in 2019, totaled \$76.2 million; \$32.0 million of the retirement was the result of the refunding of a portion of the 2009B and 2010B general obligation bonds using proceeds held in escrow from the 2016 General Obligation Crossover Bonds.

The remainder of the County’s long-term debt is comprised of capital leases and notes payable, made up primarily of \$23.8 million owed to the Redevelopment Agency of Salt Lake City as an investment in the Utah Performing Arts Center, \$33.0 million related to three new market tax credit transactions, and \$21.5 million for a loan from the State of Utah Infrastructure Bank Loan Fund.

New debt in 2019 includes \$46.5 million (\$39.6 million in principal with \$6.9 million in premium) in general obligation bonds to finance acquisition, construction, renovation, improvement and equipping of parks and recreation facilities; \$21.2 million (\$17.8 million in principal with \$3.4 in premium) in Municipal Building Authority lease revenue bonds to finance the acquisition, construction, improvements and equipping of a library operations center, two libraries and a library collection of books and digital media; and \$15.2 million in notes payable for the Kearns library new market tax credit project and an information technology systems maintenance agreement.

General obligation indebtedness is limited by Utah law to 2% of the fair market value of the taxable property in the County. The fair market value of taxable property in the County is \$173.6 billion as of December 31, 2019; the resulting debt limit is \$3.5 billion. At the close of the year, the County had \$190.2 million outstanding principal balance of general obligation debt, net of unamortized bond premiums, putting outstanding debt as of December 31, 2019 at 5.5% of the debt limit allowed by law.

**SALT LAKE COUNTY'S Outstanding Debt**

**December 31, 2019 and 2018**

(net of unamortized bond premiums, in millions of dollars)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Change</u> <u>2019-2018</u>
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
General obligation bonds	\$ 190.2	\$ 200.5	\$ —	\$ —	\$ 190.2	\$ 200.5	\$ (10.3)
Sales tax revenue bonds	180.6	192.5	0.8	0.9	181.4	193.4	(12.0)
Lease revenue bonds	70.3	53.5	1.5	2.0	71.7	55.5	16.2
Transportation and excise tax revenue bonds	85.4	94.0	—	—	85.4	94.0	(8.6)
Obligations under capital leases	0.2	0.4	—	—	0.2	0.4	(0.2)
Notes payable	79.0	66.7	—	—	79.0	66.7	12.3
<b>Total</b>	<u>\$ 605.7</u>	<u>\$ 607.6</u>	<u>\$ 2.3</u>	<u>\$ 2.9</u>	<u>\$ 608.0</u>	<u>\$ 610.5</u>	<u>\$ (2.5)</u>

The County’s total debt decreased by \$2.5 million, or 0.4%, during 2019.

Additional information on the County’s outstanding debt can be found in Note 9 to the basic financial statements.

The County enjoys a triple-A rating on general obligation bonds from the major bond-rating agencies: Moody’s Investor Services, Standard and Poor’s, and Fitch Ratings. Among the County’s highest priorities is to maintain the best possible bond rating. The County is extremely pleased to be numbered among the very few triple-A rated counties in the nation. Such a rating

allows the County to borrow money at a lower interest rate than most governments, which translates into substantial interest savings each year for County taxpayers.

### **Other Factors for Consideration: Economic Factors; 2020 Budget; and Property Tax Rates**

**Economic factors:** The recent Covid-19 pandemic has dealt the nation a significant economic blow. Stay-at-home policies and business shutdowns in retail stores, hotels and restaurants hit Salt Lake County's economy hard from March through May 2020. But early data indicates that declines in employment and taxable sales were not as negative as expected.

As of May 2020, Utah's unemployment rate rose to 9.7% from below 3% in 2019. By comparison, the U.S. unemployment rate jumped to 14.7% in May from 4% in 2019. Employment growth in Utah fell 7.1% in May, compared to -12.9% nationwide. Compared to expectations of at least a 12% drop in taxable sales, Salt Lake County taxable sales rose almost 2% over the past three months.

The County is the hub of the state economy and the home of major businesses and industries in the state of Utah. In 2019, Salt Lake County comprised 36% of the state's population, 44% of the taxable sales, and 54% of the total wages and salaries in the state. Major employers in the County are spread across economic sectors including: mining, manufacturing, transportation, information, professional and business services, financial, education and health services, government and non-profit services. Salt Lake County's deeply developed economic sectors are one of the reasons that the state of Utah's diversity index ranked first in the country in 2018. Currently, Salt Lake Metro's -6.3% job decline was less than the U.S. decline of -12.9%. Several employment sectors surprised on the up side in May 2020: natural resources, mining and construction (up 3%), manufacturing (up 0.2%), wholesale trade (up 1.8%); information (down 3.8%); financial activities (down 4.2%), professional and business services (down 9.5%), leisure and hospitality (down 27.2%), and federal government (up 0.8%).

The best indicator of the County's consumer demand -- wages and salaries, rose 7.0% to \$41.6 billion in 2019. Depending on sources, Salt Lake County employment may fall between 2.0% and 5.4% in 2020. With average wages rising between 2% and 4%, total wages and salaries in the County are expected to fall 3.4% in 2020. In contrast, state economists recently predicted Utah wages and salaries may actually grow 1.7% in 2020.

County taxable sales rose 5.8%, 4.6%, 6.6%, 6.5% and 4.2% respectively, between 2015 and 2019. Led by gains from internet sellers, nondurable retail goods, like grocery and department stores, rose 5.1% in 2019. Durable goods, like auto, truck and home furnishings, made a near 5% gain in 2019. Following strong purchases in 2018, business investment purchase fell 3.4% in 2019. Despite the pandemic, early indications are that taxable sales unexpectedly rose 1.7% between February and April 2020.

**2020 budget:** These economic factors were considered in preparing the 2020 adjusted County budget. The adjusted budget included significant decreases in both revenues and expenditures as a result of the COVID-19 emergency, with a net increase to budgeted ending fund balance in the General Fund to preserve structural balance and to position the fund for economic impacts extending into 2021. Budgeted revenues in the adjusted General Fund budget are \$380.8 million and budgeted expenditures are \$376.8 million. In addition, the General Fund budget includes a recurring fund balance transfer to the Grant Programs Fund of \$26.5 million. There are \$2.7 million in fund balance transfers to debt service funds to finance scheduled debt service payments for senior centers and the Millcreek Recreation Center. Construction of the senior and recreation centers was financed from lease revenue bonds issued by the County in 2009. In addition, a \$0.8 million transfer to the UPACA/Eccles Theater Fund is planned to maintain their structural balance in the face of revenue losses from closure due to the COVID-19 emergency. Other fund balance transfers out of the General Fund total \$1.3 million, primarily to shift revenues received by the General Fund that were associated with expenses in other funds. Transfers to the General Fund from other funds are expected to total \$25.0 million in 2020.

The 2020 adjusted budget includes appropriations for \$26.5 million for debt service payments for outstanding general obligation bonded debt, \$7.9 million for debt service payments for lease revenue bonded debt, \$11.9 million for debt service payments on transportation and excise tax revenue bonds and \$17.5 million for debt service payments on sales tax revenue bonds issued by the County. The budget also includes \$2.5 million for debt service payments to the State Infrastructure Bank for a transportation related loan.

The County has budgeted for several projects funded through bonds and other sources in 2020. Several of these projects have carried over from the prior year. The most significant projects include:

- \$33.9 million for parks and recreation facilities and improvements,
- \$45.8 million for five new libraries,
- \$19.1 million for other tourism, recreation, cultural and convention (TRCC) related projects,
- \$4.2 million for construction of a new household hazardous waste facility, and
- \$3.0 million towards flood control projects.

The County also continues to focus on capital maintenance and equipment replacement and has budgeted for an additional \$40.9 million for the maintenance of facilities and other capital improvements.

**Property tax rates:** For 2020, the Council has adopted tax rates for county-wide funds that receive property tax revenues, adopting certified tax rates for three funds and exceeding certified tax rates for five funds. Generally, the certified tax rate is the rate necessary to generate the same property tax revenue that was budgeted the prior year plus an adjustment for new growth. The funds exceeding certified rates were the General, Flood Control, Health, Capital Improvements, and Tax Administration Levy funds. The rates were increased above certified tax rates primarily to maintain existing service levels where inflation had increased costs without a corresponding revenue increase.

The tax rate that was adopted for the General Government Debt Service Fund is the rate calculated to provide the necessary revenue to make the required debt service payments for general obligation bonds issued by the County, plus an additional amount for debt service payments on sales tax revenue bonds also issued by the County for Salt Palace improvements.

For those areas of the County served by the County library system, the Council adopted the certified rate for the Library Fund.

The Council adopted the certified tax rate in the Municipal Services Fund for tort liability levied on property located in the unincorporated areas of the County.

### **Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional information, contact Darrin Casper, Salt Lake County Chief Financial Officer, at 2001 S State Street, N4-200, Salt Lake City, UT 84190 or (385) 468-7075 or DCasper@slco.org.

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**SALT LAKE COUNTY**  
**Statement of Net Position**  
**December 31, 2019**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Cash and investments:			
Pooled cash and investments	\$ 373,816,744	\$ 965,009	\$ 374,781,753
Restricted cash and investments	110,316,467	19,829	110,336,296
Restricted cash and investments with fiscal agent	9,334	—	9,334
Other cash	965,699	71,900	1,037,599
Receivables:			
Taxes	88,819,164	—	88,819,164
Grants and contributions	18,304,800	—	18,304,800
Accounts	21,881,053	15,954,618	37,835,671
Revolving loans	15,111,738	—	15,111,738
Notes	37,523,054	—	37,523,054
Interest, rents, and other	22,257,298	4,430	22,261,728
Internal balances	7,415,997	(7,415,997)	—
Inventories and prepaid items	17,949,020	—	17,949,020
Investment in joint ventures	51,042,340	—	51,042,340
Capital assets:			
Land, roads, and construction in progress	301,978,884	13,391,863	315,370,747
Buildings, improvements, equipment, and other depreciable assets, net of accumulated depreciation	695,013,079	31,769,893	726,782,972
Total assets	<u>1,762,404,671</u>	<u>54,761,545</u>	<u>1,817,166,216</u>
<b>Deferred outflows of resources:</b>			
Deferred charges on refundings	3,841,379	—	3,841,379
Related to pensions	83,296,197	4,900,433	88,196,630
Related to OPEB	5,312,380	349,017	5,661,397
Total deferred outflows of resources	<u>92,449,956</u>	<u>5,249,450</u>	<u>97,699,406</u>
<b>Liabilities:</b>			
Accounts payable	55,841,452	1,255,231	57,096,683
Accrued expenses	77,898,726	3,681,279	81,580,005
Accrued interest	5,093,755	21,610	5,115,365
Unearned revenue	22,876,544	123,881	23,000,425
Long-term liabilities:			
Portion due or payable within one year	63,090,394	923,730	64,014,124
Portion due or payable after one year	806,058,935	16,905,751	822,964,686
Total liabilities	<u>1,030,859,806</u>	<u>22,911,482</u>	<u>1,053,771,288</u>
<b>Deferred inflows of resources:</b>			
Related to pensions	4,985,161	293,284	5,278,445
Related to OPEB	13,101,723	860,768	13,962,491
Total deferred inflows of resources	<u>18,086,884</u>	<u>1,154,052</u>	<u>19,240,936</u>
<b>Net position:</b>			
Net investment in capital assets	584,584,166	42,883,054	627,467,220
Restricted for:			
Transportation	118,868,634	—	118,868,634
Capital improvements	52,850,745	—	52,850,745
Convention and tourism	24,166,033	—	24,166,033
Housing and human services	20,366,475	—	20,366,475
Debt service	14,763,591	—	14,763,591
Infrastructure	4,279,138	—	4,279,138
Redevelopment	2,920,578	—	2,920,578
Drug and vice enforcement	3,045,379	—	3,045,379
Tort liability	1,585,800	—	1,585,800
Education and cultural	(3,758,544)	—	(3,758,544)
Pet care and adoption:			
Expendable	152,312	—	152,312
Nonexpendable	1,757,216	—	1,757,216
Other purposes	(6,688,487)	866,850	(5,821,637)
Unrestricted	<u>(12,985,098)</u>	<u>(7,804,443)</u>	<u>(20,789,541)</u>
Total net position	<u>\$ 805,907,938</u>	<u>\$ 35,945,461</u>	<u>\$ 841,853,399</u>

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

SALT LAKE COUNTY

Statement of Activities

Year Ended December 31, 2019

Activities / Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
General government	\$ 50,828,517	\$ 29,380,321	\$ 4,941,220	\$ 3,060,666	\$ (13,446,310)		\$ (13,446,310)
Public safety and criminal justice	202,330,526	11,956,531	13,803,325	—	(176,570,670)		(176,570,670)
Social services	182,724,510	70,927,177	50,824,645	120,000	(60,852,688)		(60,852,688)
Education, recreation, and cultural	205,147,788	49,602,653	11,718,060	1,509,875	(142,317,200)		(142,317,200)
Health and regulatory	45,544,659	14,186,730	16,044,640	—	(15,313,289)		(15,313,289)
Public works	295,807,803	683,780	18,266,449	2,655,298	(274,202,276)		(274,202,276)
Tax administration	28,420,806	214,350	—	854,814	(27,351,642)		(27,351,642)
Interest on long-term debt	18,367,287	—	—	—	(18,367,287)		(18,367,287)
Total governmental activities	1,029,171,895	176,951,542	115,598,339	8,200,653	(728,421,361)		(728,421,361)
<b>Business-type activities:</b>							
Golf courses	8,299,167	7,180,933	884,485	—	—	\$ (233,749)	(233,749)
Public works and other services	39,144,432	39,718,224	726,561	—	—	1,300,353	1,300,353
Total business-type activities	47,443,599	46,899,157	1,611,046	—	—	1,066,604	1,066,604
Total County	\$ 1,076,615,494	\$ 223,850,699	\$ 117,209,385	\$ 8,200,653	(728,421,361)	1,066,604	(727,354,757)
<b>General revenue:</b>							
Taxes:							
Property taxes					304,166,348	—	304,166,348
Sales taxes					141,794,056	—	141,794,056
Transient room taxes					27,729,179	—	27,729,179
Mass transit taxes					286,406,611	—	286,406,611
Tax equivalent payments					15,308,105	—	15,308,105
Cable television franchise taxes					1,228,901	—	1,228,901
Total taxes					776,633,200	—	776,633,200
Unrestricted investment earnings					7,415,088	77,274	7,492,362
Transfers					29,104	(29,104)	—
Special item - contribution of capital assets to other governments					(508,210)	—	(508,210)
Total general revenue, transfers, and special item					783,569,182	48,170	783,617,352
Change in net position					55,147,821	1,114,774	56,262,595
Net position - beginning					750,760,117	34,830,687	785,590,804
Net position - ending					\$ 805,907,938	\$ 35,945,461	\$ 841,853,399

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

**SALT LAKE COUNTY**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2019**

	Major Special Revenue Funds				Major Debt	Nonmajor Governmental Funds	Total Governmental Funds
	General	Grant Programs	Transportation Preservation	TRCC	Service Fund		
					General Government		
<b>Assets:</b>							
Cash and investments:							
Pooled cash and investments	\$ 51,572,009	\$ 5,023,679	\$ 107,278,965	\$ 44,286,892	\$ 12,533,906	\$ 89,677,730	\$ 310,373,181
Restricted cash and investments	11,887,999	—	—	—	—	98,426,545	110,314,544
Restricted cash and investments with fiscal agent	2,469	261	3,372	3,232	—	—	9,334
Other cash	159,880	18,250	—	578,118	—	97,477	853,725
Receivables:							
Taxes	18,225,991	—	52,038,515	10,369,886	793,779	7,390,993	88,819,164
Grants and contributions	3,819,750	10,558,482	—	—	—	3,926,568	18,304,800
Accounts	3,648,861	8,872,609	3,393,701	1,556,764	—	3,244,062	20,715,997
Revolving loans	—	15,111,738	—	—	—	—	15,111,738
Notes	—	—	7,750,000	337,500	—	29,435,554	37,523,054
Interest, rents, and other	1,834,005	4,203	15,000,007	647,054	—	493,392	17,978,661
Due from other funds	28,954,315	—	—	—	—	4,454,756	33,409,071
Inventories and prepaid items	540,912	15,699,097	—	70,589	—	225,496	16,536,094
Total assets	<u>\$120,646,191</u>	<u>\$ 55,288,319</u>	<u>\$ 185,464,560</u>	<u>\$ 57,850,035</u>	<u>\$ 13,327,685</u>	<u>\$ 237,372,573</u>	<u>\$ 669,949,363</u>
<b>Liabilities:</b>							
Accounts payable	\$ 6,814,841	\$ 2,924,758	\$ 17,091,386	\$ 2,596,944	\$ —	\$ 23,931,613	\$ 53,359,542
Accrued expenditures	10,057,151	5,122,872	49,501,168	3,269,328	—	8,535,377	76,485,896
Due to other funds	—	7,843,082	—	—	—	18,149,992	25,993,074
Unearned revenue	2,431,717	16,653,220	—	3,568,041	—	223,566	22,876,544
Total liabilities	<u>19,303,709</u>	<u>32,543,932</u>	<u>66,592,554</u>	<u>9,434,313</u>	<u>—</u>	<u>50,840,548</u>	<u>178,715,056</u>
<b>Deferred inflows of resources:</b>							
Unavailable property tax revenue	3,686,262	—	—	—	704,558	2,173,250	6,564,070
<b>Fund balances:</b>							
Nonspendable:							
Revolving loans	—	15,111,738	—	—	—	—	15,111,738
Inventories and prepaid items	540,912	—	—	70,589	—	225,496	836,997
Endowment-Boyce pet adoption	—	—	—	—	—	1,637,510	1,637,510
Endowment-FACES pet care	—	—	—	—	—	119,706	119,706
Restricted for:							
Drug and vice enforcement	3,045,379	—	—	—	—	—	3,045,379
Debt service	2,469	261	3,372	3,232	12,623,127	10,302,694	22,935,155
Housing and human services	11,987,452	4,537,690	—	—	—	2,944,431	19,469,573
Transportation	—	—	118,868,634	—	—	—	118,868,634
Convention and tourism	—	—	—	26,652,399	—	—	26,652,399
Municipal services	—	—	—	—	—	569,324	569,324
Tort liability	—	—	—	—	—	1,585,800	1,585,800
Capital improvements	—	—	—	—	—	128,537,529	128,537,529
Infrastructure	—	—	—	—	—	4,279,138	4,279,138
Libraries	—	—	—	—	—	14,987,071	14,987,071
Tax administration	—	—	—	—	—	5,918,635	5,918,635
Health	—	—	—	—	—	5,484,780	5,484,780
Education and cultural	—	—	—	—	—	3,317,239	3,317,239
Redevelopment	—	—	—	—	—	2,920,578	2,920,578
Other purposes	1,467,867	—	—	38,456	—	159,804	1,666,127
Committed to:							
Contractual obligations	6,824,235	300,238	—	8,297,313	—	—	15,421,786
Compensated absences	2,602,192	436,844	—	71,179	—	1,369,040	4,479,255
Other purposes	75,855	150,000	—	441,252	—	—	667,107
Assigned to:							
Governmental immunity and tax refunds	5,452,894	—	—	—	—	—	5,452,894
Convention and tourism	—	—	—	12,841,302	—	—	12,841,302
Other purposes	127,318	2,207,616	—	—	—	—	2,334,934
Unassigned	65,529,647	—	—	—	—	—	65,529,647
Total fund balances	<u>97,656,220</u>	<u>22,744,387</u>	<u>118,872,006</u>	<u>48,415,722</u>	<u>12,623,127</u>	<u>184,358,775</u>	<u>484,670,237</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$120,646,191</u>	<u>\$ 55,288,319</u>	<u>\$ 185,464,560</u>	<u>\$ 57,850,035</u>	<u>\$ 13,327,685</u>	<u>\$ 237,372,573</u>	<u>\$ 669,949,363</u>

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

**SALT LAKE COUNTY**

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position**

**December 31, 2019**

**Total fund balances - governmental funds** \$ 484,670,237

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.

Those assets consist of:

Land	\$ 216,976,192	
Infrastructure (roads)	18,140,024	
Construction in progress	66,780,955	
Buildings, net of accumulated depreciation of \$453,460,617	515,329,948	
Improvements other than buildings, net of accumulated depreciation of \$53,365,472	100,852,604	
Leasehold improvements, net of accumulated depreciation of \$8,518,698	5,594,157	
Furniture, fixtures, and equipment, net of accumulated depreciation of \$36,841,771	21,485,382	
Infrastructure (bridges and flood control), net of accumulated depreciation of \$15,154,892	23,831,115	968,990,377

The County's equity interests in its governmental joint ventures are not reported in the governmental funds. 51,042,340

Some of the County's property taxes and special assessments will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds. 6,564,070

Internal service funds are used by the County to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included with governmental activities in the statement of net position. The net position of internal service funds is: 68,259,119

Long-term liabilities and related accounts that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. All liabilities, net of premiums, are reported in the statement of net position.

General obligation bonds, net of unamortized premiums of \$18,028,893	(190,233,893)	
Sales tax revenue bonds, net of unamortized premiums of \$10,636,018	(172,967,266)	
Lease revenue bonds, net of unamortized premiums of \$3,687,639	(70,257,793)	
Transportation and excise tax revenue bonds, net of unamortized premiums of \$3,736,485	(85,386,485)	
Deferred amount on refundings, net of accumulated amortization of \$8,613,605	3,841,379	
Accrued interest on bonds	(5,036,795)	
Obligations under capital leases	(245,070)	
Notes payable	(78,835,394)	
Claims and judgments payable	(3,000,000)	
Compensated absences payable, net of receivable from other governments of \$556,931	(21,456,801)	
Net pension liability, net of receivable from other governments of \$1,041,877	(130,460,333)	
Deferred outflows of resources related to pensions	80,353,509	
Deferred inflows of resources related to pensions	(4,809,045)	
Net OPEB liability, net of receivable from other governments of \$1,623,357	(87,587,912)	
Deferred outflows of resources related to OPEB	5,139,808	
Deferred inflows of resources related to OPEB	(12,676,115)	(773,618,205)

**Total net position - governmental activities** \$ 805,907,938

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

SALT LAKE COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2019

	Major Special Revenue Funds				Major Debt	Nonmajor Governmental Funds	Total Governmental Funds
	Grant	Transportation	TRCC	Service Fund			
	General	Programs		Preservation	General Government		
<b>Revenues:</b>							
Taxes:							
Property taxes	\$ 157,899,552	\$ 22,775,118	\$ —	\$ —	\$ 28,315,492	\$ 95,122,150	\$ 304,112,312
Sales taxes	75,405,802	—	—	42,451,908	—	23,936,346	141,794,056
Transient room taxes	—	—	—	27,729,179	—	—	27,729,179
Mass transit taxes	—	—	286,164,725	—	—	241,886	286,406,611
Tax equivalent payments	8,542,259	—	—	—	1,550,744	5,215,102	15,308,105
Cable television franchise taxes	—	—	—	—	—	1,228,901	1,228,901
Total taxes	241,847,613	22,775,118	286,164,725	70,181,087	29,866,236	125,744,385	776,579,164
Licenses and permits	2,317,786	—	—	411,236	—	9,750,550	12,479,572
Fines and forfeitures	1,253,087	—	—	—	—	1,049,888	2,302,975
Grants and contributions	24,296,951	46,968,053	2,687,811	1,311,323	—	35,030,040	110,294,178
Charges for services	38,055,573	67,243,976	—	20,693,268	—	7,601,996	133,594,813
Interest, rents, and other	8,448,573	335,014	2,671,569	3,210,517	600,612	7,438,467	22,704,752
Interfund charges	26,510,552	1,328,870	—	60,326	—	831,130	28,730,878
Total revenues	342,730,135	138,651,031	291,524,105	95,867,757	30,466,848	187,446,456	1,086,686,332
<b>Expenditures:</b>							
Current:							
General government	55,400,032	—	—	—	—	—	55,400,032
Public safety and criminal justice	192,624,080	—	—	—	—	42,466	192,666,546
Social services	12,902,661	169,970,859	—	—	—	3,932	182,877,452
Education, recreation, and cultural	49,772,565	—	—	60,646,798	—	65,681,089	176,100,452
Health and regulatory	—	—	—	—	—	43,004,760	43,004,760
Public works	—	—	274,697,522	—	—	20,790,310	295,487,832
Tax administration	—	—	—	—	—	27,506,470	27,506,470
Capital outlay	484,990	—	—	—	—	78,167,559	78,652,549
Debt service:							
Principal retirement	3,098,893	203,969	3,183,640	4,875,929	22,115,000	12,363,851	45,841,282
Interest	2,391,976	182,831	2,143,010	3,325,024	6,539,745	6,396,580	20,979,166
Total expenditures	316,675,197	170,357,659	280,024,172	68,847,751	28,654,745	253,957,017	1,118,516,541
Excess (deficiency) of revenues over (under) expenditures	26,054,938	(31,706,628)	11,499,933	27,020,006	1,812,103	(66,510,561)	(31,830,209)
<b>Other financing sources (uses):</b>							
Proceeds from sale of capital assets	241,505	—	—	—	—	85,835	327,340
Payment to refunded bond escrow agent	—	—	—	—	(32,050,000)	—	(32,050,000)
Issuance of bonds	—	—	—	—	—	57,455,000	57,455,000
Premium on bonds issued	—	—	—	—	—	10,256,914	10,256,914
Issuance of notes payable	797,630	—	—	—	—	14,137,500	14,935,130
Transfers in	20,664,000	29,612,000	—	3,319,576	—	39,591,805	93,187,381
Transfers out	(34,948,719)	—	—	(29,418,322)	(3,000,000)	(25,402,535)	(92,769,576)
Total other financing sources (uses)	(13,245,584)	29,612,000	—	(26,098,746)	(35,050,000)	96,124,519	51,342,189
Net change in fund balances	12,809,354	(2,094,628)	11,499,933	921,260	(33,237,897)	29,613,958	19,511,980
<b>Fund balances - beginning</b>	84,846,866	24,839,015	107,372,073	47,494,462	45,861,024	154,744,817	465,158,257
<b>Fund balances - ending</b>	\$ 97,656,220	\$ 22,744,387	\$ 118,872,006	\$ 48,415,722	\$ 12,623,127	\$ 184,358,775	\$ 484,670,237

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

**SALT LAKE COUNTY**

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances  
of Governmental Funds to the Statement of Activities  
Year Ended December 31, 2019**

<b>Net change in fund balances - governmental funds</b>	\$	19,511,980
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The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, capital assets are capitalized and depreciated over their useful lives. Contributions of capital assets to other governments decrease net position in the statement of activities, but do not appear in the governmental funds because they are not current financial resources.

Capital outlay	\$ 72,283,974	
Proceeds from sale of capital assets	(327,340)	
Contribution of capital assets from others	6,845,653	
Contribution of capital assets to other governments	(508,210)	
Loss on sales and disposals of capital assets	(2,734,667)	
Depreciation expense	<u>(35,970,589)</u>	39,588,821

Certain revenues (property taxes and special assessments) that are collected several months after the County's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred inflows of resources. They are however, recorded as revenues in the statement of activities in the year for which they are levied. 53,827

Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the statement of net position. Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bonds issued	(57,455,000)	
Premiums on bonds issued	(10,256,914)	
Accrued interest	(348,771)	
Proceeds from notes payable	(14,935,130)	
Principal retirement of bonds, notes, and obligations under capital leases	77,891,282	
Amortization of bond premiums	5,611,848	
Amortization of deferred amounts on refundings	<u>(1,022,877)</u>	(515,562)

In the statement of activities, certain operating expenses for compensated absences (unpaid vacation and sick leave), pension benefits, other postemployment benefits (OPEB), and other long-term obligations are recorded as costs are incurred during the year. In the governmental funds, these obligations are recorded when they mature or when they are paid. Changes in these obligations during the year are reflected in expense as follows:

Compensated absence expense	(1,666,955)	
Pension expense	(6,649,928)	
OPEB expense	<u>(1,393,493)</u>	(9,710,376)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities. 5,716,744

In the statement of activities, distributions received from joint ventures are reported as decreases in the governmental funds' equity interest in the joint ventures. Also, the net revenue (expense) of joint ventures is reported with governmental activities. 502,387

**Change in net position - governmental activities** \$ 55,147,821

SALT LAKE COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

General Fund

Year Ended December 31, 2019

	Budgeted Amounts		Actual on a	Variance with
	Original	Final	Budgetary Basis	Final Budget
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 157,025,089	\$ 156,154,451	\$ 157,899,552	\$ 1,745,101
Sales taxes	74,742,100	74,801,200	75,405,802	604,602
Tax equivalent payments	8,907,500	8,032,700	8,542,259	509,559
Total taxes	240,674,689	238,988,351	241,847,613	2,859,262
Licenses and permits	2,348,379	2,336,763	2,317,786	(18,977)
Fines and forfeitures	1,351,000	1,351,000	1,253,087	(97,913)
Grants and contributions	19,361,766	21,506,004	24,296,951	2,790,947
Charges for services	36,376,022	41,174,722	38,055,573	(3,119,149)
Interest, rents, and other	5,924,295	6,094,754	8,448,573	2,353,819
Interfund charges	46,505,119	47,115,788	44,729,199	(2,386,589)
Total revenues	352,541,270	358,567,382	360,948,782	2,381,400
<b>Expenditures:</b>				
Current:				
General government	63,510,489	65,051,896	59,933,722	5,118,174
Public safety and criminal justice	220,101,739	221,355,413	202,781,323	18,574,090
Social services	15,316,565	15,864,747	14,132,703	1,732,044
Education, recreation, and cultural	55,376,004	55,994,977	54,203,567	1,791,410
Capital outlay	140,328	1,222,513	487,118	735,395
Debt service:				
Principal retirement	2,830,013	3,106,780	3,098,893	7,887
Interest	2,391,977	2,391,977	2,391,976	1
Total expenditures	359,667,115	364,988,303	337,029,302	27,959,001
Excess (deficiency) of revenues over (under) expenditures	(7,125,845)	(6,420,921)	23,919,480	30,340,401
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	—	—	241,505	241,505
Issuance of notes payable	—	797,630	797,630	—
Transfers in	21,894,000	21,764,000	20,664,000	(1,100,000)
Transfers out	(37,371,719)	(36,048,719)	(36,048,719)	—
Total other financing sources (uses)	(15,477,719)	(13,487,089)	(14,345,584)	(858,495)
Net change in fund balance	(22,603,564)	(19,908,010)	9,573,896	29,481,906
<b>Fund balances - beginning</b>	61,970,000	62,295,350	78,921,854	16,626,504
<b>Prior year encumbrances canceled during the year</b>	—	—	301,382	301,382
<b>Fund balances - ending</b>	<u>\$ 39,366,436</u>	<u>\$ 42,387,340</u>	<u>\$ 88,797,132</u>	<u>\$ 46,409,792</u>

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

SALT LAKE COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Grant Programs Special Revenue Fund

Year Ended December 31, 2019

	Budgeted Amounts		Actual on a	Variance With
	Original	Final	Budgetary Basis	Final Budget
<b>Revenues:</b>				
Property taxes	\$ 20,577,951	\$ 26,571,576	\$ 22,775,118	\$ (3,796,458)
Grants and contributions	45,664,298	47,593,075	46,968,053	(625,022)
Charges for services	76,024,170	74,105,191	67,243,976	(6,861,215)
Interest, rents, and other	325,830	325,830	335,014	9,184
Interfund charges	1,295,245	1,276,626	1,328,870	52,244
Total revenues	143,887,494	149,872,298	138,651,031	(11,221,267)
<b>Expenditures:</b>				
Current:				
Social services	177,590,943	183,451,131	169,819,491	13,631,640
Debt service:				
Principal retirement	203,969	203,969	203,969	—
Interest	182,831	182,831	182,831	—
Total expenditures	177,977,743	183,837,931	170,206,291	13,631,640
Excess (deficiency) of revenues over (under) expenditures	(34,090,249)	(33,965,633)	(31,555,260)	2,410,373
<b>Other financing sources (uses):</b>				
Transfers in	30,830,000	29,612,000	29,612,000	—
Net change in fund balances	(3,260,249)	(4,353,633)	(1,943,260)	2,410,373
<b>Fund balances - beginning</b>	5,330,000	7,250,835	24,360,161	17,109,326
<b>Prior year encumbrances canceled during the year</b>	—	—	2,901	2,901
<b>Fund balances - ending</b>	<u>\$ 2,069,751</u>	<u>\$ 2,897,202</u>	<u>\$ 22,419,802</u>	<u>\$ 19,522,600</u>

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

SALT LAKE COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Transportation Preservation Fund

Year Ended December 31, 2019

	Budgeted Amounts		Actual on a	Variance with
	Original	Final	Budgetary Basis	Final Budget
<b>Revenues:</b>				
Mass transit taxes	\$ 295,979,094	\$ 308,959,583	\$ 286,164,725	\$ (22,794,858)
Grants and contributions	2,441,630	2,441,630	2,687,811	246,181
Interest, rents, and other	203,100	203,100	2,671,569	2,468,469
Total revenues	298,623,824	311,604,313	291,524,105	(20,080,208)
<b>Expenditures:</b>				
Current:				
Public works	280,919,439	328,391,373	293,977,549	34,413,824
Debt service:				
Principal retirement	1,475,000	3,183,640	3,183,640	—
Interest	1,451,650	2,143,010	2,143,010	—
Total expenditures	283,846,089	333,718,023	299,304,199	34,413,824
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	14,777,735	(22,113,710)	(7,780,094)	14,333,616
<b>Fund balances - beginning</b>	31,603,000	63,028,155	63,046,496	18,341
<b>Fund balances - ending</b>	\$ 46,380,735	\$ 40,914,445	\$ 55,266,402	\$ 14,351,957

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

SALT LAKE COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Tourism, Recreation, Cultural, and Convention (TRCC) Special Revenue Fund

Year Ended December 31, 2019

	Budgeted Amounts		Actual on a	Variance With
	Original	Final	Budgetary Basis	Final Budget
<b>Revenues:</b>				
Sales taxes	\$ 42,300,000	\$ 42,500,000	\$ 42,451,908	\$ (48,092)
Transient room taxes	28,595,000	28,360,000	27,729,179	(630,821)
Licenses and permits	223,016	223,016	411,236	188,220
Grants and contributions	5,000,000	1,435,000	1,311,323	(123,677)
Charges for services	16,551,919	17,201,063	20,693,268	3,492,205
Interest, rents, and other	1,668,416	2,426,200	3,210,517	784,317
Interfund charges	—	3,810,789	60,326	(3,750,463)
Total revenues	94,338,351	95,956,068	95,867,757	(88,311)
<b>Expenditures:</b>				
Current:				
Education, recreation, and cultural	86,522,026	84,224,060	64,961,775	19,262,285
Debt service:				
Principal retirement	4,853,019	4,853,019	4,875,929	(22,910)
Interest	3,325,026	3,325,026	3,325,024	2
Other charges	7,500	7,500	3,850	3,650
Total expenditures	94,707,571	92,409,605	73,166,578	19,243,027
Excess (deficiency) of revenues over (under) expenditures	(369,220)	3,546,463	22,701,179	19,154,716
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	3,600,000	3,600,000	—	(3,600,000)
Transfers in	20,452,386	20,504,762	3,319,576	(17,185,186)
Transfers out	(46,533,508)	(46,603,508)	(46,603,508)	—
Total other financing sources (uses)	(22,481,122)	(22,498,746)	(43,283,932)	(20,785,186)
Net change in fund balances	(22,850,342)	(18,952,283)	(20,582,753)	(1,630,470)
<b>Fund balances - beginning</b>	33,256,913	31,048,858	30,648,266	(400,592)
<b>Prior year encumbrances canceled during the year</b>	—	—	43,023	43,023
<b>Fund balances - ending</b>	<u>\$ 10,406,571</u>	<u>\$ 12,096,575</u>	<u>\$ 10,108,536</u>	<u>\$ (1,988,039)</u>

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

**SALT LAKE COUNTY**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2019**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Golf Courses</b>	<b>Public Works and Other Services</b>	<b>Total</b>	
<b>Assets:</b>				
Current assets:				
Cash and investments:				
Pooled cash and investments	\$ 965,009	\$ —	\$ 965,009	\$ 63,443,563
Restricted cash and investments	—	19,829	19,829	1,923
Other cash	61,000	10,900	71,900	111,974
Receivables:				
Accounts	—	15,954,618	15,954,618	1,165,056
Interest, rents, and other	—	4,430	4,430	1,056,472
Inventories and prepaid items	—	—	—	1,412,926
Total current assets	<u>1,026,009</u>	<u>15,989,777</u>	<u>17,015,786</u>	<u>67,191,914</u>
Capital assets:				
Land	11,495,140	885,997	12,381,137	—
Construction in progress	—	1,010,726	1,010,726	81,713
Buildings	7,904,347	10,760,605	18,664,952	10,073,605
Improvements other than buildings	26,274,531	1,484,151	27,758,682	737,665
Furniture, fixtures, and equipment	5,820,788	3,604,297	9,425,085	45,447,861
Accumulated depreciation	(18,303,071)	(5,775,755)	(24,078,826)	(28,339,258)
Net capital assets	<u>33,191,735</u>	<u>11,970,021</u>	<u>45,161,756</u>	<u>28,001,586</u>
Total assets	<u>34,217,744</u>	<u>27,959,798</u>	<u>62,177,542</u>	<u>95,193,500</u>
<b>Deferred outflows of resources:</b>				
Related to pensions	927,985	3,972,448	4,900,433	2,942,688
Related to OPEB	81,279	267,738	349,017	172,572
Total deferred outflows of resources	<u>1,009,264</u>	<u>4,240,186</u>	<u>5,249,450</u>	<u>3,115,260</u>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	120,577	1,134,654	1,255,231	2,481,910
Accrued expenses	151,453	3,529,826	3,681,279	1,412,830
Accrued interest	—	21,610	21,610	56,960
Due to other funds	—	7,415,997	7,415,997	—
Unearned revenue	—	123,881	123,881	—
Sales tax revenue bonds payable	—	31,263	31,263	387,912
Lease revenue bonds payable	—	145,200	145,200	—
Notes payable	—	74,304	—	74,304
Compensated absences payable	181,008	566,259	747,267	441,294
Claims and judgments payable	—	—	—	5,790,392
Total current liabilities	<u>453,038</u>	<u>12,968,690</u>	<u>13,421,728</u>	<u>10,645,602</u>
Noncurrent liabilities:				
Sales tax revenue bonds payable	—	759,224	759,224	7,230,626
Lease revenue bonds payable	—	1,321,405	1,321,405	—
Notes payable	—	—	—	78,018
Compensated absences payable	181,008	566,259	747,267	441,294
Claims and judgments payable	—	—	—	3,241,193
Net pension liability	1,518,892	6,501,104	8,019,996	4,815,853
Net OPEB liability	1,410,750	4,647,110	6,057,860	2,995,331
Total noncurrent liabilities	<u>3,110,650</u>	<u>13,795,102</u>	<u>16,905,752</u>	<u>18,802,315</u>
Total liabilities	<u>3,563,687</u>	<u>26,763,792</u>	<u>30,327,479</u>	<u>29,447,917</u>
<b>Deferred inflows of resources:</b>				
Related to pensions	55,539	237,745	293,284	176,116
Related to OPEB	200,455	660,313	860,768	425,608
Total deferred inflows of resources	<u>255,994</u>	<u>898,058</u>	<u>1,154,052</u>	<u>601,724</u>
<b>Net position:</b>				
Net investment in capital assets	33,191,735	9,691,319	42,883,054	20,328,011
Restricted for animal services	—	866,850	866,850	—
Unrestricted	(1,784,408)	(6,020,035)	(7,804,443)	47,931,108
Total net position	<u>\$ 31,407,327</u>	<u>\$ 4,538,134</u>	<u>\$ 35,945,461</u>	<u>\$ 68,259,119</u>

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

**SALT LAKE COUNTY**

**Statement of Revenues, Expenses, and Changes in Net Position**

**Proprietary Funds**

**Year Ended December 31, 2019**

	<b>Enterprise Funds</b>			<b>Internal Service Funds</b>
	<b>Golf Courses</b>	<b>Public Works and Other Services</b>	<b>Total</b>	
<b>Operating revenues:</b>				
Charges for services	\$ 7,180,933	\$ 36,538,700	\$ 43,719,633	\$ 8,654,386
Interfund charges	—	2,898,038	2,898,038	33,411,772
Health and life insurance premiums	—	—	—	44,091,286
Total operating revenues	7,180,933	39,436,738	46,617,671	86,157,444
<b>Operating expenses:</b>				
Salaries, wages, and benefits	4,305,655	16,039,594	20,345,249	12,412,799
Materials, supplies, and services	2,966,049	19,707,400	22,673,449	64,575,803
Indirect costs	343,802	2,943,927	3,287,729	2,261,769
Depreciation	723,372	536,034	1,259,406	2,958,544
Total operating expenses	8,338,878	39,226,955	47,565,833	82,208,915
Operating income (loss)	(1,157,945)	209,783	(948,162)	3,948,529
<b>Nonoperating revenues (expenses):</b>				
Interest, rents, and other	23,648	335,112	358,760	2,284,715
Grants and contributions	884,485	726,561	1,611,046	623,178
Interest expense	—	(125,165)	(125,165)	(356,804)
Gain (loss) on sale of capital assets	1,178	12,117	13,295	(160,069)
Total nonoperating revenues (expenses)	909,311	948,625	1,857,936	2,391,020
Income (loss) before transfers	(248,634)	1,158,408	909,774	6,339,549
<b>Transfers in</b>	—	205,000	205,000	—
<b>Transfers out</b>	—	—	—	(622,805)
Change in net position	(248,634)	1,363,408	1,114,774	5,716,744
<b>Net position - beginning</b>	31,655,961	3,174,726	34,830,687	62,542,375
<b>Net position - ending</b>	\$ 31,407,327	\$ 4,538,134	\$ 35,945,461	\$ 68,259,119

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

**SALT LAKE COUNTY**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended December 31, 2019**

	<u>Enterprise Funds</u>			<u>Internal Service Funds</u>
	<u>Public Works</u>		<u>Total</u>	
	<u>Golf Courses</u>	<u>and Other Services</u>		
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 7,180,933	\$ 23,390,865	\$ 30,571,798	\$ 44,091,286
Receipts for interfund services provided	—	2,898,038	2,898,038	41,874,832
Payments to suppliers	(2,949,388)	(20,356,195)	(23,305,583)	(65,207,231)
Payments to employees	(3,902,862)	(15,393,177)	(19,296,039)	(11,829,490)
Intergovernmental payments	(343,802)	4,472,070	4,128,268	(2,442,354)
Net cash provided (used) by operating activities	(15,119)	(4,988,399)	(5,003,518)	6,487,043
<b>Cash flows from noncapital financing activities:</b>				
Issuance of notes payable	—	—	—	233,260
Principal paid on notes payable	—	—	—	(80,938)
Receipts from grantors and other nonoperating revenues	884,485	726,561	1,611,046	623,178
Transfers in	—	205,000	205,000	—
Transfers out	—	—	—	(622,805)
Net cash provided by noncapital financing activities	884,485	931,561	1,816,046	152,695
<b>Cash flows from capital and related financing activities:</b>				
Payments for acquisition of capital assets	(1,644,420)	(3,385,096)	(5,029,516)	(2,496,577)
Principal paid on capital debt	—	(170,060)	(170,060)	(378,995)
Proceeds from sale of capital assets	754,264	2,593,265	3,347,529	426,642
Interest paid on capital debt	—	(113,729)	(113,729)	(358,829)
Net cash used by capital and related financing activities	(890,156)	(1,075,620)	(1,965,776)	(2,807,759)
<b>Cash flows from investing activities:</b>				
Interest, rents, and other receipts	23,648	335,112	358,760	2,284,715
Net change in cash and cash equivalents	2,858	(4,797,346)	(4,794,488)	6,116,694
<b>Cash and cash equivalents - beginning</b>	<u>1,023,151</u>	<u>4,828,075</u>	<u>5,851,226</u>	<u>57,440,766</u>
<b>Cash and cash equivalents - ending</b>	<u>\$ 1,026,009</u>	<u>\$ 30,729</u>	<u>\$ 1,056,738</u>	<u>\$ 63,557,460</u>
Displayed on the statement of net position as:				
Pooled cash and investments	\$ 965,009	\$ —	\$ 965,009	\$ 63,443,563
Restricted cash and investments	—	19,829	19,829	1,923
Other cash	61,000	10,900	71,900	111,974
	<u>\$ 1,026,009</u>	<u>\$ 30,729</u>	<u>\$ 1,056,738</u>	<u>\$ 63,557,460</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,157,945)	\$ 209,783	\$ (948,162)	\$ 3,948,529
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	723,372	536,034	1,259,406	2,958,544
Changes in operating assets and liabilities:				
Accounts receivable	—	(13,147,393)	(13,147,393)	(18,757)
Other receivables	—	(442)	(442)	(172,569)
Inventories and prepaid items	—	775	775	(199,911)
Accounts payable	16,661	316,645	333,306	(431,517)
Accrued expenses	29,966	2,738,094	2,768,060	166,776
Performance deposits	—	(1,090,096)	(1,090,096)	—
Due to other funds	—	7,415,997	7,415,997	(180,585)
Unearned revenue	—	123,881	123,881	—
Compensated absences payable	55,763	(192,112)	(136,349)	117,233
Claims and judgments payable	—	—	—	(101,175)
Net pension asset, net pension liability, and related deferrals	98,281	(217,662)	(119,381)	343,322
Net OPEB liability and related deferrals	218,783	(1,681,903)	(1,463,120)	57,153
Total adjustments	<u>1,142,826</u>	<u>(5,198,182)</u>	<u>(4,055,356)</u>	<u>2,538,514</u>
Net cash provided (used) by operating activities	<u>\$ (15,119)</u>	<u>\$ (4,988,399)</u>	<u>\$ (5,003,518)</u>	<u>\$ 6,487,043</u>
Noncash investing, capital, and financing activities:				
None	\$ —	\$ —	\$ —	\$ —

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

**SALT LAKE COUNTY**  
**Statement of Fiduciary Net Position**  
**December 31, 2019**

	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b>Assets:</b>		
Pooled cash and investments	\$ 2,305,708	\$ 103,697,273
Investments, at fair value:		
Corporate bonds	2,261,937	—
U.S. agency issues	577,235	—
Certificates of deposit	444,593	—
Equity mutual funds	3,830,000	—
Total investments	<u>7,113,765</u>	<u>—</u>
Reinsurance receivable	184,008	—
Total assets	<u>9,603,481</u>	<u>103,697,273</u>
<b>Liabilities:</b>		
Benefits payable	62,139	—
Due to other governments and others	—	65,586,053
Total liabilities	<u>62,139</u>	<u>65,586,053</u>
<b>Net position:</b>		
Restricted for:		
Other postemployment benefits	9,541,342	—
Individuals, organizations, and other governments	—	38,111,220
Total net position	<u>\$ 9,541,342</u>	<u>\$ 38,111,220</u>

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

**SALT LAKE COUNTY**  
**Statement of Changes in Fiduciary Net Position**  
**Year Ended December 31, 2019**

	<b>OPEB Trust Fund</b>	<b>Custodial Funds</b>
<b>Additions:</b>		
Employer contributions	\$ 5,966,130	\$ —
Investment income:		
Net increase in fair value of investments	575,541	—
Interest	191,099	—
Net investment income (loss)	<u>766,640</u>	<u>—</u>
Tax collections for other governments	—	1,258,337,081
Deposits from other governments	—	49,741,678
Deposits from inmates and others	—	6,228,253
Miscellaneous	—	754,914
Total additions	<u>6,732,770</u>	<u>1,315,061,926</u>
<b>Deductions:</b>		
Benefit payments	3,450,572	—
Administrative expense	253,111	—
Payments of taxes to other governments	—	1,258,337,081
Other payments to other governments	—	67,210,296
Payments to inmates and others	—	6,257,977
Total deductions	<u>3,703,683</u>	<u>1,331,805,354</u>
Net increase in net position	3,029,087	(16,743,428)
<b>Net position - beginning</b>	<u>6,512,255</u>	<u>54,854,648</u>
<b>Net position - ending</b>	<u>\$ 9,541,342</u>	<u>\$ 38,111,220</u>

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

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**1.1 Services and Form of Government**—Salt Lake County, Utah (the County) operates under a Council-Executive (Mayor) form of government. The County provides the following services: health and human services, education and cultural services, recreational services, public safety and criminal justice services, social services, libraries, and County-wide services, such as those provided by elected officials (including assessing and collecting of property taxes).

**1.2 Reporting Entity**—The accompanying financial statements are for the County, which is a political subdivision with corporate powers created under Utah state law, and its component units, collectively referred to as the financial reporting entity. The governing body is comprised of the Council (legislative powers) and the Mayor (executive powers). Eight other elected officials have certain statutory powers specific to their duties. These include the Assessor, Auditor, Clerk, District Attorney, Recorder, Sheriff, Surveyor, and Treasurer.

**1.3 Component Units**—Component units are entities for which the County is considered to be financially accountable. Each of the County's component units are reported as a *blended component unit*. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds (or combined with the balances and transactions of a fund) of the County.

The blended component units of the County are as follows:

- *Salt Lake County Municipal Building Authority (MBA)*—MBA is a blended component unit because the governing board is substantially the same as the County and County management has operational responsibility for this component unit. MBA is reported within the capital projects and debt service funds of the County.
- *Salt Lake County Redevelopment Agency (RDA)*—RDA is a blended component unit because the governing board is substantially the same as the County and County management has operational responsibility for this component unit. RDA is reported as a special revenue fund.
- *Salt Lake County New Market Tax Credit, Inc. (NMTC)*—NMTC is a blended component unit because NMTC exclusively benefits the County and the County is responsible for the NMTC debt. NMTC is reported within the TRCC Special Revenue Fund and various nonmajor governmental funds of the County.

**1.4 Joint Ventures and Undivided Interests**—The County is an equal partner with Salt Lake City in Salt Lake Valley Solid Waste Management Facility (the City/County Landfill), a joint venture. The purpose of this joint venture is to provide solid waste management and disposal services (see Note 14.1). The County provides operational, accounting, and other services for the City/County Landfill.

The County is also an equal partner with Salt Lake City in the Sugar House Park Authority. The purpose of this joint venture is to maintain and improve land used as a public park (see Note 14.2).

The County is a 25% partner and Salt Lake City/Redevelopment Agency of Salt Lake City is a 75% partner in Utah Performing Arts Center Agency (UPACA), a joint venture. The purpose of this joint venture is to provide for the acquisition, construction, ownership, operation, maintenance, and improvement of the Eccles Theater in downtown Salt Lake City (see Note 14.3). The County provides operational, accounting, and other services for UPACA.

The County's investments in the joint ventures are reported as a single line item in the government-wide statement of net position; changes in the County's investment in the City/County Landfill are reported in the government-wide statement of activities (under the public works function of governmental activities); changes in the County's investments in Sugar House Park Authority and UPACA are reported in the government-wide statement of activities (under the education, recreation, and cultural function of governmental activities).

The County has undivided interests with Salt Lake City in improvements financed by general obligation bonds issued by the County. The County reports its portion of assets, liabilities, expenditures/expenses, and revenues that are associated with the joint operations (see Notes 14.4 and 14.5).

**1.5 Related Organizations**—The County appoints certain members of the boards of trustees for Salt Lake County Housing Authority, Unified Fire Service Area (UFSA), Salt Lake Valley Law Enforcement Service Area (SLVLESA), Unified Police Department (UPD), Wasatch Front Waste and Recycling District, Greater Salt Lake Municipal Services District (MSD), and Solitude Improvement District. Involvement of the County in the remaining aforementioned entities is limited to trustee appointments. These entities are independent of the County.

**1.6 Government-wide and Fund Financial Statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the County's enterprise funds.

*1.6.1 Government-wide Financial Statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the nonfiduciary activities of the County and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely mostly on fees and charges to external customers for support. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function are offset by program revenues. Expenses are those that are identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues (such as tax equivalent payments, which are unrestricted fees imposed by the state on motor vehicles and other property) are reported instead as general revenues.

*1.6.2 Fund Financial Statements*

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the enterprise funds are reported as separate columns in the fund financial statements. The remaining governmental funds are combined into a single column and reported as other (nonmajor) funds. Internal service funds are aggregated and reported in a single column on the proprietary fund financial statements.

**1.7 Measurement Focus, Basis of Accounting, and Financial Statement Presentation**—The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as economic resources or current financial resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

*1.7.1 Government-wide Financial Statements*

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. Property taxes are recognized as revenues in the year for which they are levied net of relief and refunds. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire general capital assets is capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of general long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt

of the County are reported as a reduction of the related liability in the government-wide financial statements, rather than an expenditure.

*1.7.2 Governmental Fund Financial Statements*

The 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 County generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this policy are expenditure-driven grant revenues, which generally are considered to be available if the eligible expenditures have been made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, other post-employment benefits, and pension benefits are recorded only when payment is due or contributions are made. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Revolving loans and are reported as receivables offset by nonspendable fund balance on the governmental funds balance sheet.

Property taxes receivable is recorded when levied. Property taxes which have not been collected within 60 days of year-end, and therefore do not meet the available criterion, are reported as deferred inflows of resources until collected. Tax accounts are adjusted for relief and refunds as they occur.

Sales taxes, transient room taxes, and mass transit taxes are considered measurable and recognized as revenue when received by merchants and will be remitted to the County in time to be used to pay current obligations. Grant revenue is recognized when qualified expenditures are incurred and a contractual claim exists with the grantor agency. All other revenue items are considered measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the County’s primary operating fund and accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.
- *Grant Programs Fund*—This special revenue fund is used to account for revenues and expenditures of programs that are funded primarily from restricted federal and state grants.
- *Transportation Preservation Fund*—This special revenue fund is used to account for restricted local option highway construction, transportation corridor preservation fee revenue, mass transit sales tax revenue, and related expenditures.
- *Tourism, Recreation, Cultural, and Convention (TRCC) Fund*—This special revenue fund is used to account for sales and transient room taxes that are restricted to expenditure for the purpose of promoting tourism, recreation, cultural, and convention programs within the County.
- *General Government Debt Service Fund*—This debt service fund accounts for property taxes levied for the payment of principal and interest of general obligation bonds.

The County’s nonmajor governmental funds include other special revenue funds, capital projects funds, a permanent fund, and other debt service funds. The nonmajor special revenue funds account for specific revenue sources that are legally restricted to expenditure for specified purposes. The nonmajor capital projects funds are used to account for financial resources to be used for the acquisition or construction of capital projects other than those financed by proprietary funds. The permanent fund accounts for endowments. The nonmajor debt service funds account for resources used for the payment of interest and principal on long-term bonded obligations of governmental funds.

*1.7.3 Proprietary Fund Financial Statements*

Proprietary funds include enterprise funds and internal service funds. Enterprise funds report activities that are predominately funded by fees charged to external users for goods or services. Internal service funds are used to account for the goods and services provided by one fund to other funds of the County, rather than to the general public. The financial statements of the proprietary funds are reported similar to the government-wide financial statements in that they both use the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds and internal service funds are fees (charges to customers and other funds for sales and services). Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major enterprise funds:

- *Golf Courses Fund*—The Golf Courses Fund is used to account for the activities of the County's six golf courses.
- *Public Works and Other Services Fund*—The Public Works and Other Services Fund is used to account for road maintenance and construction, planning and development, engineering, animal, township, and justice court services provided by contract to other governments.

The internal service funds are aggregated into a single column and are reported on the proprietary fund statements. Internal service funds account for fleet management, facility, and risk management services (including claims for workers' compensation and employee health care) provided to other County organizations on a cost-reimbursement basis.

*1.7.4 Fiduciary Fund Financial Statements*

Additionally, the County reports the following fiduciary funds:

- *Other Post Employment Benefits (OPEB) Trust Fund*—The OPEB Trust Fund accounts for the activities of a single employer defined benefit plan, which accumulates resources for postemployment health care and life insurance benefits to all eligible employees who retire from the County. The financial statements of the OPEB Trust Fund are reported using the economic resources measurement focus and the accrual basis of accounting.
- *Custodial Funds*—In 2019, the County adopted Government Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The new standard establishes standards of accounting and financial reporting for fiduciary activities, including custodial activities. Custodial funds are used to account for assets held by the County as a custodian for other governments, private organizations, or individuals. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. Custodial funds include the collection of property and other taxes for other governments, monies received on behalf of individuals involved in the criminal justice process, and monies held for the Salt Lake Valley Solid Waste Management Facility, Utah Performing Arts Center Agency (UPACA), and Greater Salt Lake Municipal Services District (MSD). The impact of adopting this standard is a restatement of beginning net position in the custodial funds of \$54.9 million.

**1.8 Interfund and Intrafund Transactions**—Interfund transactions represent transactions between different funds within the County. Intrafund transactions represent charges between departments within the same fund. For financial reporting purposes, except for statements reported on the budgetary basis (as discussed in the next section), intrafund transactions have been eliminated in order to avoid overstating fund revenues and expenditures.

In general, interfund activity, including internal service fund transactions, has been eliminated from the government-wide financial statements to minimize the doubling of revenues and expenses resulting from such transactions. Interfund services provided and used between different functional categories, however, have not been eliminated from the

government-wide financial statements so as not to distort the direct costs and program revenues reported in the various functions concerned.

For management, cost-control, and grant-related purposes, two cost allocation plans are prepared each year which allocate indirect costs to County cost centers (organizations). Indirect costs charged to grants are in accordance with Office of Management and Budget's (OMB) Uniform Guidance. Indirect costs are defined as costs incurred by "central services" for a common or joint purpose benefiting more than one cost center, and that cannot be directly charged to the cost center specifically benefited in a cost-effective manner. Indirect costs allocated include charges for services provided by the Council, the Mayor's Administration, Mayor's Financial Administration, the Auditor, the District Attorney, Real Estate, Information Services, Purchasing, Human Resources, Governmental Immunity, and Records Management.

Because indirect costs represent central services being provided, rather than a reimbursement of expenses, these interfund transactions are reflected as interfund revenue to the fund providing the services and expenditures/expenses to the fund receiving the services. In cases where the providing and receiving organizations are within the same fund, such transactions are recorded as intrafund revenue and expenditures/expenses. Indirect costs, including most interfund and intrafund transactions, have been eliminated from program revenues in the government-wide statement of activities.

Transfers between governmental and business-type activities are reported at the net amount in the government-wide statement of activities. Interfund receivables and payables have been eliminated from the government-wide statement of net position.

**1.9 Budgetary (Non-GAAP) Basis**—The basis of budgeting is the same as the basis required by accounting principles generally accepted in the United States of America (GAAP) except for the following: 1) intrafund revenues and expenditures are included in the budgetary basis but are eliminated for GAAP, 2) encumbrances (commitments for unperformed contracts or services) are treated as expenditures in the year the encumbrance is established using the budgetary basis, but are not included under GAAP, and 3) certain transactions with component units are not included in the budgetary basis but are included under GAAP. The GAAP basis is used for the basic financial statements except the statements that include a comparison of actual to budgeted amounts. In these instances, the statements are marked budgetary basis. A reconciliation to the respective GAAP basis fund balance is presented in Note 15 to the basic financial statements for the General Fund and each major special revenue fund.

**1.10 Budgets and Budgetary Accounting**—The County has legally adopted budgets for governmental and proprietary funds. Although state law requires that annual budgets be adopted for governmental and proprietary funds, only governmental funds are required to report budgetary data. The County's procedures for establishing the budgetary data reflected in these financial statements are as follows:

- 1.10.1 The County follows statutory guidelines regarding budgetary matters listed in various titles of the *Utah Code*. Specific duties of the Mayor, who is the statutory "Budget Officer", and specific requirements of the budget and appropriation process are contained in the Uniform Fiscal Procedures Act for Counties, Title 17-36 of the *Utah Code*.
- 1.10.2 The Mayor, subject to review by the County's revenue committee, is responsible for revenue projections. The Mayor is also responsible for the preparation of a "proposed" budget. The Mayor submits the proposed budget to the County Council which makes appropriation decisions and adopts a budget on or before December 31 preceding the calendar year. Once the budget is adopted by the Council, the Mayor has "item veto" authority. Budget items vetoed by the Mayor may be overridden by the Council.
- 1.10.3 Public hearings are conducted to obtain citizen comments and to comply with legal requirements. For 2019, the budget was adopted, by a resolution of the County Council, on December 4, 2018. The budget included proposed expenditures and the means of financing them.
- 1.10.4 The budget is organized by fund, organization, and appropriation unit. Appropriation units are groups of expenditures within an organization. Management is authorized to reallocate funds within an appropriation unit. Transfers of appropriations between organizations, certain appropriation units, and funds require the approval of

the Council. Common organizations are combined into functions for reporting purposes. The legal level of budgetary control (i.e., the level at which expenditure may not legally exceed appropriations) is at the function level.

*1.10.5* Appropriations may be reduced by resolution of the Council with five days notice to the affected organization. Budget appropriations may be increased at any regular meeting of the Council, provided that such action is published in a newspaper five days prior to the official action. Legally, only increases in General Fund appropriations require a full public hearing besides the public notice mentioned.

*1.10.6* Budgets for the General, special revenue, and capital projects funds are adopted on a budgetary basis. No difference exists between the GAAP basis and budgetary basis for the debt service funds. Budgetary comparisons presented in this report are on this budgetary basis. Final budgeted amounts include amendments by the Council. Unencumbered appropriations lapse at year-end for all budgeted funds. Encumbered appropriations at year end are reported on the balance sheet as fund balance restrictions or commitments. Although already reported as expenditures for budgetary purposes in the year they are established, encumbrances remain outstanding until they are either recognized as expenditures in conformity with GAAP or canceled.

***1.11 Cash and Cash Equivalents and Investments***—Cash and investment management in the County is administered by the County Treasurer in accordance with the State Money Management Act, Title 51-7 of the *Utah Code* (see Note 3). The County maintains a cash and investment pool that is available for use by all funds. Income from the investment of pooled cash is allocated based upon each fund’s portion of the pool. Restricted cash consists of that portion of pooled cash that is restricted for a specific use due to constraints imposed by external parties or enabling legislation, or is cash held in trust in compliance with bond covenants, terms, and conditions. “Other cash” is bank deposits that are separately held in individual funds.

Investments are recorded at fair value based upon quoted market prices at December 31, 2019, except where there is no significant difference between cost and fair value. The difference between the purchase price and fair value, when significant, is recorded as interest revenue.

For purposes of the statements of cash flows, each fund’s allocated portion of “pooled cash and investments” is considered to be cash and cash equivalents, since this amount is immediately available for use by the fund. Investments with original maturities of less than three months from the date of acquisition are also considered cash equivalents.

***1.12 Inventories and Prepaid Items***—Inventories are valued at cost using the first-in/first-out method and consist of expendable supplies and merchandise. The cost of such inventories is recorded as expenditures/expenses when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures or expenses when consumed rather than when purchased.

***1.13 Capital Assets***—Capital assets include land, buildings, improvements other than buildings, leasehold improvements, furniture, fixtures and equipment (including intangible assets and computer software); infrastructure (roads, bridges, and flood control); and construction in progress. These assets are reported in the government-wide financial statements in the relevant column on the statement of net position under governmental or business-type activities. Proprietary fund capital assets are also reported in the appropriate fund statements. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. The capitalization threshold is defined to be assets that cost at least \$5,000 for personal property; \$100,000 for buildings; \$50,000 for intangible assets, internally generated computer software, and improvements other than buildings; and \$500,000 for flood control. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of roads. Bridges over 20 feet in length are also capitalized. Assets purchased or constructed are generally recorded at cost. If precise cost is not available (as is the case with certain infrastructure), the capital asset is recorded at estimated acquisition cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

In 2019, the County adopted Government Accounting Standards Board Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The new standard provides guidance for recording the cost of borrowing for a reporting period. When constructing capital assets, interest expense incurred relating to governmental and proprietary activities is not capitalized, but expensed in the period in which the cost is incurred. The impact of adopting this standard is not material to the financial statements.

Depreciation of all exhaustible capital assets is charged as an expense against operations for proprietary funds and is charged to the various functional expenses or business-type activities in the government-wide statement of activities. Accumulated depreciation is reported on proprietary fund and government-wide statements of net position. Depreciation is provided over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Buildings	10-50 years
Improvements	5-50 years
Equipment and intangible assets	2-25 years
Infrastructure, depreciable (bridges and flood control)	30-50 years

The County has adopted an allowable alternative to reporting depreciation for its roads network. Under this alternative method, referred to as the “modified approach,” the County must maintain an asset management system and demonstrate that its roads are approximately being preserved at or above condition levels established by County policy. Infrastructure assets accounted for under the modified approach are not depreciated, and maintenance and preservation costs are expensed.

**1.14 Unearned Revenue**—In each of the financial statements, *unearned revenue* is recorded when cash or other assets are received prior to when a claim to those resources is obtained.

**1.15 Long-term Debt**—In the government-wide financial statements and proprietary fund statements, long-term debt is reported as a liability. Bond premiums are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable unamortized bond premiums.

In the fund financial statements, governmental funds recognize bond-related transactions during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**1.16 Pensions**—For purposes of measuring the net pension liability (asset), 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 (URS) and additions to/deductions from URS’s fiduciary net position have been determined on the same basis as they are reported by the URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. URS plan investments are reported at fair value.

**1.17 Postemployment Benefits Other Than Pensions (OPEB)**—For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the County’s OPEB plan and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. OPEB plan investments are reported at fair value.

**1.18 Compensated Absences**—The County permits employees to accumulate earned, but unused, vacation and sick leave benefits while they are working for the County. When an employee terminates or retires, the County pays that employee 100% of his or her accrued vacation leave. When an employee retires, in addition to the vacation payout, the County also pays that employee 25% of his or her accrued sick leave. Accrued vacation and sick leave are recorded in the government-wide financial statements and proprietary fund statements as a liability. The liability for compensated absences includes salary-related benefits, where applicable. Also, the liability recorded for sick leave is based on the sick leave attributable to current employees eligible to retire and those employees projected to retire in the future.

**1.19 Deferred Outflows of Resources**—In addition to assets, the 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 or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

**1.20 Deferred Inflows of Resources**—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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**1.21 Net Position/Fund Balances**—The residual of all other elements presented in a statement of net position is *net position* on the government-wide and proprietary fund financial statements and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

Net position is divided into three components: net investment in capital assets (capital assets net of related debt less unspent bond proceeds), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon it by external parties or are imposed by constitutional provisions or enabling legislation.

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the County is bound to honor them. The County first determines and reports nonspendable balances, then restricted, then committed, and so forth.

Fund balance classifications are summarized as follows:

- *Nonspendable*—This category includes fund balance amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. Fund balance amounts related to inventories and prepaid items, revolving loans, and endowments (net of related liabilities) are classified as nonspendable.
- *Restricted*—This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either 1) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments (such as specific tax levies) or 2) imposed by law through constitutional provisions or enabling legislation.
- *Committed*—This category includes amounts that can only be used for specific purposes established by formal action of the County Council. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the County Council. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- *Assigned*—This category includes fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by approval of the County Council or the Mayor. The County has assigned fund resources that are to be used for governmental immunity and tax refunds, convention and tourism, and other purposes.
- *Unassigned*—Residual balances in the General Fund are classified as unassigned. Also, if a governmental fund other than the General Fund has a nonspendable, restricted, and committed fund balance in excess of total fund balance, the difference is reported as negative unassigned fund balance.

**1.22 Net Position Flow Assumption**—Sometimes the County will fund outlays for a particular purpose from both restricted (e.g. restricted tax revenue and restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are

applied. It is the County's policy to generally consider restricted net position to have been depleted before unrestricted net position is applied.

**1.23 Fund Balance Flow Assumption**—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to generally consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. An exception to this policy occurs when certain grant expenditures are financed with County funds; in this case unrestricted resources are used before recording grant-related revenues.

**1.24 Minimum Fund Balance Policies**—The County Council has adopted a financial policy to maintain a minimum level of certain components of fund balance in the General Fund and selected special revenue funds. These amounts are intended to provide fiscal stability when economic downturns or other unexpected events occur, to supply resources to satisfy certain current obligations, or to provide a leveling for self-insured risks. The policy requires the unassigned fund balance in the General Fund to be at least 10% of budgeted expenditures; the fund balances in the following special revenue funds are to be at least 5% of budgeted expenditures: TRCC, Unincorporated Municipal Services, Flood Control, State Tax Administration Levy, Library, Health, and Planetarium. Also, the County's policy is to commit resources for compensated absences in the funds at 15% of unpaid vacation leave and 40% of unpaid sick leave, and to accumulate an unrestricted net position in the Employee Service Reserve (Internal Service) Fund of at least 15% of medical and dental claims paid during the year for active employees plus \$300,000 for early retirement. If a fund balance component falls below the minimum target level because it has been used as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within the next budget cycle.

## 2. FAIR VALUE MEASUREMENTS

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County and the OPEB Trust Fund have the following recurring fair value measurements as of December 31, 2019:

- Corporate bonds and taxable state bonds are valued using matrix pricing based on quoted prices for comparable bonds (Level 2 inputs).
- U.S. agency issues are valued using quoted market prices (Level 1 inputs).
- The Public Treasurers' Investment Fund is valued at the County's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).
- Certificates of deposit are valued at amortized cost, which approximates fair value (Level 2 inputs).
- Equity mutual funds are valued using quoted market prices (Level 1 inputs).

## 3. DEPOSITS AND INVESTMENTS

**3.1 Cash and Investment Pool**—It is the County's policy to follow the requirements of the State Money Management Act (*Utah Code*, Title 51, Chapter 7) (the Act) in handling its depository and investment transactions. The Act creates a State Money Management Council (the Council), a five-member body, appointed by the Governor of the State, which exercises oversight of public deposits and investments.

**SALT LAKE COUNTY**

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The County maintains a cash and investment pool that is used by all funds. Each major fund’s portion of this pool, and the aggregate portion of the pool relating to nonmajor funds and internal service funds, is displayed on the balance sheet for governmental funds and the statement of net position for proprietary funds, respectively, as “pooled cash and investments.” Total nonfiduciary cash and investments is also reflected on the government-wide statement of net position. The fiduciary funds’ portion is found on the statement of fiduciary net position. Income from the investment of the pooled cash and investments is allocated based on each fund’s average daily balance in the pool. In addition, cash is separately held by several funds.

**3.2 Cash Deposits with Financial Institutions**—The Act requires the depositing of public funds only in a qualified depository or a permitted depository. A *qualified depository* is a Utah depository institution or an out-of-state depository institution as defined by the Act and that is authorized to conduct business in the State of Utah under the Act, which complies with capital ratios and public deposit limits established by rule of the Council and which has been certified by the State Commissioner of Financial Institutions for deposit of public funds. A *permitted depository* is an out-of-state financial institution that meets quality criteria established by rule of the Council. All County deposits are held in qualified or permitted depositories.

**3.2.1 Custodial Credit Risk of Deposits**

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the County’s deposits may not be returned to it. The County’s deposit policy for custodial credit risk is to comply with the Act. At December 31, 2019, the County’s bank balance was \$25.3 million with \$24.8 million of that amount being exposed to custodial credit risk because it was uninsured and not collateralized. Utah state law does not require uninsured deposits to be collateralized.

**3.3 Investments**—Investments are recorded at fair value.

The Act also defines the types of securities allowed as appropriate investments for the County and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories, certified dealers, or directly with the issuer of the securities. The Act authorizes the County to invest in the State of Utah Public Treasurers’ Investment Fund (the PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, first-tier commercial paper, banker’s acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the state of Utah. All County investments comply with the Act.

At December 31, 2019, the County and the OPEB Trust Fund have the following investments:

Investment Type	County		OPEB Trust Fund	
	Fair Value	Weighted Average Maturity (Years)	Fair Value	Weighted Average Maturity (Years)
Corporate bonds	\$ 41,053,718	1.14	\$ 2,261,937	1.62
U.S. agency issues	12,738,585	1.20	577,235	1.52
Taxable state bonds	185,531	0.88	—	
Public Treasurers’ Investment Fund (PTIF)	506,750,081	0.16	—	
Certificates of deposit	6,128,579	3.98	444,593	0.66
Equity mutual funds	—		3,830,000	n/a
Total investments	<u>\$ 566,856,494</u>		<u>\$ 7,113,765</u>	
Portfolio weighted average maturity		0.29		1.47

The PTIF is a voluntary governmental external investment pool available to state and local government public treasurers in Utah. The PTIF is sponsored by the Utah State Treasurer to improve investment efficiency and yield. The PTIF invests primarily in corporate bonds, commercial paper, money market mutual funds, repurchase agreements, and certificates of deposit as permitted by the Act. The PTIF contains no withdrawal restrictions other than timely notice of intent to withdraw an amount greater than \$10 million. Investment activity of the Utah State Treasurer in the management of the PTIF is reviewed monthly by the Council and is audited by the Utah State Auditor. Monies invested in this fund are not

insured or otherwise guaranteed by the state of Utah and are subject to the same market risks as any similar investment in money market funds. The fair value of the position in the PTIF is basically the same as the value of the pool shares. The majority of the PTIF’s corporate bonds and notes are variable-rate securities, which reset every three months to the prevailing market interest rates.

*3.3.1 Interest Rate Risk of Investments*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County’s policy for managing interest rate risk is to comply with the Act. Section 11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on investments in commercial paper and bankers’ acceptances to 270 days or less and investments in fixed rate negotiable deposits and fixed rate corporate obligations to 365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

*3.3.2 Credit Risk of Debt Securities*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County follows the Act as its policy for reducing exposure to investment credit risk. At December 31, 2019, the County’s investment in the PTIF was not rated. The County’s investments in corporate bonds was rated AA+ to BBB+ by Standards & Poor’s and Aa2 to Baa1 by Moody’s Investor Service at the time of purchase. The County’s investments in U.S. agency issues was rated AA+ by Standards & Poor’s and Aaa by Moody’s Investor Service.

*3.3.3 Custodial Credit Risk of Investment*

For an investment, custodial credit risk is the risk that, in the event of a failure of the counter party, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The County complies with the custody requirements of the Act and Rules of the Council. Investment securities are required to be held by the public treasurer, in safekeeping by a bank or trust company, or in a book-entry-only record maintained by a securities depository, in the federal book entry system or in the book-entry records of the issuer of the security in the name of the public entity. The County’s investment securities are held in a qualified depository certified by the Commissioner of Financial Institutions as adhering to the rules of the Council or in the book-entry records of the issuer of the security.

*3.3.4 Concentration of Credit Risk of Investments*

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity’s investment in a single issuer. The County’s policy for reducing this risk of loss is to comply with the Rules of the Council. Rule 17 of the Council limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% depending upon the total dollar amount held in the portfolio. The Council limitations do not apply to securities issued by the U.S. government and its agencies. The County complies with the concentration limits of Rule 17.

**3.4 Total Cash and Investments**—Total cash and investments at December 31, 2019 consist of the following:

Investments	\$ 573,970,259
Cash deposits	<u>25,311,469</u>
Total cash and investments	<u><u>\$ 599,281,728</u></u>

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Total cash and investments reported in the financial statements at December 31, 2019 are summarized as follows:

Pooled cash and investments	\$ 374,781,753
Restricted cash and investments	110,336,296
Restricted cash and investments with fiscal agent	9,334
Other cash	<u>1,037,599</u>
Cash and investments—government-wide statement of net position	486,164,982
Cash and investments—statement of fiduciary net position (OPEB Trust Fund)	9,419,473
Pooled cash and investments—statement of fiduciary assets and liabilities (custodial funds)	<u>103,697,273</u>
Total cash and investments	<u><u>\$ 599,281,728</u></u>

**3.5 Restricted Cash and Investments**—Proceeds from bonded debt issues (limited by bond covenants, terms, and conditions) and funds restricted by constraints imposed by external parties or enabling legislation are classified as restricted assets. Restricted cash and investments consist of the following at December 31, 2019:

**Restricted cash and investments:**

Transportation sales and excise tax revenue bond funds for construction	\$ 393,748
Municipal Building Authority lease revenue bond funds for debt service	17,600,420
Note payable funds for construction, debt service, and administration	8,631,802
Sales tax revenue bond funds for construction	71,802,492
Funds held for pay-for-success projects	11,887,999
Other funds for issuance costs and debt service	<u>19,835</u>
Total	<u><u>\$ 110,336,296</u></u>

**Restricted cash and investments with fiscal agent:**

General obligation crossover refunding bonds for debt service	<u><u>\$ 9,334</u></u>
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**4. PROPERTY AND OTHER TAXES**

In accordance with state law, the County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including the County itself and other governments: cities, school districts, and special districts. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes are assessed and become a lien against the property at January 1 in the year in which due. The property tax valuation notice is sent in July, but it is not a billing. Property owners are billed in October with a payment due date of November 30. Tax collections for other governments are recorded in the Treasurer’s Tax Collection Agency Fund until disbursed.

In addition to various taxes the County levies for its own purposes, the County levies taxes for other governments; those taxes are forwarded to those other governments as the taxes are collected. Taxes levied by the County in 2019 for other governments are recorded as revenue with an equivalent amount of expenditure as follows:

- \$239.3 million of mass transit taxes (*local option sales taxes*) collected by the state of Utah and forwarded directly to the Utah Transit Authority and the Utah Department of Transportation; recorded in the County’s Transportation Preservation Fund for the purposes of transportation preservation.
- \$22.8 million of incremental taxes recorded in the Grant Programs Fund and forwarded to various redevelopment agencies within the County 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.
- \$3.7 million of transient room tax recorded in the nonmajor governmental funds and passed through to the Redevelopment Agency of Sandy City for the purpose of servicing debt related to a soccer stadium project.

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Notes to the Basic Financial Statements

Year Ended December 31, 2019

- \$1.0 million of motor vehicle fees recorded in Transportation Preservation Special Revenue Fund and passed through to Utah Transit Authority for transportation preservation.
- \$1.1 million of property taxes recorded in nonmajor governmental funds and passed through to the state of Utah for multi-county assessing and collecting.

**5. RECEIVABLES**

Receivables at December 31, 2019 consist of the following:

	<u>Taxes</u>	<u>Grants and Contributions</u>	<u>Accounts</u>	<u>Revolving Loans</u>	<u>Notes Receivable</u>	<u>Interest, Rents, and Other</u>
<b>Governmental activities:</b>						
General Fund	\$ 18,225,991	\$ 3,819,750	\$ 3,648,861	\$ —	\$ —	\$ 1,834,005
Grant Programs Fund	—	10,558,482	8,872,609	15,111,738	—	4,203
Transportation Preservation Fund	52,038,515	—	3,393,701	—	7,750,000	15,000,007
TRCC Fund	10,369,886	—	1,556,764	—	337,500	647,054
General Government Debt Service Fund	793,779	—	—	—	—	—
Nonmajor governmental funds	7,390,993	3,926,568	3,244,062	—	29,435,554	493,392
Internal service funds	—	—	1,165,056	—	—	1,056,472
Due from other governments	—	—	—	—	—	3,222,165
Total governmental activities receivables	<u>\$ 88,819,164</u>	<u>\$ 18,304,800</u>	<u>\$ 21,881,053</u>	<u>\$ 15,111,738</u>	<u>\$ 37,523,054</u>	<u>\$ 22,257,298</u>
<b>Business-type activities:</b>						
Public Works and Other Services Fund	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 15,954,618</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 4,430</u>
<b>Fiduciary funds:</b>						
OPEB Trust Fund	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 184,008</u>

All significant balances are expected to be collected and, therefore, no allowance for uncollectible accounts has been recorded.

Approximately \$14.0 million of the revolving loans and \$20.8 million of the notes receivable are not anticipated to be collected within the next year.

In 2013, the County accepted a promissory note secured by a pledge agreement associated with financing building improvements for the Historical Capitol Theatre in Salt Lake City, Utah. The note proceeds and debt service payments are reported in the Capitol Theatre Capital Projects Fund. In 2017, the County accepted a promissory note secured by a pledge agreement associated with financing a portion of the construction of the Salt Lake County Downtown Health Clinic. The note proceeds and debt service payments are reported in the Public Health Center Bond Projects Capital Projects Fund. These notes receivable secure, in part, notes payable related to these construction projects (see Note 9.7).

In 2012, the County entered into an interlocal cooperation agreement with the City of Holladay. The County issued a \$450,000 interest-free loan to the City of Holladay to assist in providing convention meeting room space. County funding for the loan is provided from transient room tax revenue. The City of Holladay agreed to secure the loan with a pledge of its municipal transient room tax levy and other taxes.

In 2018, the County entered into an interlocal cooperation agreement with the City of Cottonwood Heights. The County issued a \$7,750,000 interest-free loan to the City of Cottonwood Heights to assist in building a parking structure. County funding for the loan is provided from a Utah state infrastructure bank loan. The City of Cottonwood Heights agreed to secure the loan with a pledge of incremental property tax revenue.

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Notes to the Basic Financial Statements

Year Ended December 31, 2019

In 2019, the County entered into an agreement with Shelter the Homeless, Inc. to finance up to \$21.0 million to assist in the construction of three homeless resource centers in Salt Lake County. The County issued taxable sales tax revenue bonds in 2020 related to this transaction (see Note 20). The loan was issued at 4.0% with a seven-year term and is secured by the resource centers. The County is funding payments to contractors on behalf of Shelter the Homeless, Inc. for qualified capital improvement costs of the resource centers. The balance at the end of 2019 totaled \$16.7 million. The first payment from Shelter the Homeless, Inc. to the County is due on January 1, 2021.

These notes, including interest, will be collected as follows:

Year Ending December 31,	Historical Capitol Theatre		Downtown Health Clinic		Holladay-Visitor Promotion		Cottonwood Heights		Shelter the Homeless	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ —	\$ 54,416	\$ —	\$ 99,601	\$ 37,500	\$ —	\$ —	\$ —	\$ —	\$ —
2021	192,669	54,416	—	99,601	37,500	—	—	—	2,657,900	842,100
2022	194,596	52,489	—	99,601	37,500	—	224,518	—	2,764,482	735,518
2023	196,542	50,543	—	99,601	37,500	—	235,399	—	2,875,338	624,662
2024	198,507	48,578	—	47,569	37,500	—	235,399	—	2,990,639	509,361
2025 - 2029	1,022,713	212,714	1,102,430	468,180	150,000	—	1,541,870	—	5,442,695	654,141
2030 - 2034	1,074,883	160,546	1,180,124	390,486	—	—	1,785,120	—	—	—
2035 - 2039	1,129,711	105,714	1,263,293	307,317	—	—	1,785,120	—	—	—
2040 - 2044	1,187,339	48,089	1,352,324	218,286	—	—	1,785,120	—	—	—
2045 - 2049	244,640	2,446	1,447,629	122,981	—	—	157,454	—	—	—
2050 - 2052	—	—	917,100	25,266	—	—	—	—	—	—
	<u>\$5,441,600</u>	<u>\$789,951</u>	<u>\$ 7,262,900</u>	<u>\$ 1,978,489</u>	<u>\$ 337,500</u>	<u>\$ —</u>	<u>\$7,750,000</u>	<u>\$ —</u>	<u>\$ 16,731,054</u>	<u>\$3,365,782</u>

In 2019, the County entered into an interlocal cooperation agreement with the Redevelopment Agency of Salt Lake City. The County issued a \$15,000,000 interest-free advance to the Redevelopment Agency of Salt Lake City to assist in building an underground parking structure. County funding for the advance was provided from a Utah State Infrastructure Bank loan. The advance is secured with a pledge of incremental property tax revenue. The timing of repayments is uncertain due to the nature of tax increment revenue and the unknown participation level of taxing entities in the agreement at this time. Due to that uncertainty the developer of the parking structure has entered into an agreement with Salt Lake County to cover up to \$5 million of any shortfall in increment revenues that could potentially arise.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
 Year Ended December 31, 2019

**6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES**

Accounts payable and accrued expenses at December 31, 2019 consist of the following:

	<b>Accounts Payable</b>	<b>Accrued Expenses</b>			<b>Total</b>
	<b>Vendors</b>	<b>Salaries and Benefits</b>	<b>Local Option Sales Tax</b>	<b>Retainage, Other</b>	
<b>Governmental activities:</b>					
General Fund	\$ 6,814,841	\$ 7,623,225	\$ —	\$ 2,433,926	\$ 10,057,151
Grant Programs Fund	2,924,758	1,100,181	—	4,022,691	5,122,872
Transportation Preservation Fund	17,091,386	—	49,501,168	—	49,501,168
TRCC Fund	2,596,944	463,701	481,429	2,324,198	3,269,328
Nonmajor governmental funds	23,931,613	3,084,614	—	5,450,763	8,535,377
Internal service funds	2,481,910	1,199,509	—	213,321	1,412,830
Total governmental activity payables	<u>\$ 55,841,452</u>	<u>\$ 13,471,230</u>	<u>\$ 49,982,597</u>	<u>\$ 14,444,899</u>	<u>\$ 77,898,726</u>
<b>Business-type activities:</b>					
Golf Courses Fund	\$ 120,577	\$ 136,911	\$ —	\$ 14,542	\$ 151,453
Public Works and Other Services Fund	1,134,654	1,654,055	—	1,875,771	3,529,826
Total business-type activity payables	<u>\$ 1,255,231</u>	<u>\$ 1,790,966</u>	<u>\$ —</u>	<u>\$ 1,890,313</u>	<u>\$ 3,681,279</u>
<b>Fiduciary funds:</b>					
OPEB Trust Fund	<u>\$ 62,139</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

**7. INTERFUND RECEIVABLES AND PAYABLES**

Interfund receivables and payables at December 31, 2019 consist of the following:

	<b>Due to:</b>		
	<b>General Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>
<b>Due from:</b>			
Grant Programs Fund	\$ 7,843,082	\$ —	\$ 7,843,082
Nonmajor governmental funds	13,695,236	4,454,756	18,149,992
Public works and other services	7,415,997	—	7,415,997
Total	<u>\$ 28,954,315</u>	<u>\$ 4,454,756</u>	<u>\$ 33,409,071</u>

Interfund balances result mainly from the time lags between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. Interfund receivables and payables within governmental activities have been eliminated from the government-wide statement of net position.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
Year Ended December 31, 2019

**8. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2019 is as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Capital assets not being depreciated:				
Land	\$ 209,690,246	\$ 9,151,265	\$ (1,865,319)	\$ 216,976,192
Infrastructure (roads)	17,542,492	1,482,871	(885,339)	18,140,024
Construction in progress	41,385,675	65,895,139	(40,418,146)	66,862,668
Total capital assets not being depreciated	<u>268,618,413</u>	<u>76,529,275</u>	<u>(43,168,804)</u>	<u>301,978,884</u>
Capital assets being depreciated:				
Buildings	952,998,668	34,539,141	(7,669,125)	979,868,684
Improvements other than buildings	151,167,070	3,788,671	—	154,955,741
Leasehold improvements	14,168,145	—	(55,290)	14,112,855
Furniture, fixtures, and equipment	101,186,656	6,098,234	(3,509,876)	103,775,014
Infrastructure (bridges and flood control)	35,974,795	3,011,212	—	38,986,007
Total capital assets being depreciated	<u>1,255,495,334</u>	<u>47,437,258</u>	<u>(11,234,291)</u>	<u>1,291,698,301</u>
Accumulated depreciation for:				
Buildings	(436,965,337)	(24,685,495)	5,233,367	(456,417,465)
Improvements other than buildings	(47,779,658)	(6,253,928)	—	(54,033,586)
Leasehold improvements	(8,066,875)	(507,113)	55,290	(8,518,698)
Furniture, fixtures, and equipment	(58,452,857)	(6,724,905)	2,617,181	(62,560,581)
Infrastructure (bridges and flood control)	(14,397,200)	(757,692)	—	(15,154,892)
Total accumulated depreciation	<u>(565,661,927)</u>	<u>(38,929,133)</u>	<u>7,905,838</u>	<u>(596,685,222)</u>
Total capital assets being depreciated, net	<u>689,833,407</u>	<u>8,508,125</u>	<u>(3,328,453)</u>	<u>695,013,079</u>
Total governmental activity capital assets, net	<u>\$ 958,451,820</u>	<u>\$ 85,037,400</u>	<u>\$ (46,497,257)</u>	<u>\$ 996,991,963</u>
<b>Business-type activities</b>				
Capital assets not being depreciated:				
Land	\$ 11,496,652	\$ 884,485	\$ —	\$ 12,381,137
Construction in progress	404,535	606,191	—	1,010,726
Total capital assets not being depreciated	<u>11,901,187</u>	<u>1,490,676</u>	<u>—</u>	<u>13,391,863</u>
Capital assets being depreciated:				
Buildings	18,664,952	—	—	18,664,952
Improvements other than buildings	27,689,399	69,283	—	27,758,682
Leasehold improvements	736,793	—	(736,793)	—
Furniture, fixtures, and equipment	9,450,046	197,512	(222,473)	9,425,085
Total capital assets being depreciated	<u>56,541,190</u>	<u>266,795</u>	<u>(959,266)</u>	<u>55,848,719</u>
Accumulated depreciation for:				
Buildings	(7,133,695)	(446,031)	—	(7,579,726)
Improvements other than buildings	(9,395,310)	(485,021)	—	(9,880,331)
Leasehold improvements	(647,192)	(20,318)	667,510	—
Furniture, fixtures, and equipment	(6,516,911)	(308,036)	206,178	(6,618,769)
Total accumulated depreciation	<u>(23,693,108)</u>	<u>(1,259,406)</u>	<u>873,688</u>	<u>(24,078,826)</u>
Total capital assets being depreciated, net	<u>32,848,082</u>	<u>(992,611)</u>	<u>(85,578)</u>	<u>31,769,893</u>
Total business-type activity capital assets, net	<u>\$ 44,749,269</u>	<u>\$ 498,065</u>	<u>\$ (85,578)</u>	<u>\$ 45,161,756</u>

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

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Depreciation expense is charged to functions of the County as follows:

Governmental activities:

General government	\$ 2,847,405
Public safety and criminal justice	6,620,486
Social services	1,418,985
Education, recreation, and cultural	23,434,013
Health and regulatory	635,482
Public works	816,076
Tax administration	198,142
Depreciation on capital assets of the County's internal service funds charged to the various functions based on their usage of the assets	<u>2,958,544</u>
Total depreciation expense - governmental activities	<u><u>\$ 38,929,133</u></u>

Business-type activities:

Golf courses	\$ 723,372
Public works and other services	<u>536,034</u>
Total depreciation expense - business-type activities	<u><u>\$ 1,259,406</u></u>

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
Year Ended December 31, 2019

**9. LONG-TERM LIABILITIES**

The following is a summary of transactions affecting long-term liabilities for the year ended December 31, 2019:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>Governmental activities:</b>					
General obligation bonds	\$ 186,755,000	\$ 39,615,000	\$ (54,165,000)	\$ 172,205,000	\$ 19,580,000
Unamortized premiums	13,792,799	6,893,635	(2,657,541)	18,028,893	—
Net general obligation bonds	<u>200,547,799</u>	<u>46,508,635</u>	<u>(56,822,541)</u>	<u>190,233,893</u>	<u>19,580,000</u>
Sales tax revenue bonds	180,119,605	—	(10,169,819)	169,949,786	10,555,737
Unamortized premiums	12,342,464	—	(1,706,446)	10,636,018	—
Net sales tax revenue bonds	<u>192,462,069</u>	<u>—</u>	<u>(11,876,265)</u>	<u>180,585,804</u>	<u>10,555,737</u>
Lease revenue bonds (Municipal Building Authority)	52,754,512	17,840,000	(4,024,358)	66,570,154	4,154,800
Unamortized premiums	755,100	3,363,279	(430,740)	3,687,639	—
Net lease revenue bonds	<u>53,509,612</u>	<u>21,203,279</u>	<u>(4,455,098)</u>	<u>70,257,793</u>	<u>4,154,800</u>
Transportation and excise tax revenue bonds	89,450,000	—	(7,800,000)	81,650,000	8,445,000
Unamortized premiums	4,553,606	—	(817,121)	3,736,485	—
Net transportation tax revenue bonds	<u>94,003,606</u>	<u>—</u>	<u>(8,617,121)</u>	<u>85,386,485</u>	<u>8,445,000</u>
Obligations under capital leases	370,764	—	(125,694)	245,070	137,718
Notes payable	66,674,470	15,168,390	(2,855,144)	78,987,716	2,978,587
Compensated absences	20,974,796	22,061,109	(20,139,585)	22,896,320	11,448,160
Claims and judgments payable	12,132,760	44,005,231	(44,106,406)	12,031,585	5,790,392
Net pension liability	78,738,245	92,438,625	(34,858,807)	136,318,063	—
Net OPEB liability	92,294,117	4,920,572	(5,008,089)	92,206,600	—
Total governmental activity long-term liabilities	<u>\$ 811,708,238</u>	<u>\$ 246,305,841</u>	<u>\$ (188,864,750)</u>	<u>\$ 869,149,329</u>	<u>\$ 63,090,394</u>
<b>Business-type activities:</b>					
Sales tax revenue bonds	\$ 781,395	\$ —	\$ (30,181)	\$ 751,214	\$ 31,263
Unamortized premiums	44,433	—	(5,160)	39,273	—
Net sales tax revenue bonds	<u>825,828</u>	<u>—</u>	<u>(35,341)</u>	<u>790,487</u>	<u>31,263</u>
Lease revenue bonds (Municipal Building Authority)	1,585,488	—	(140,642)	1,444,846	145,200
Unamortized premiums	26,389	—	(4,630)	21,759	—
Net lease revenue bonds	<u>1,611,877</u>	<u>—</u>	<u>(145,272)</u>	<u>1,466,605</u>	<u>145,200</u>
Compensated absences	1,630,881	1,362,479	(1,498,827)	1,494,533	747,267
Net pension liability	5,462,618	5,438,295	(2,880,917)	8,019,996	—
Net OPEB liability	7,520,460	323,275	(1,785,875)	6,057,860	—
Total business-type activity long-term liabilities	<u>\$ 17,051,664</u>	<u>\$ 7,124,049</u>	<u>\$ (6,346,232)</u>	<u>\$ 17,829,481</u>	<u>\$ 923,730</u>

Compensated absences are generally liquidated by the fund to which the employee is assigned. Claims and judgments are generally liquidated by the General and Employee Service Reserve (Internal Service) Funds. The net pension liability and the net OPEB liability are liquidated by the fund where participating retirees worked, primarily the General Fund.

SALT LAKE COUNTY

Notes to the Basic Financial Statements

Year Ended December 31, 2019

**9.1 Debt Service Requirements of Bonds**—Debt service requirements of bonds (long-term debt) at December 31, 2019 are as follows:

Years Ending December 31,	Governmental Activities—Bonds					
	General Obligation		Sales Tax Revenue		Lease Revenue	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 19,580,000	\$ 6,895,832	\$ 10,555,737	\$ 6,886,807	\$ 4,154,800	\$ 3,556,139
2021	19,565,000	6,174,557	10,777,654	6,481,737	4,275,579	3,357,539
2022	15,615,000	5,455,000	11,173,030	6,039,034	4,945,682	3,135,641
2023	16,275,000	4,746,900	11,689,270	5,540,345	5,125,448	2,875,243
2024	17,010,000	4,009,375	12,195,808	4,998,458	5,314,708	2,605,562
2025 - 2029	68,215,000	9,123,651	43,252,393	19,033,150	30,013,937	8,355,406
2030 - 2034	14,500,000	1,216,299	46,270,894	10,407,569	4,410,000	2,655,500
2035 - 2039	1,445,000	43,350	24,035,000	1,463,037	5,650,000	1,404,000
2040 - 2044	—	—	—	—	2,680,000	135,500
Total	<u>\$ 172,205,000</u>	<u>\$ 37,664,964</u>	<u>\$ 169,949,786</u>	<u>\$ 60,850,137</u>	<u>\$ 66,570,154</u>	<u>\$ 28,080,530</u>

Years Ending December 31,	Governmental Activities—Bonds			
	Transportation and Excise Tax		Total—All Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 8,445,000	\$ 3,434,900	\$ 42,735,537	\$ 20,773,678
2021	8,895,000	3,118,970	43,513,233	19,132,803
2022	9,710,000	2,775,350	41,443,712	17,405,025
2023	10,510,000	2,389,148	43,599,718	15,551,636
2024	11,175,000	1,923,920	45,695,516	13,537,315
2025 - 2029	22,090,000	4,186,342	163,571,330	40,698,549
2030 - 2034	10,825,000	931,950	76,005,894	15,211,318
2035 - 2039	—	—	31,130,000	2,910,387
2040 - 2044	—	—	2,680,000	135,500
Total	<u>\$ 81,650,000</u>	<u>\$ 18,760,580</u>	<u>\$ 490,374,940</u>	<u>\$ 145,356,211</u>

Years Ending December 31,	Business-Type Activities—Bonds					
	Sales Tax Revenue		Lease Revenue		Total—All Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 31,263	\$ 25,809	\$ 145,200	\$ 93,105	\$ 176,463	\$ 118,914
2021	32,346	24,688	149,421	86,165	181,767	110,853
2022	33,970	23,030	154,318	78,873	188,288	101,903
2023	35,730	21,288	159,552	70,725	195,282	92,013
2024	47,192	22,699	165,292	62,301	212,484	85,000
2025 - 2029	271,607	86,100	671,063	153,173	942,670	239,273
2030 - 2034	299,106	33,851	—	—	299,106	33,851
Total	<u>\$ 751,214</u>	<u>\$ 237,465</u>	<u>\$ 1,444,846</u>	<u>\$ 544,342</u>	<u>\$ 2,196,060</u>	<u>\$ 781,807</u>

**9.2 General Obligation Bonds**—The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds and lease revenue bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the taxpayers of the County. These bonds are issued as serial bonds with varying amounts of principal maturing

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

each year with maturities that range from 5 to 20 years. The County is subject to a statutory limitation, by the state of Utah, of bonded general obligation indebtedness of 2.0% of the fair market value of taxable property. The limit for the County at December 31, 2019 is \$3.5 billion, providing a debt margin of \$3.3 billion.

In 2019, the County issued \$39.6 million in 2019 general obligation bonds (with \$6.9 million in premium) for the purpose of paying all or a portion of the costs of acquisition, construction, renovation, improvement and equipping of parks and recreation facilities, and related improvements.. These bonds were the second and final block of bonds to be issued from the 2016 Bond Election.

General obligation issues outstanding at December 31, 2019 consist of the following:

<b>Series</b>	<b>Purpose</b>	<b>Original Amount</b>	<b>Remaining Interest Rates to Maturity</b>	<b>Final Maturity Date</b>	<b>Current Outstanding Balance</b>
2012A	<i>Tracy Aviary, Hogle Zoo</i>	\$ 14,600,000	2.00 - 2.75%	2031	\$ 9,445,000
2012B	<i>Salt Palace, Old Mill, Salt Palace II, South Mountain, South Towne, Emergency Operation</i>	38,165,000	1.20 - 1.95%	2021	10,000,000
2013	<i>Parks</i>	25,000,000	5.00%	2023	4,475,000
2015A	<i>Open Space I</i>	13,925,000	3.00 - 5.00%	2027	11,485,000
2015B	<i>Open Space, Natural Habitat, Parks, Trails</i>	22,000,000	2.00 - 5.00%	2035	18,685,000
2016	<i>Crossover Advance Refunding of 2009B and 2010B Series Bonds</i>	27,885,000	4.00 - 5.00%	2029	25,755,000
2017	<i>Recreation</i>	39,125,000	5.00%	2027	23,825,000
2017B	<i>Utah Museum of Natural History, Tracy Aviary II, Parks</i>	29,345,000	2.00 - 5.00%	2032	28,920,000
2019	<i>Parks and Recreation</i>	39,615,000	5.00%	2027	39,615,000
					<u>\$ 172,205,000</u>

In 2016, the County issued \$27.9 million in 2016 general obligation refunding bonds (with a premium of \$7.1 million) to purchase securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the refunding bonds until June 15, 2019 (the crossover date) and to refund in advance \$18.6 million of 2009B general obligation bonds and \$13.4 million of 2010B general obligation bonds (refunded bonds) on the crossover date. The County continued to service the refunded bonds until the crossover date. On the crossover date, the refunded bonds were defeased and the County began to pay the debt service on the 2016 general obligation refunding bonds. Both the refunded bonds and the refunding bonds as well as the resources held in escrow (cash and investments with fiscal agent) were recorded by the County until the crossover date.

**9.3 Sales Tax Revenue Bonds**—The County issues sales tax revenue bonds to provide funds for the acquisition, construction, and expansion of major capital facilities. These bonds are not considered general obligations of the County, but are special limited obligations secured by and payable solely from the County’s pledged sales tax receipts.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

Sales tax revenue issues outstanding at December 31, 2019 consist of the following:

<b>Series</b>	<b>Purpose</b>	<b>Original Amount</b>	<b>Remaining Interest Rates to Maturity</b>	<b>Final Maturity Date</b>	<b>Current Outstanding Balance</b>
2010A,B	<i>Planetarium, Midvale Storm Drain</i>	\$ 8,855,000	3.25%	2020	\$ 165,000
2010D	<i>District Attorney, Fleet, Senior Center and Public Health Land and Buildings; Taxable</i>	33,020,000	3.25 - 5.20% *	2035	25,630,000
2011	<i>Solar Projects at Salt Palace; Taxable</i>	1,917,804	2.25%	2028	1,106,000
2012A	<i>Salt Palace Expansion 3, Phases I and II, South Towne Parking, Recreation Projects</i>	43,725,000	2.50 - 5.00%	2025	28,285,000
2014	<i>District Attorney, Fleet, Public Health, Senior Center, Parks and Public Works Operations Center, Salt Palace Land</i>	30,000,000	3.00 - 5.00%	2035	25,855,000
2017	<i>Tourism, Recreation, Cultural, and Convention (TRCC)</i>	44,230,000	2.00 - 5.00%	2037	41,565,000
2017A	<i>Health and District Attorney Buildings, Other Capital Improvements; Taxable</i>	13,550,000	1.46 - 2.78%	2024	9,575,000
2017B	<i>Health and District Attorney Buildings, Other Capital Improvements</i>	38,520,000	2.50 - 5.00%	2037	38,520,000
					<u>\$ 170,701,000</u>
					Governmental activities \$ 169,949,786
					Business-type activities 751,214
					<u>\$ 170,701,000</u>

\* Actual interest rates. Does not include 32.94% federal interest rate subsidy on the 2010D Build America Bonds.

The County has pledged future county option sales and use tax revenues (pledged sales tax revenues) to repay \$129.1 million in sales tax revenue bonds (exclusive of the \$41.6 million in 2017 TRCC bonds). Annual principal and interest payments on the bonds are expected to require 15% of pledged sales tax revenues. The total principal and interest remaining (net of federal interest subsidies) to be paid on the bonds is \$165.3 million. Principal and interest paid (net of federal interest subsidies) for the current year and pledged sales tax revenues received were \$13.2 million and \$67.6 million, respectively.

After a statutorily required set aside to promote ski tourism of \$450,000, car rental, restaurant and transient room sales taxes are pledged for payment on the 2017 TRCC bonds. The total principal and interest remaining to be paid on the bonds is \$62.9 million. Principal and interest paid for the current year and pledged revenues were \$3.5 million and \$44.9 million, respectively.

**9.4 Lease Revenue Bonds**—Lease revenue bonds are issued by the Salt Lake County Municipal Building Authority (MBA), a blended component unit of the County. These bonds are not considered general obligations of the County but are special limited obligations payable from the lease revenues derived from the assets acquired or constructed with bond proceeds or other County appropriations. These assets are used as collateral for the lease revenue bonds.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

The Salt Lake County MBA issued \$17.8 million in principal with a \$3.4 million in premium in 2019 to finance a portion of the cost of the acquisition, construction, improvements and equipping of a library operations center and two libraries, and to finance the acquisition of a library collection of books and digital media for one of the libraries.

Lease revenue issues at December 31, 2019 consist of the following:

Series	Purpose	Original Amount	Remaining Interest Rates to Maturity	Final Maturity Date	Current Outstanding Balance
2009B	<i>Public Works Administration, Libraries, Senior Centers; Taxable</i>	\$ 58,390,000	4.68 - 5.82% *	2029	\$ 50,175,000
2019	<i>Libraries</i>	17,840,000	5.00%	2041	17,840,000
					<u>\$ 68,015,000</u>
					Governmental activities \$ 66,570,154
					Business-type activities 1,444,846
					<u>\$ 68,015,000</u>

\* Actual interest rates. Does not include 32.94% federal interest rate subsidy on the 2009B Build America Bonds.

**9.5 Transportation and Excise Tax Revenue Bonds**—Transportation and excise tax revenue issues outstanding at December 31, 2019 consist of the following:

Series	Purpose	Original Amount	Remaining Interest Rates to Maturity	Final Maturity Date	Current Outstanding Balance
2010B	<i>State Roads (Transportation Tax); Taxable</i>	\$ 57,635,000	3.36 - 4.31% *	2025	\$ 51,310,000
2014	<i>Transportation Preservation (Excise Tax)</i>	38,600,000	5.00%	2023	6,695,000
2017	<i>Transportation Preservation (Excise Tax)</i>	23,925,000	3.00 - 5.00%	2033	23,645,000
					<u>\$ 81,650,000</u>

\* Actual interest rates. Does not include 32.94% federal interest rate subsidy on the 2010B Build America Bonds.

**9.5.1 Transportation Tax Revenue Bonds**

The County has pledged future county option transit and transportation sales tax and transportation preservation fee revenues (pledged transportation tax revenues) to repay \$51.3 million in transportation tax revenue bonds. Annual principal and interest payments (net of federal interest subsidies) on the bonds are expected to require all of pledged transportation tax revenues. The total principal and interest remaining (net of federal interest subsidies) to be paid on the bonds is \$59.4 million. Principal and interest paid (net of federal interest subsidies) for the current year and pledged transportation tax revenues received were \$7.8 million and \$7.8 million, respectively.

These bonds were issued pursuant to an interlocal cooperation agreement with the state of Utah. The transportation tax revenues are sales taxes and fees collected within the County by the state of Utah. The bonds do not constitute a general obligation of the County, and are not obligations of the state of Utah.

**9.5.2 Excise Tax Revenue Bonds**

The County has pledged future transportation preservation fees (pledged excise tax revenue) to repay \$30.3 million in excise tax revenue bonds. Annual principal and interest payments on the bonds are expected to require 64% of pledged excise tax revenues. The total principal and interest remaining to be paid on the bonds is \$41.1 million. Principal and

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

interest paid for the current year and pledged excise tax revenues received were \$2.9 million and \$13.3 million, respectively.

If necessary, the County has also pledged the portion of future tax equivalent payments allocated to the General Fund to repay the excise tax revenue bonds. Future tax equivalent payments, however, have not been included in the pledged excise tax revenue amounts disclosed herein.

**9.6 Capital Lease Obligations**—The County entered into several lease agreements as lessee to finance the acquisition of equipment capitalized at \$0.5 million (or \$0.8 million less \$0.3 million of accumulated depreciation). The equipment has an average estimated useful life of 29 years. This year, \$55,640 is included in depreciation expense for facilities and equipment financed under capital lease obligations. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception dates of the leases.

Future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2019 are as follows:

Years Ending December 31,	Salt Palace HVAC	Salt Palace Lighting	Copy Machines	Totals
2020	\$ 61,968	\$ 31,213	\$ 44,537	\$ 137,718
2021	61,968	31,213	549	93,730
2022	15,492	7,803	—	23,295
	<u>139,427</u>	<u>70,229</u>	<u>45,086</u>	<u>254,743</u>
Amounts representing interest	<u>(5,516)</u>	<u>(2,778)</u>	<u>(1,378)</u>	<u>(9,672)</u>
Present value of net minimum lease payments	<u>\$ 133,912</u>	<u>\$ 67,451</u>	<u>\$ 43,708</u>	<u>\$ 245,070</u>

**9.7 Notes Payable** — Salt Lake County NMTC, Inc., a blended component unit of the County, controls Historical Capitol Theatre, LLC. Historical Capitol Theatre, LLC issued promissory notes in 2013 totaling \$7.6 million.

Salt Lake County NMTC, Inc., a blended component unit of the County, controls Downtown Health Clinic, LLC. Downtown Health Clinic, LLC issued promissory notes in 2017 totaling \$11.2 million.

Salt Lake County NMTC, Inc., a blended component unit of the County, controls Kearns Library, LLC. Kearns Library, LLC issued promissory notes in 2019 totaling \$14.1 million.

These notes payable are secured, in part, by promissory notes receivable (see Note 5). The obligations are also collateralized by the associated NMTC assets.

In consideration for its investment in UPACA (see Note 14.3), the County committed to allocate tax increment revenues to the Redevelopment Agency of Salt Lake City from 2015 to 2040, estimated at \$1,720,000 per year. The present value of the commitment at inception discounted at 3.8% was \$27.5 million.

In 2018, the County received a \$23.2 million Utah state infrastructure bank loan from the Utah Department of Transportation. The proceeds will be loaned to various municipalities to assist in parking structure projects. The loan was issued with a 2.98% interest rate and a ten year term.

In 2019, the County issued a \$1.0 million note payable to finance a maintenance agreement on communications equipment, of which \$0.4 million was paid in 2019.

**SALT LAKE COUNTY**

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The following is a schedule of future debt service requirements on the notes:

Years Ending December 31,	Capitol Theatre		Downtown Health Clinic		Kearns Library	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ —	\$ 55,008	\$ —	\$ 112,125	\$ —	\$ 395,056
2021	229,064	55,008	—	112,125	—	395,056
2022	230,713	53,359	—	112,125	—	395,056
2023	232,374	51,698	—	112,125	—	395,056
2024	234,048	50,024	—	112,125	—	395,056
2025 - 2029	1,195,761	224,602	1,591,130	531,473	14,137,500	607,101
2030 - 2034	1,239,430	180,930	1,780,562	445,811	—	—
2035 - 2039	1,284,699	135,664	1,871,390	414,679	—	—
2040 - 2044	1,331,619	88,743	1,966,848	—	—	—
2045 - 2049	1,380,251	40,108	2,067,178	—	—	—
2050 - 2052	282,041	2,030	1,935,392	—	—	—
	<u>\$ 7,640,000</u>	<u>\$ 937,174</u>	<u>\$ 11,212,500</u>	<u>\$ 1,952,588</u>	<u>\$ 14,137,500</u>	<u>\$ 2,582,381</u>

Years Ending December 31,	Eccles Theater (UPACA)		State Infrastructure		Maintenance Agreement	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 818,631	\$ 901,369	\$ 1,831,557	\$ 640,443	\$ 328,399	\$ 33,592
2021	849,592	870,408	1,960,298	585,862	344,786	17,205
2022	881,723	838,277	2,095,100	527,445	—	—
2023	915,070	804,930	2,236,210	465,011	—	—
2024	949,678	770,322	2,383,886	398,372	—	—
2025 - 2029	5,315,092	3,284,908	10,984,309	835,980	—	—
2030 - 2034	6,399,128	2,200,872	—	—	—	—
2035 - 2039	7,704,257	895,743	—	—	—	—
	<u>\$ 23,833,171</u>	<u>\$ 10,566,829</u>	<u>\$ 21,491,360</u>	<u>\$ 3,453,113</u>	<u>\$ 673,185</u>	<u>\$ 50,797</u>

**9.8 Claims and Judgments Payable**—The County records a liability for claims or judgments when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. The Employee Service Reserve (Internal Service) Fund is used to report employee medical and dental insurance and worker’s compensation and industrial medical activities (see Note 12). The General Fund reports legal claim activities.

The liability for claims and judgments at December 31, 2019 totals \$12.0 million, of which \$5.8 million is expected to be paid within one year.

Changes in the balance of claims and judgments payable during the past two years are as follows:

	Medical Insurance		Dental Insurance		Worker's Compensation and Industrial Medical		Legal Claims	
	2019	2018	2019	2018	2019	2018	2019	2018
Beginning balance	\$ 3,980,945	\$ 3,030,093	\$ 262,825	\$ 264,468	\$ 4,888,990	\$ 5,540,932	\$ 3,000,000	\$ 3,000,000
Claims incurred and adjusted	39,989,323	36,019,953	3,079,778	2,694,108	709,335	912,107	(226,795)	(264,234)
Claims paid	(39,540,614)	(35,069,101)	(3,062,263)	(2,695,751)	(1,276,734)	(1,564,049)	226,795	264,234
Ending balance	<u>\$ 4,429,654</u>	<u>\$ 3,980,945</u>	<u>\$ 280,340</u>	<u>\$ 262,825</u>	<u>\$ 4,321,591</u>	<u>\$ 4,888,990</u>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>

**9.9 Tax and Revenue Anticipation Notes**—On July 16, 2019, the County issued tax and revenue anticipation notes (series 2019) in the amount of \$70.0 million. The notes were repaid December 27, 2019. The notes had an average coupon of 3.00% and a true interest rate of 1.25%. The purpose of the notes was to pay current and necessary expenditures of the County.

## 10. STATE RETIREMENT PLANS

**10.1 Description of Plans**—Eligible employees of the County are provided with the following plans through the Utah Retirement Systems (the URS) administered by the URS:

Defined Benefit Pension Plans (multiple-employer, cost-sharing retirement systems):

- *Public Employees Noncontributory Retirement System* (Tier 1 Noncontributory System)
- *Public Employees Contributory Retirement System* (Tier 1 Contributory System)
- *Public Safety Retirement System* (Tier 1 Public Safety System)
- *Tier 2 Public Employees Contributory Retirement System* (Tier 2 Contributory System)
- *Tier 2 Public Safety and Firefighter Contributory Retirement System* (Tier 2 Public Safety and Firefighter System)

Defined Contribution Plans (individual account plans):

- *401(k) Plan which includes the Tier 2 Defined Contribution Plans*
- *457 Plan and other individual plans*

County employees qualify for membership in the public employees systems if 1) employment normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the County as approved by the Utah State Retirement Board or 2) the employee is an appointed officer whose position is full time as certified by the County. An employee qualifies for membership in the public safety systems if employment normally requires an average of 2,080 hours of employment per year in a recognized public safety department.

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

The plans are established and governed by the respective sections of Title 49 of the Utah Code. The plans are amended statutorily by the Utah State legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor.

The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at [www.urs.org](http://www.urs.org).

**10.2 Benefits Provided**—The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans.

Retirement benefits are determined from 1.25% to 2.50% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

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

For the year ended December 31, 2019, County required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			County Rates for 401(k) Plan	Totals
	County Contribution *	Amortization of UAAL **	Paid by County for Employee		
Tier 1 Noncontributory System	11.86 %	6.61 %	—	—	18.47 %
Tier 1 Contributory System	6.09 %	8.37 %	6.00 %	—	20.46 %
Tier 1 Public Safety System	22.29 %	11.75 %	—	—	34.04 %
Tier 2 Contributory System	9.05 %	8.37 %	—	1.03 %	18.45 %
Tier 2 Public Safety and Firefighter System	11.38 %	11.77 %	—	0.70 %	23.85 %
Tier 2 Defined Contribution Plans:					
Local Government	0.08 %	6.61 %	—	10.00 %	16.69 %
Public Safety and Firefighters	0.08 %	11.77 %	—	12.00 %	23.85 %

\* County contribution includes 0.08% of covered-employee payroll of the Tier 2 plans for death benefits.

\*\* Required contributions include an additional amount to finance any unfunded actuarial accrued liability in the Tier 1 plans

Employees can make contributions to defined contribution plans, subject to limitations.

For the year ended December 31, 2019, County and employee contributions to the plans were as follows:

	County Contributions*	Employee Contributions
Tier 1 Noncontributory System	\$ 19,907,062	\$ —
Tier 1 Contributory System	194,447	80,684
Tier 1 Public Safety System	6,894,773	—
Tier 2 Contributory System	7,326,471	—
Tier 2 Public Safety and Firefighter System	2,368,037	—
Tier 2 Defined Contribution Plans:		
Local Government	897,223	—
Public Safety and Firefighters	147,325	—
401(k) Plan	2,617,490	6,871,634
457 Plan and other individual plans	—	2,073,979

\* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans

**10.4 Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**—At December 31, 2019, the County reported an asset of \$0 and a liability of \$144.3 million for its proportionate share of the net pension liability (asset) for the following plans:

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	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Tier 1 Noncontributory System	\$ —	\$ 99,643,203
Tier 1 Contributory System	—	3,107,177
Tier 1 Public Safety System	—	39,933,354
Tier 2 Contributory System	—	1,487,046
Tier 2 Public Safety and Firefighter System	—	167,279
Total	<u>\$ —</u>	<u>\$ 144,338,059</u>

The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2018, rolled-forward using generally accepted actuarial procedures. The County’s proportion of the net pension asset and liability is equal to the ratio of the County’s actual contribution compared to the total of all employer contributions during the plan year. The following presents the County’s proportion percentage of the collective net pension liability (asset) at December 31, 2018 and the change in its proportion since the prior measurement date of December 31, 2017 for each plan:

	<u>Proportionate Share</u>	
	<u>2018</u>	<u>Change</u>
Tier 1 Noncontributory System	13.5316317 %	(0.0272799)%
Tier 1 Contributory System	7.6568638 %	(0.0563314)%
Tier 1 Public Safety System	15.5226584 %	0.3052667 %
Tier 2 Contributory System	3.4721476 %	0.1074454 %
Tier 2 Public Safety and Firefighter System	6.6763113 %	(0.2592037)%

For the year ended December 31, 2019, the County recognized pension expense of \$44.7 million for the defined benefit pension plans and pension expense of \$2.6 million for the defined contribution plans. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to each defined benefit pension plan from the following sources:

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<b>Deferred Outflows of Resources</b>						
	<b>Tier 1 Non-contributory System</b>	<b>Tier 1 Contributory System</b>	<b>Tier 1 Public Safety System</b>	<b>Tier 2 Contributory System</b>	<b>Tier 2 Public Safety and Firefighter System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 1,281,545	\$ —	\$ —	\$ 10,437	\$ 76,865	\$ 1,368,847
Changes of assumptions	13,348,343	—	4,590,192	372,719	159,150	18,470,404
Net difference between projected and actual earnings on pension plan investments	20,734,625	1,021,161	6,891,127	484,248	117,901	29,249,062
Changes in proportion and differences between County contributions and proportionate share of contributions	117,215	—	668,129	454,518	133,117	1,372,979
County contributions subsequent to the measurement date	19,907,062	194,447	6,894,773	8,223,695	2,515,361	37,735,338
<b>Total</b>	<b>\$ 55,388,790</b>	<b>\$ 1,215,608</b>	<b>\$ 19,044,221</b>	<b>\$ 9,545,617</b>	<b>\$ 3,002,394</b>	<b>\$ 88,196,630</b>

<b>Deferred Inflows of Resources</b>						
	<b>Tier 1 Non-contributory System</b>	<b>Tier 1 Contributory System</b>	<b>Tier 1 Public Safety System</b>	<b>Tier 2 Contributory System</b>	<b>Tier 2 Public Safety and Firefighter System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 1,858,449	\$ —	\$ 1,900,444	\$ 307,340	\$ 218	\$ 4,066,451
Changes of assumptions	—	—	—	26,716	6,137	32,853
Changes in proportion and differences between County contributions and proportionate share of contributions	1,107,067	—	72,074	—	—	1,179,141
<b>Total</b>	<b>\$ 2,965,516</b>	<b>\$ —</b>	<b>\$ 1,972,518</b>	<b>\$ 334,056</b>	<b>\$ 6,355</b>	<b>\$ 5,278,445</b>

The \$37.7 million reported as deferred outflows of resources related to pensions results from County contributions subsequent to the measurement date of December 31, 2018 and will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2020. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to each pension plan will be recognized in pension expense as follows:

<b>Deferred Outflows (Inflows) of Resources</b>						
<b>Years Ending December 31,</b>	<b>Tier 1 Non-contributory System</b>	<b>Tier 1 Contributory System</b>	<b>Tier 1 Public Safety System</b>	<b>Tier 2 Contributory System</b>	<b>Tier 2 Public Safety and Firefighter System</b>	<b>Totals</b>
2020	\$ 14,152,196	\$ 404,481	\$ 5,159,304	\$ 168,245	\$ 51,899	\$ 19,936,125
2021	5,946,633	23,975	926,065	122,522	42,736	7,061,931
2022	2,593,282	102,426	820,457	134,206	45,400	3,695,771
2023	9,824,100	490,279	3,271,103	236,768	69,175	13,891,425
2024	—	—	—	44,373	22,827	67,200
Thereafter	—	—	—	281,749	248,640	530,389

**10.5 Actuarial Assumptions**—The total pension liability (asset) in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% to 9.75%, average, including inflation
Investment rate of return	6.95%, net of pension plan investment expense, including inflation

Mortality rates were based on actual experience and mortality tables, considering gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016.

The long-term expected rate of return on defined benefit 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 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Real Return Arithmetic Basis</u>
Equity securities	40%	6.2%
Debt securities	20%	0.4%
Real assets	15%	5.8%
Private equity	9%	10.0%
Absolute return	16%	2.9%
Cash and cash equivalents	0%	0.0%
Total	<u>100%</u>	

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

**10.6 Discount Rate**—The discount rate used to measure the total pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at current contribution rates and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on these 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 (asset).

**10.7 Sensitivity of the County’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**—The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what the County’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

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	<b>1% Decrease (5.95%)</b>	<b>Discount Rate (6.95%)</b>	<b>1% Increase (7.95%)</b>
County's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 204,214,764	\$ 99,643,203	\$ 12,562,695
Tier 1 Contributory System	6,596,029	3,107,177	170,287
Tier 1 Public Safety System	78,276,432	39,933,354	8,807,213
Tier 2 Contributory System	5,957,394	1,487,046	(1,962,944)
Tier 2 Public Safety and Firefighter System	1,261,718	167,279	(670,241)
Total	<u>\$ 296,306,337</u>	<u>\$ 144,338,059</u>	<u>\$ 18,907,010</u>

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

**10.9 Payables to the Pension Plans**—At December 31, 2019, the County reported payables of \$1.4 million for contributions to defined benefit pension plans and \$0.1 million for contributions to defined contribution plans.

**11. OTHER POSTEMPLOYMENT BENEFITS**

**11.1 Plan Description and Benefits Provided**—In addition to the pension plan benefits described in Note 10, the County provides postemployment health care (medical and dental) and life insurance benefits, through a single employer defined benefit plan, to all employees who retire from the County and qualify to retire from the URS. The benefits, benefit levels, employee contributions, and employer contributions are governed by County policy, and can be amended at any time. The plan does not issue a separate report.

**11.2 Employees Covered by Benefit Terms**—At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1,168
Active employees	<u>1,861</u>
Total	<u><u>3,029</u></u>

Plan benefits are closed to employees hired after January 1, 2013.

**11.3 Contributions**—Effective January 1, 2015, the County began to use an employee benefit trust to accumulate and invest assets necessary to finance future benefit payments. Expected contributions are based on projected benefit payments and expenses becoming due (pay-as-you-go financing), with additional amounts to prefund benefits as determined annually by the County Council. For 2019, the County’s average contribution rate was 5.3% of covered-employee payroll. The County covers from zero to 80% (based on years of service) of the cost of a single premium. Contributions to the plan are recorded as expenditures/expenses in the County funds that pay plan-eligible salaries.

**11.4 Net OPEB Liability**—The County’s net OPEB liability was measured as of December 31, 2019. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of the same date.

**11.5 Actuarial Assumptions**—The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.25%
Salary increases	3.25%, average, including inflation
Discount rate	5.0%
Healthcare cost trend rates	8.0% for 2020, decreasing per year to an ultimate rate of 4.5% for 2027 and later years

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Mortality rates were based on the RPH-2017 Total Data Mortality Table fully generational using Scale MP-2017, a model developed by the Society of Actuaries.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the Utah Retirement Systems for the five-year period ended December 31, 2016.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense plus inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting them based on the target asset allocation percentage. The best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of December 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	52%	8.6%
Debt securities	48%	0.5%
Total	<u>100%</u>	

**11.6 Discount Rate**—The discount rate used to measure the total OPEB liability was 5.0%. The projection of cash flows used to determine the discount rate assumed that County contributions will be equal to projected benefit payments and expense becoming due, with an additional amount to prefund benefits as determined annually by the County Council. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**11.7 Changes in the Net OPEB Liability**—

	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balances at December 31, 2018	\$ 106,326,832	\$ 6,512,255	\$ 99,814,577
Changes for the year:			
Service cost	2,603,102	—	2,603,102
Interest	5,361,285	—	5,361,285
Changes of benefit terms	—	—	—
Differences between expected and actual experience	(7,047,075)	—	(7,047,075)
Changes in assumptions or other inputs	4,012,229	—	4,012,229
Benefit payments	(3,450,572)	(3,450,572)	—
Employer contributions	—	5,966,130	(5,966,130)
Member contributions	—	—	—
Net investment income	—	766,640	(766,640)
Trust administrative expenses	—	(253,111)	253,111
Net changes	<u>1,478,969</u>	<u>3,029,087</u>	<u>(1,550,118)</u>
Balances at December 31, 2019	<u>\$ 107,805,801</u>	<u>\$ 9,541,342</u>	<u>\$ 98,264,459</u>

Plan fiduciary net position as a percentage of the total OPEB liability 8.9 %

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**11.8 Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**—The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.0%) or 1-percentage-point higher (6.0%) than the current discount rate:

	<b>1% Decrease (4%)</b>	<b>Discount Rate (5%)</b>	<b>1% Increase (6%)</b>
Net OPEB liability	<u>\$ 115,108,364</u>	<u>\$ 98,264,459</u>	<u>\$ 84,697,737</u>

**11.9 Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**—The following presents the net OPEB liability of the County, as well as what the County’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.0% decreasing to 3.5%) or 1-percentage-point higher (9.0% decreasing to 5.5%) than current healthcare cost trend rates:

	<b>1% Decrease (7.0% decreasing to 3.5%)</b>	<b>Healthcare Cost Trend Rates (8.0% decreasing to 4.5%)</b>	<b>1% Increase (9.0% decreasing to 5.5%)</b>
Net OPEB liability	<u>\$ 83,597,060</u>	<u>\$ 98,264,459</u>	<u>\$ 116,801,335</u>

**11.10 OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**—For the year ended December 31, 2019, the County recognized OPEB expense of \$6.5 million. At December 31, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ —	\$ 13,654,366
Changes in assumptions	5,389,103	—
Net difference between projected and actual earnings on OPEB plan investments	272,294	308,125
	<u>\$ 5,661,397</u>	<u>\$ 13,962,491</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Years Ending December 31,</b>	<b>Deferred Outflows (Inflows) of Resources</b>
2020	\$ (1,917,999)
2021	(1,918,001)
2022	(1,942,391)
2023	(2,016,897)
2024	(505,806)

**12. RISK MANAGEMENT**

**12.1 Property Insurance**—The County carries an all-risk commercial property policy with various deductibles including: \$100,000 per occurrence for general property losses, \$20,000 for boiler and machinery, and \$10,000 for contractor's equipment. The County experienced a moderate earthquake on March 18, 2020 and is expecting to have upwards of \$250,000 in damages from the quake. The County will pay its deductible of \$100,000 for this loss but hopes to recoup those funds through Federal Emergency Management Agency (FEMA). The property insurance policy carries a total loss limit of \$500,000,000 per occurrence with sub-limits for earth movement and flood of \$100,000,000 per occurrence. There were no settlements in excess of insurance coverage in any of the three prior years.

**12.2 Self Insurance**—The County is self-insured for worker's compensation; however, the State of Utah Labor Commission requires the County to purchase excess worker's compensation coverage. The County retains \$750,000 per occurrence. The excess insurance policy considers the COVID-19 pandemic to be one occurrence. It is expected that the County's exposure to work-related infections of the virus will be limited to a single deductible. Worker's compensation claims are managed by risk management staff and paid from the Employee Service Reserve (Internal Service) Fund. There were no settlements in excess of insurance coverage in any of the three prior years.

The County retains general liability for its operations and facilities. ASM Global, contract managers of the Salt Palace and Mountain America convention centers and the Equestrian Park, provide general liability insurance for their operations including the maintenance of these facilities; however, the County is still responsible for liability resulting from building design issues. The General Fund pays self-insured claims for general liability, automobile coverage, certain property exposures, and employee indemnification.

The County is self-insured for employee and retiree medical and dental and uses third-party administrators to manage these benefits. Specific and aggregate stop loss coverage on the medical plan is provided to limit the ultimate exposure of the County. A liability for employee medical and dental claims that have been incurred but not reported (IBNR) is recorded at the end of each year. The medical IBNR is equal to six weeks of claims using a trailing twelve-month average. The dental IBNR is equal for five weeks of claims using a trailing twelve-month average. The liability for retiree medical and dental benefits is included in the County OPEB plan (see Note 11). Current employee medical and dental benefits are paid from the Employee Service Reserve (Internal Service) Fund; this fund is used by the County to consolidate and account for these benefits. The Employee Service Reserve Fund receives funds to cover claim costs by charging departments insurance premiums through payroll or by charging departments a monthly assessment. Retiree medical and dental benefits are paid from the OPEB trust fund. The OPEB trust fund receives contributions from charging County departments a monthly assessment.

Changes in the County's estimated self-insurance claims liability are summarized in Note 9.8.

**12.3 Legal Contingent Liability Claims**—The County records a liability for claims or judgments when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. In addition to the liability disclosed in Note 9.8 for claims or judgments, the County and certain of its officials are defendants in a variety of legal actions involving matters of contract, property, tort, taxation, and civil rights totaling approximately \$108.9 million plus attorneys' fees and interest in some cases. The County is vigorously contesting all of these matters, but as of this date it is not possible to determine the outcome of these proceedings. The resolution of these matters is not expected to have a significant adverse effect on the County's financial position.

Changes in the County's estimated legal contingent liability claims liability are summarized in Note 9.8.

**13. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS**

**13.1 Construction Encumbrances**—The County is actively involved in construction projects including the Draper City Recreation Center, Mid-Valley Cultural Center, and multiple libraries, as well as improvements to various parks, county facilities, software development, and infrastructure. At December 31, 2019, the County's commitments with contractors total \$42.9 million. These construction commitments have been recorded as encumbrances for budgetary purposes.

Although encumbrances and the related appropriation lapse at the end of the year, these commitments will be honored in the next year.

Construction commitments are financed with unspent bond proceeds and other fund balance resources that are either restricted or committed.

**13.2 Encumbrances**—As discussed in Notes 1.09 and 1.10, encumbrances accounting is utilized to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At December 31, 2019, encumbrances (excluding construction commitments) for governmental activities and business-type activities and expected to be honored upon performance by the vendor in the next year totaled \$81.9 million and \$1.6 million, respectively.

Encumbrances will be financed with fund balance resources that are either restricted or committed. Encumbrances remain outstanding until they are either recognized as expenditures in conformity with GAAP or canceled.

**13.3 Pay for Success Commitments**—In December 2016, the County entered into a pay-for-success contract for criminal justice and homelessness initiatives. Pay-for-success contracting allows the County to commit to measurably improving outcomes for at-risk populations in the County by 1) implementing performance-based contracting that shifts performance risk for social programs to the private sector, 2) building capacity for local non-profit service providers, 3) holding service providers more accountable using data-driven performance evaluation, and 4) creating mechanisms which allow the County to discontinue inefficient service programs.

Initial funding for the initiatives is from private investments, grants, and donations. The County can become obligated for successful outcomes at a maximum of \$6.0 million for the criminal justice program and \$5.6 million for the homelessness program. Cash equal to the maximum obligated amounts has been set aside in a restricted cash account in the General Fund. Outcomes are measured by comparing program participants against a control group. Measurements of success will be made every six months. As target outcomes are achieved, the County will transfer agreed-upon amounts to an escrow account. In 2019, the County transferred \$158,600 into this escrow account for outcomes achieved during the year bringing the total amount transferred to \$229,300. The majority of transfers to the escrow account are to be made after the fourth and sixth years of the programs. Disbursements from the escrow account will be paid to investors at the end of each program.

The County will record expenditures in the governmental funds as payments to the escrow account become due. For the government-wide financial statements, liabilities and related expenses will be recorded based on success measurements and the likelihood payments to the escrow account will eventually be required. As of December 31, 2019, future payments to escrow were neither probable, nor estimable and therefore, associated liabilities were not accrued.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
 Year Ended December 31, 2019

**13.4 Total Commitments**—Total construction and other commitments at December 31, 2019 consist of the following:

	<u>Construction Encumbrances</u>	<u>Other Encumbrances</u>	<u>Pay for Success Commitments</u>	<u>Total Commitments</u>
<b>Governmental activities:</b>				
General Fund	\$ 1,101,870	\$ 5,722,365	\$ —	\$ 6,824,235
Grants Programs Fund	—	300,238	—	300,238
Transportation Preservation Fund	—	63,605,605	—	63,605,605
TRCC Fund	2,518,338	5,778,975	—	8,297,313
Nonmajor governmental funds	39,301,089	6,265,752	—	45,566,841
Internal service funds	—	203,461	—	203,461
Total	<u>\$ 42,921,297</u>	<u>\$ 81,876,396</u>	<u>\$ —</u>	<u>\$ 124,797,693</u>
<b>Business-type activities:</b>				
Golf Courses Fund	\$ —	\$ 388	\$ —	\$ 388
Public Works Fund	—	1,592,500	—	1,592,500
	<u>\$ —</u>	<u>\$ 1,592,888</u>	<u>\$ —</u>	<u>\$ 1,592,888</u>

**13.5 Operating Lease Obligations**—The County leases office facilities and other public purpose buildings under a variety of month-to-month and long-term leases. All long-term leases include either an early-termination clause or nonfunding cancellation clause to comply with state statutes. The County finances existing lease contracts in the normal course of adopting the budget. Total costs for these leases were approximately \$1.6 million for the year ended December 31, 2019.

The future minimum lease payments at December 31, 2019 are as follows:

<u>Years Ending December 31,</u>	
2020	\$ 1,102,724
2021	1,263,003
2022	1,247,526
2023	1,162,043
2024	1,137,965
Thereafter	4,143,358

**14. JOINT VENTURES AND UNDIVIDED INTERESTS**

**14.1 City/County Landfill**—The County is an equal partner with Salt Lake City Corporation of Salt Lake Valley Solid Waste Management Facility, also known as the City/County Landfill. The joint venture was created to provide solid waste management and disposal services. The County’s equity interest in the net resources of the City/County Landfill at December 31, 2019 is \$20.4 million. Such interest is reported in the governmental activities statement of net position as investment in joint ventures; earnings are reported as program revenue on the statement of activities. Distributions received from the City/County Landfill are reported as revenue in the General Fund.

State and federal laws and regulations require that the City/County Landfill place a final cover on its landfill sites and perform maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. In addition to operating expenses related to current activities of the landfill sites, an expense provision and related liability are recognized based on the future closure and postclosure care costs that will be incurred near or after the date the

## SALT LAKE COUNTY

### Notes to the Basic Financial Statements

Year Ended December 31, 2019

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landfill sites no longer accept waste. The estimated liability for landfill closure and postclosure care costs is \$11.2 million at December 31, 2019, which is based on 29.2% usage (portion filled) of the City/County Landfill. The remaining estimated cost of closure and postclosure care of approximately \$27.1 million will be recognized as the remaining estimated capacity is filled. The estimate is based on an engineering study issued in November 2016. The City/County Landfill is expected to be filled to capacity in the year 2082. A current-year expense provision in the amount of \$0.6 million was recorded in 2019. Actual costs may differ due to inflation, changes in technology, or changes in regulations.

In November 1996, the Environmental Protection Agency (EPA) issued final regulations regarding financial assurance provisions for local government owners and operators of municipal solid waste landfills. The regulations allow compliance with financial assurance requirements by meeting a financial test or by alternate methods. The financial test method is available only to local governments who can demonstrate that they are capable of meeting their financial obligations relating to their landfills and is sometimes referred to as “self-insurance.” The alternate methods generally involve third-party financial instruments such as trust funds, letters of credit, or insurance policies.

The financial assurance requirement is the estimated total current costs of closure and postclosure care of \$38.3 million at December 31, 2019. Although the County and Salt Lake City satisfy the financial test coverage and the financial assurance requirement (therefore, an alternate method is not necessary), the City/County Landfill has set aside resources to finance the estimated liability for landfill closure and postclosure care costs. At December 31, 2019, the City/County Landfill had set aside \$11.2 million of its pooled cash and investments.

The owners are required to submit documentation of financial assurance to the Utah Department of Environmental Quality demonstrating that they meet the financial test at the close of each fiscal year. In the event the owners no longer meet the requirements of the financial test, they shall, within 210 days following the close of their fiscal years, obtain alternative financial assurance for total current costs of landfill closure and postclosure care that exceed 43% of the owners’ total annual revenue.

A 2009 Interlocal Cooperation Agreement establishes a “Salt Lake Valley Solid Waste Management Council” (Management Council). The Management Council consists of five members: one member designated by the Salt Lake County Mayor; one member designated by the Salt Lake City Mayor; one designated by the Salt Lake County Council of Governments; one member of the Salt Lake Valley Board of Health or the Director of Health or designee; and one member with technical expertise in the field of solid waste management.

The Management Council makes recommendations to the governing bodies of Salt Lake City and the County, which have equal power to review, ratify, modify, or veto any actions submitted by the Management Council. A few of these recommendations include appointing an Executive Director who is responsible for City/County Landfill operations (the City does not have equal power regarding this), approve construction and expansion projects, and approve an annual budget.

The Management Council has developed a master plan designed to comply with environmental standards established by federal, state, and local governments. In connection with this plan, the Management Council has established user fees at a level sufficient to cover all operating costs, including required closure and postclosure care costs.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
Year Ended December 31, 2019

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Summary financial information for the City/County Landfill for 2019 is as follows:

**Salt Lake Valley Solid Waste Management Facility**  
Summary Financial Information  
As of and for the Year Ended December 31, 2019

Pooled cash and investments	\$ 33,701,740
Accounts receivable	1,712,942
Capital assets, net of accumulated depreciation	19,692,284
Total assets	<u>55,106,966</u>
Closure and post closure care liability	11,177,823
Accounts payable and accrued expenses	3,115,163
Total liabilities	<u>14,292,986</u>
Total net position	<u>\$ 40,813,980</u>
Landfill fee revenue	\$ 14,795,942
Other operating revenues	1,079,857
Closure and postclosure care expense	(578,565)
Other operating expenses	(13,796,318)
Nonoperating revenue (expense)	606,843
Net income	<u>\$ 2,107,759</u>
Distributions to owners	<u>\$ 1,159,677</u>

Audited financial statements for the City/County Landfill may be obtained from Salt Lake Valley Solid Waste at 6030 California Ave, Salt Lake City, UT 84104, or by calling 385-468-6380.

**14.2 Sugar House Park Authority**—The County has a 50% ownership interest in the Sugar House Park Authority, a joint venture with Salt Lake City Corporation created in 1957 for the purpose of maintaining and improving land used as a public park. The County’s investment in the Sugar House Park Authority at December 31, 2019 totaled \$1.0 million, which has been included in governmental activity investment in joint ventures in the government-wide statement of net position; \$0.8 million of the investment is related to capital assets.

The 113-acre regional park is a popular site for many City and County residents due to its convenient location and relative expanse. The Sugar House Park Authority is governed by a Board of Trustees consisting of nine members: one appointed by the City; one appointed by the County; and seven members appointed jointly by the City and County mayors with consent from their respective Councils.

A five-year contract was signed between the Sugar House Park Authority and the County in May 2018. Under the contract, the County is responsible for daily management, operation, and maintenance of the park. In 2019, the Sugar House Park Authority paid the County \$0.4 million for such services. Currently, the City provides water needed to maintain the park for a fee.

Revenues to operate the park are generated primarily from equal contributions from Salt Lake City and the County. Contributions from the County totaled \$0.2 million during the year ended December 31, 2019. Other revenues include reservation fees, various park programs, and interest earnings. Audited financial statements for the Sugar House Park Authority may be obtained from Sugar House Park Authority, 3383 South 300 East, Salt Lake City, Utah 84108-2244, or by calling 385-468-7275.

**14.3 UPACA (Eccles Theater)**—The County is a 25% partner and Salt Lake City/Redevelopment Agency of Salt Lake City (City/RDA) is a 75% partner of Utah Performing Arts Center Agency (UPACA). UPACA was created to own and

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements

Year Ended December 31, 2019

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manage the George S. and Dolores Doré Eccles Theater (Eccles Theater) which hosts national touring Broadway performances, concerts, comedy, and other entertainment events, as well as local performances and community events. An operating agreement between UPACA, the County, and the City/RDA was signed in March 2013 assigning the County with the responsibility for the operation and management of the Eccles Theater through December 31, 2041. Eccles Theater opened its doors on October 21, 2016. The County’s equity interest in the net position of UPACA at December 31, 2019 is \$5.8 million (net of the County’s obligation to the City/RDA of \$23.8 million) and is reported in the governmental activities statement of net position as investment in joint ventures; earnings are reported as program revenue on the statement of activities. Distributions received from UPACA are reported as revenue in the TRCC Special Revenue Fund.

UPACA is governed by a board of trustees consisting of nine members: three representatives from and appointed by the County’s governing body and six representatives from and appointed by the City/RDA’s governing bodies. Each representative has one vote. Terms continue until a successor is appointed.

Net operating income will be distributed annually to the owners in amounts as outlined in organizational agreements after required contributions are made to operations and capital reserve accounts. The County is responsible for any operating deficits.

Starting in 2015 and continuing through 2040, the County has agreed to allocate incremental taxes to the City/RDA to be used for debt service of bonds the City/RDA issued to finance the construction of the Eccles Theater. The balance due to the City/RDA is \$23.8 million at December 31, 2019 (see Note 9.7).

Summary financial information for UPACA for 2019 is as follows:

<b>Utah Performing Arts Center Agency</b>	
Summary Financial Information	
As of and for the Year Ended December 31, 2019	
Pooled cash and investments	\$ 8,204,109
Accounts receivable and prepaid expenses	744,633
Capital assets, net of accumulated depreciation	122,598,787
Total assets	<u>131,547,529</u>
Accounts payable and accrued expenses	1,487,309
Show proceeds held for others	3,993,660
Due to Salt Lake County	926,604
Total liabilities	<u>6,407,573</u>
Total net position	<u>\$ 125,139,956</u>
Charges for services	\$ 6,258,221
Contributions and other revenues	949,200
Operating expenses	(5,547,948)
Depreciation	(2,684,066)
Net income (loss)	<u>\$ (1,024,593)</u>
Distributions to owners	<u>\$ 724,812</u>

Audited financial statements for UPACA may be obtained from Salt Lake County Arts and Culture, 50 West 200 South, Salt Lake City, UT 84101, or by calling 385-468-1020.

**SALT LAKE COUNTY**

Notes to the Basic Financial Statements  
 Year Ended December 31, 2019

**14.4 Tracy Aviary**—The County entered into an Interlocal Cooperation Agreement on September 28, 2009 with Salt Lake City in connection with improvements to Tracy Aviary located on land owned by Salt Lake City within Salt Lake City’s Liberty Park. The voters in the County approved the issuance of general obligation bonds to finance the improvements. The County has a 40% undivided interest in improvements financed by the bonds. When the bonds are paid in full, the County will convey its interest in the improvements to Salt Lake City. Improvements financed by the bonds total \$19.6 million; general obligation bonds outstanding and assigned to this agreement are \$11.0 million at December 31, 2019.

**14.5 Hogle Zoo**—The County entered into an Interlocal Cooperation Agreement on March 2, 2010 with Salt Lake City in connection with improvements to Hogle Zoo located on land owned by Salt Lake City. The voters in the County approved the issuance of general obligation bonds to finance those improvements. The County has a 40% undivided interest in improvements financed by the bonds. When the bonds are paid in full, the County will convey its interest in the improvements to Salt Lake City. Improvements financed by the bonds total \$33.0 million; general obligation bonds outstanding and assigned to this agreement are \$17.7 million at December 31, 2019.

**15. BUDGETARY TO GAAP REPORTING RECONCILIATION**

The accompanying *schedules of revenues, expenditures, and changes in fund balances-budget and actual-budgetary basis* include comparisons of the legally adopted budgets (original and final) with actual data on a budgetary basis for the General Fund and each major special revenue fund. Since accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present the financial statements in conformity with GAAP, the following reconciliation shows the adjustments necessary at December 31, 2019 to convert from the budgetary basis to the GAAP basis statements in the General Fund and each major special revenue fund:

	<u>General Fund</u>	<u>Grant Programs Fund</u>	<u>Transportation Preservation Fund</u>	<u>TRCC Fund</u>
<b>Revenues:</b>				
Actual total revenues (budgetary basis)	\$ 360,948,782	\$ 138,651,031	\$ 291,524,105	\$ 95,867,757
Differences - Budget to GAAP:				
Intrafund revenues are budgetary revenues but are not revenues for GAAP	(18,218,647)	—	—	—
Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (GAAP)	<u>\$ 342,730,135</u>	<u>\$ 138,651,031</u>	<u>\$ 291,524,105</u>	<u>\$ 95,867,757</u>
<b>Expenditures:</b>				
Actual total expenditures (budgetary basis)	\$ 337,029,302	\$ 170,206,291	\$ 299,304,199	\$ 73,166,578
Differences - Budget to GAAP:				
Intrafund expenditures are budgetary expenditures but are not expenditures for GAAP	(18,218,647)	—	—	—
Prior year encumbrances paid in 2018 were budgetary expenditures for the prior year but are current expenditures for GAAP	2,959,022	246,606	22,812,495	2,545,624
Encumbrances new in 2019 are budgetary expenditures but are not expenditures for GAAP	(5,094,480)	(95,238)	(42,092,522)	(6,864,451)
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (GAAP)	<u>\$ 316,675,197</u>	<u>\$ 170,357,659</u>	<u>\$ 280,024,172</u>	<u>\$ 68,847,751</u>

**16. INTERFUND TRANSFERS**

The following table provides a reconciliation of all interfund transfers for the year ended December 31, 2019:

	Transfers Out					Totals
	Major Funds					
	General	Special Revenue Fund	Debt Service Fund	Nonmajor	Internal	
	Fund	TRCC	Government	Governmental Funds	Service Funds	
<b>Transfers in:</b>						
General Fund	\$ —	\$ 20,164,000	\$ —	\$ 500,000	\$ —	\$ 20,664,000
Grant Programs Fund	29,612,000	—	—	—	—	29,612,000
TRCC Fund	250,000	—	3,000,000	69,576	—	3,319,576
Nonmajor governmental funds	4,881,719	9,254,322	—	24,832,959	622,805	39,591,805
Public Works and Other						
Services Enterprise Fund	205,000	—	—	—	—	205,000
Totals	<u>\$ 34,948,719</u>	<u>\$ 29,418,322</u>	<u>\$ 3,000,000</u>	<u>\$ 25,402,535</u>	<u>\$ 622,805</u>	<u>\$ 93,392,381</u>

Transfers from the General Fund to the Grant Programs Fund reflect property tax funding of grant-related programs. Transfers from the General Fund to the TRCC Fund are for the Cultural Core initiative related to fine arts programs. Transfers from the General Fund to nonmajor governmental funds are to finance capital projects including senior centers and recreation centers as well as subsidies for public health and Zoo, Arts and Parks administration. Transfers from the General Fund to the Public Works and Other Services Enterprise Fund relate to flood control projects.

Transfers from the TRCC Fund to the General Fund are to finance parks and recreation projects and open space maintenance. Transfers from the TRCC fund to nonmajor governmental funds are for debt service, Zoo, Arts and Parks administration, the purchase of open space and to finance planetarium capital projects.

Transfers from the General Government Debt Service Fund to the TRCC Fund are for debt service on the Salt Palace Convention Center.

Transfers from nonmajor governmental funds to the General Fund are to move redevelopment revenue and to fund information technology projects. Transfers from nonmajor governmental funds to the TRCC Fund are for a recreation capital project. Transfers from nonmajor governmental funds to other nonmajor governmental funds primarily relate to debt service as well as capital projects. Transfers from nonmajor governmental funds to the Public Works and Other Services Enterprise Fund are for capital projects and flood control.

Transfers from internal service funds to nonmajor governmental funds are for capital projects at the government center.

**17. CONDUIT DEBT**

The County has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The County has made a limited commitment to maintain the issue's tax-exempt status for all series of conduit debt.

At December 31, 2019, eleven series of industrial revenue bonds were outstanding. The aggregate principal amount payable for the ten series issued after July 1, 1995 was \$253.9 million. The aggregate principal amount payable for the single series issued prior to July 1, 1995 could not be determined; however, the original issue amount totaled \$1.5 million.

**18. RELATED PARTY TRANSACTIONS**

The Unified Fire Service Area (UFSA), an entity related to the County, has a contractual agreement with the Unified Fire Authority to provide fire protection and paramedic services in the unincorporated County area. The County also contracts directly with Unified Fire Authority for emergency management services. For 2019, \$5.6 million was paid to the Unified Fire Authority for fire protection, paramedic services, emergency management and various other obligations.

The County has a contractual agreement with Unified Police Department (UPD) to provide law enforcement services in the unincorporated County area. The County Sheriff is the executive officer of UPD. For 2019, the County paid UPD \$14.9 million for law enforcement related services. The Salt Lake Valley Law Enforcement Service Area (SLVLESA), an entity related to the County, provides property tax revenue for UPD. For 2019, the County had no significant transactions with SLVLESA.

The Wasatch Front Waste and Recycling District (WFWRD), an entity related to the County, has a contractual agreement with the County to provide sanitation services in the unincorporated County area. For 2019, the County paid WFWRD \$0.4 million.

The Greater Salt Lake Municipal Services District (MSD), an entity related to the County, has a statutory obligation to provide public works and other services to the unincorporated County area. For 2019, the County passed to the MSD \$11.7 million of sales tax, road monies, and other levied fees. The MSD contracts with Salt Lake County to provide public works and other services to MSD customers. For 2019, MSD paid the County \$17.6 million. An elected member of the Salt Lake County Council serves on the MSD Board of Trustees.

**19. ENDOWMENTS**

During 2010, the County Animal Services Division received \$1.6 million from the Ronald N. Boyce and Coral Darlene Boyce Trust to be used to establish the Ronald N. Boyce and Coral Darlene Boyce Pet Adoption Endowment Fund. Under the terms of the endowment, and consistent with state statutes, net realized earnings will be used exclusively to support the Division's pet adoption programs using an income-only model. At December 31, 2019, accumulated available net realized earnings on investments were \$149,313 (reported as the expendable portion of net position restricted for pet adoption).

During 2018, the County Animal Services Division received \$80,087 from Utah Friends for Animal Care and Effective Solutions (FACES) to be used to establish the FACES Endowment Fund. Under the terms of the endowment, and consistent with state statutes, net realized earnings will be used exclusively to assist in providing grooming, transportation, microchips, injured animal care, and spay and neuter surgeries using an income-only model. December 31, 2019, accumulated available net realized earnings on investments were \$2,999 (reported as the expendable portion of net position restricted for outlined pet programs).

Both endowments are reported in the Pet Care and Adoption Endowment Permanent Fund.

**20. SUBSEQUENT EVENTS**

The County plans to issue tax and revenue anticipation notes (series 2020) totaling \$65.0 million in June 2020 to be used to pay current and necessary expenditures of the County. The notes will mature before December 31, 2020.

In June 2020, the County issued \$43.6 million in taxable sales tax revenue and refunding bonds as a direct placement. The bonds will reimburse the County for the purchase of land surrounding a homeless resource center, payments related to three homeless resource centers on behalf of Shelter the Homeless, Inc, as well as refund portions of the 2012A and 2014 sales tax revenue bonds related to projects at the Salt Palace Convention Center. Although the taxable refunding will result in additional net present value costs of \$0.2 million, it will allow the County to enter into new concession agreements at the Salt Palace Convention Center that are anticipated to save the County in excess of \$0.5 million per year.

**SALT LAKE COUNTY**

**Notes to the Basic Financial Statements**

**Year Ended December 31, 2019**

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As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen across a range of industries, including the public sector. The extent of the impact of COVID-19 on the County's operations and financial performance will depend on certain developments, including the duration and spread of the outbreak as well as its impact on revenues from federal, state, and local sources, all of which cannot be fully predicted. The County was the direct recipient of Coronavirus Aid, Relief and Economic Security Act (CARES) funding in the amount of \$203.6 million. These dollars can be spent on costs directly associated with COVID-19. In addition, the County will be pursuing Federal Emergency Management Agency (FEMA) dollars and other federal grants. The extent to which COVID-19 may impact the financial condition of the County is uncertain and no adjustments have been reflected in the financial statements.

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## SALT LAKE COUNTY

### Information About Infrastructure Assets Reported Using the Modified Approach Year Ended December 31, 2019

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As provided by generally accepted accounting standards, the County has adopted an alternative method for reporting costs associated with certain infrastructure assets. Under this alternative method, referred to as the “modified approach”, infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of infrastructure assets reported under the modified approach.

In order to utilize the modified approach, the County is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform and document replicable condition assessments of the eligible infrastructure assets and summarize the results using a measurement scale.
- Estimate each year the annual amount to maintain and preserve the eligible infrastructure assets at the condition level established and disclosed by the County.
- Document that the infrastructure assets are being preserved approximately at, or above the condition level established by the County.

#### Roads

The County applies the modified approach only to the 170 lane-miles of roads that are owned by the County and maintained by its public works department. The goal of the County in conjunction with adopting the modified approach is to develop and provide a cost effective pavement maintenance and rehabilitation program that preserves the County’s investment in its road network and enhances public transportation and safety.

#### Measurement Scale

The condition of road pavement is measured using the County Pavement Management System. This system uses a measurement scale that considers the condition of the highways and roads as denoted by a Pavement Condition Index (PCI), ranging from 0 to 100. The PCI is used to classify roads into categories as follows:

Category	PCI Rating Range	Description
Very Good	94 - 100	New or nearly new pavement which provides a very smooth ride and is mainly free of distress. (No maintenance work needed.)
Good	76 - 93	Pavement which provides an adequate ride, and exhibits few, if any, visible signs of distress. (Minor maintenance may be needed.)
Fair	64 - 75	Surface defects in this category such as cracking, rutting, and raveling are affecting the ride of the user. (Major maintenance is likely needed.)
Poor	41 - 63	These roadways have deteriorated to such an extent that they are in need of resurfacing, and the ride is noticeably rough. (Structural improvements, in addition to major maintenance, are likely needed.)
Very Poor	0 - 40	Pavement in this category is severely deteriorated, and the ride quality is unacceptable. (Complete road reconstruction is likely needed.)

#### Established Condition Level

It is the County’s policy to maintain approximately 30% of its roads/highways at or above the “good” condition level, and approximately no more than 20% at a “very poor” condition. Condition assessments are performed by geographic district within the network on approximately one-third of the roads/highways each year, in order to achieve a complete condition assessment at least every three years.

**SALT LAKE COUNTY**

**Information About Infrastructure Assets Reported Using the Modified Approach  
Year Ended December 31, 2019**

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**Assessed Conditions**

The following table reports the percentage of pavement meeting the “very good” and “good” condition ratings, as well as those falling into the “very poor” category, as assessed in 2019, 2018, and 2017.

<u>Category</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Very good/good	48 %	42 %	43 %
Very poor	4 %	11 %	11 %

The following table represents the County’s estimated amounts needed to maintain and preserve its road network at or above its established condition levels, as well as the amounts actually spent on road maintenance and preservation, for each of the past five reporting periods (in millions of dollars).

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Estimated spending	\$ 1.1	\$ 1.1	\$ 1.1	\$ 4.6	\$ 4.6
Actual spending	0.5	1.0	0.6	3.0	3.8

**SALT LAKE COUNTY**

**Schedules of the County's Proportionate Share of the Net Pension Liability (Asset)**

**Utah Retirement Systems**

**Last Five Plan Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Tier 1 Noncontributory System:</b>			
County's proportion of the net pension liability (asset)	13.5316317 %	13.5589116 %	13.4356046 %
County's proportionate share of the net pension liability (asset)	\$ 99,643,196	\$ 59,405,660	\$ 86,273,032
County's covered payroll	\$ 111,249,564	\$ 112,245,344	\$ 113,182,903
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	89.6 %	52.9 %	76.2 %
Plan fiduciary net position as a percentage of the total pension liability	87.0 %	91.9 %	87.3 %
<b>Tier 1 Contributory System:</b>			
County's proportion of the net pension liability (asset)	7.6568638 %	7.7131952 %	8.186507 %
County's proportionate share of the net pension liability (asset)	\$ 3,107,177	\$ 627,655	\$ 2,686,083
County's covered payroll	\$ 1,433,130	\$ 1,565,130	\$ 1,964,260
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	216.8 %	40.1 %	136.7 %
Plan fiduciary net position as a percentage of the total pension liability	91.2 %	98.2 %	92.9 %
<b>Tier 1 Public Safety System:</b>			
County's proportion of the net pension liability (asset)	15.5226584 %	15.2173917 %	14.787685 %
County's proportionate share of the net pension liability (asset)	\$ 39,933,354	\$ 23,870,888	\$ 30,008,297
County's covered payroll	\$ 22,035,677	\$ 22,085,408	\$ 21,478,736
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	181.2 %	108.1 %	139.7 %
Plan fiduciary net position as a percentage of the total pension liability	84.7 %	90.2 %	86.5 %
<b>Tier 2 Contributory System:</b>			
County's proportion of the net pension liability (asset)	3.4721476 %	3.3647022 %	3.3696656 %
County's proportionate share of the net pension liability (asset)	\$ 1,487,046	\$ 296,657	\$ 375,884
County's covered payroll	\$ 40,535,236	\$ 32,942,976	\$ 27,633,961
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	3.7 %	0.9 %	1.4 %
Plan fiduciary net position as a percentage of the total pension liability	90.8 %	97.4 %	95.1 %
<b>Tier 2 Public and Firefighter Safety System:</b>			
County's proportion of the net pension liability (asset)	6.6763113 %	6.935515 %	6.6422289 %
County's proportionate share of the net pension liability (asset)	\$ 167,279	\$ (80,249)	\$ (57,658)
County's covered payroll	\$ 8,936,304	\$ 7,321,128	\$ 5,487,946
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	1.9 %	(1.1)%	(1.1)%
Plan fiduciary net position as a percentage of the total pension liability	95.6 %	103.0 %	103.6 %

	2015	2014
	13.8877298 %	14.1567049 %
\$	78,583,530	\$ 61,471,740
\$	116,216,143	\$ 119,964,817
	67.6 %	51.2 %
	87.8 %	90.2 %
	5.8313486 %	5.3045538 %
\$	4,098,589	\$ 1,530,064
\$	2,484,667	\$ 2,840,292
	165.0 %	53.9 %
	85.7 %	94.0 %
	14.9999446 %	15.5055808 %
\$	26,868,670	\$ 19,499,555
\$	21,737,676	\$ 22,499,845
	123.6 %	86.7 %
	87.1 %	90.5 %
	3.1720734 %	3.0626107 %
\$	(6,925)	\$ (92,811)
\$	20,568,049	\$ 15,026,091
	— %	(0.6)%
	100.2 %	103.5 %
	7.99165 %	10.0100932 %
\$	(116,761)	\$ (148,082)
\$	4,755,514	\$ 4,137,324
	(2.5)%	(3.6)%
	110.7 %	120.5 %

**SALT LAKE COUNTY**

**Schedules of County Contributions**

**Utah Retirement Systems**

**Last Five Years**

	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Tier 1 Noncontributory System:</b>			
Contractually required contribution	\$ 19,907,062	\$ 20,256,414	\$ 20,449,046
Contributions in relation to the contractually required contribution	<u>(19,907,062)</u>	<u>(20,256,414)</u>	<u>(20,449,046)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 109,441,549	\$ 111,060,427	\$ 112,119,686
Contributions as a percentage of covered payroll	18.2 %	18.2 %	18.2 %
<b>Tier 1 Contributory System:</b>			
Contractually required contribution	\$ 194,447	\$ 207,231	\$ 226,318
Contributions in relation to the contractually required contribution	<u>(194,447)</u>	<u>(207,231)</u>	<u>(226,318)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 1,344,727	\$ 1,433,130	\$ 1,565,130
Contributions as a percentage of covered payroll	14.5 %	14.5 %	14.5 %
<b>Tier 1 Public Safety System:</b>			
Contractually required contribution	\$ 6,894,773	\$ 7,129,682	\$ 7,142,832
Contributions in relation to the contractually required contribution	<u>(6,894,773)</u>	<u>(7,129,682)</u>	<u>(7,142,832)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 21,128,066	\$ 22,039,306	\$ 22,062,628
Contributions as a percentage of covered payroll	32.6 %	32.3 %	32.4 %
<b>Tier 2 Contributory System:</b>			
Contractually required contribution	\$ 7,326,471	\$ 6,228,321	\$ 4,964,337
Contributions in relation to the contractually required contribution	<u>(7,326,471)</u>	<u>(6,228,321)</u>	<u>(4,964,337)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 47,094,258	\$ 40,733,246	\$ 33,177,594
Contributions as a percentage of covered payroll	15.6 %	15.3 %	15.0 %
<b>Tier 2 Public Safety and Firefighter System:</b>			
Contractually required contribution	\$ 2,368,037	\$ 2,043,218	\$ 1,644,854
Contributions in relation to the contractually required contribution	<u>(2,368,037)</u>	<u>(2,043,218)</u>	<u>(1,644,854)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 10,262,075	\$ 8,984,552	\$ 7,326,050
Contributions as a percentage of covered payroll	23.1 %	22.7 %	22.5 %
<b>Tier 2 Defined Contribution Plan - Local Government:</b>			
Contractually required contribution	\$ 897,223	\$ 737,219	\$ 602,820
Contributions in relation to the contractually required contribution	<u>(897,223)</u>	<u>(737,219)</u>	<u>(602,820)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 13,146,044	\$ 11,021,479	\$ 9,009,082
Contributions as a percentage of covered payroll	6.8 %	6.7 %	6.7 %
<b>Tier 2 Defined Contribution Plan - Public Safety:</b>			
Contractually required contribution	\$ 147,325	\$ 104,873	\$ 77,988
Contributions in relation to the contractually required contribution	<u>(147,325)</u>	<u>(104,873)</u>	<u>(77,988)</u>
Contribution deficiency (excess)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
County's covered payroll	\$ 1,233,024	\$ 889,629	\$ 664,058
Contributions as a percentage of covered payroll	12.0 %	11.8 %	11.7 %

<u>2016</u>	<u>2015</u>
\$ 20,602,559	\$ 21,143,793
<u>(20,602,559)</u>	<u>(21,143,793)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 113,165,466	\$ 116,216,143
18.2 %	18.2 %
\$ 284,033	\$ 359,105
<u>(284,033)</u>	<u>(359,105)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 1,964,260	\$ 2,484,667
14.5 %	14.5 %
\$ 6,998,614	\$ 7,107,303
<u>(6,998,614)</u>	<u>(7,107,303)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 21,475,740	\$ 21,737,676
32.6 %	32.7 %
\$ 4,129,579	\$ 3,059,414
<u>(4,129,579)</u>	<u>(3,059,414)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 27,701,643	\$ 20,568,049
14.9 %	14.9 %
\$ 1,234,740	\$ 1,065,802
<u>(1,234,740)</u>	<u>(1,065,802)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 5,501,570	\$ 4,755,514
22.4 %	22.4 %
\$ 522,082	\$ 342,690
<u>(522,082)</u>	<u>(342,690)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 7,584,310	\$ 5,071,888
6.9 %	6.8 %
\$ 74,413	\$ 47,803
<u>(74,413)</u>	<u>(47,803)</u>
<u>\$ —</u>	<u>\$ —</u>
\$ 632,050	\$ 405,174
11.8 %	11.8 %

**SALT LAKE COUNTY**

**Schedules of Changes in the County's Net OPEB Liability and Related Ratios**

**Other Postemployment Benefit Plan**

Last Three Plan Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total OPEB Liability:</b>			
Service cost	\$ 2,603,102	\$ 2,565,357	\$ 3,680,429
Interest	5,361,285	5,368,659	5,199,279
Differences between expected and actual experience	(7,047,075)	(4,660,027)	(8,181,459)
Changes of assumptions	4,012,229	—	3,579,764
Benefit payments	(3,450,572)	(3,467,680)	(3,450,114)
Net change in total OPEB liability	1,478,969	(193,691)	827,899
Total OPEB liability—beginning	106,326,832	106,520,523	105,692,624
Total OPEB liability—ending (a)	<u>\$ 107,805,801</u>	<u>\$ 106,326,832</u>	<u>\$ 106,520,523</u>
<b>Plan fiduciary net position:</b>			
Contributions—employer	\$ 5,966,130	\$ 4,857,214	\$ 3,526,404
Net investment income	766,640	(72,309)	140,242
Benefit payments	(3,450,572)	(3,467,680)	(3,246,028)
Trust administrative expense	(253,111)	(227,893)	(204,086)
Net change in plan fiduciary net position	3,029,087	1,089,332	216,532
Plan fiduciary net position—beginning	6,512,255	5,422,923	5,206,391
Plan fiduciary net position—ending (b)	<u>\$ 9,541,342</u>	<u>\$ 6,512,255</u>	<u>\$ 5,422,923</u>
<b>County's net OPEB liability - ending (a) - (b)</b>	<u>\$ 98,264,459</u>	<u>\$ 99,814,577</u>	<u>\$ 101,097,600</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	8.9 %	6.1 %	5.1 %
<b>Covered-employee payroll</b>	\$ 112,856,714	\$ 118,859,881	\$ 119,301,632
<b>County's net OPEB liability as a percentage of covered-employee payroll</b>	87.1 %	84.0 %	84.7 %

**SALT LAKE COUNTY**

**Schedules of County Contributions**

**Other Postemployment Benefit Plan**

Last Three Years

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	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ 7,256,498	\$ 7,278,974	\$ 7,848,147
Contributions in relation to the actuarially determined contribution	5,966,130	4,857,214	3,526,404
Contribution deficiency (excess)	<u>\$ 1,290,368</u>	<u>\$ 2,421,760</u>	<u>\$ 4,321,743</u>
Covered-employee payroll	\$ 112,856,714	\$ 118,859,881	\$ 119,301,632
Contributions as a percentage of covered-employee payroll	5.3 %	4.1 %	3.0 %

**SALT LAKE COUNTY**

**Schedules of County Investment Returns**

**Other Postemployment Benefit Plan**

Last Three Years

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	<u>2019</u>	<u>2018</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	9.7 %	(1.7)%	2.6 %

- A. Schedules of the County's Proportional Share of the Net Pension Liability (Asset)—Utah Retirement Systems**—These schedules only present information for the 2014 and subsequent measurement periods of the plans; prior-year information is not available.
- B. Schedules of County Contributions—Utah Retirement Systems**—These schedules only present information for the County's 2015 and subsequent reporting periods; prior-year information is not available. Contributions as a percentage of covered payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. Also rate changes occur each July 1. A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.
- C. Changes in Assumptions—Utah Retirement Systems**— Amounts reported in plan year 2018 reflect no changes in assumptions from the prior year.

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The assumed investment return decreased from 7.20% to 6.95%.
- The assumed inflation rate decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%.

Amounts reported in plan year 2016 reflect the following assumption changes adopted from the January 1, 2016 valuation:

- The assumed investment return decreased from 7.50% to 7.20%.
- The assumed inflation rate decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted from the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The rate of salary increases assumption for most groups was modified.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- The post retirement mortality assumption showed an improvement, minor adjustments to the preretirement mortality assumption were made and certain demographic assumptions were changed that generally resulted in 1) an increase in members anticipated to terminate employment prior to retirement, 2) a slight decrease in members expected to become disabled, and 3) a slight increase in the expected age of retirement.

- D. Schedules of Changes in the County's Net OPEB Liability and Related Ratios—Other Postemployment Benefit Plan**—These schedules only present information for the 2017 and subsequent plan years; prior-year information is not available.
- E. Schedules of County Contributions—Other Postemployment Benefit Plan**—These schedules only present information for the County's 2017 and subsequent reporting periods; prior-year information is not available.
- F. Significant Methods, Assumptions, and Other Inputs—Other Postemployment Benefit Plan**—Information used to measure the total OPEB liability at December 31, 2019 is summarized as follows:

Valuation date:

Actuarial determined contribution rates are calculated as of December 31, 2019.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Amortization period	28 years
Asset valuation	Fair value
Inflation	2019, 3.25%; 2018, 2.50%; 2017, 3.25%
Healthcare cost trend rates	2019, 8.00%; 2018, 8.50%; 2017, 9.00%, initial, decreasing 0.50% per year to an ultimate rate of 4.50%
Salary increases	3.25%, average, including inflation
Investment rate of return	5.00%
Average retirement age	62.0
Mortality	SOA Pub-2010 Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019

Experience study:

Actuarial assumptions are currently based on the most recent actuarial valuation for the Utah Retirement Systems for the five-year period ended December 31, 2016.

- D. Schedules of County Investment Returns—Other Postemployment Benefit Plan**—These schedules only present information for the County's 2017 and subsequent reporting periods; prior-year information is not available.

**Major Governmental Funds**

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- General Fund—The General Fund is used to account for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property and sales taxes.
- Grant Programs Special Revenue Fund—This special revenue fund is used to account for revenues and expenditures of those organizations which are funded primarily from grants.
- Transportation Preservation Special Revenue Fund—This special revenue fund accounts for local option highway construction, transportation corridor preservation fee revenue, mass transit sales tax revenue and related expenditures.
- Tourism, Recreation, Cultural, and Convention (TRCC) Special Revenue Fund—This special revenue fund is used to account for revenues and expenditures of TRCC activities.
- General Government Debt Service Fund—This debt service fund accounts for the accumulation of resources for and the payment of general long-term debt principal and interest.

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Budgetary Basis  
 General Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budgeted Amounts		Actual on a Budgetary Basis	Variance with Final Budget	Actual on a Budgetary Basis
	Original	Final			
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ 157,025,089	\$ 156,154,451	\$ 157,899,552	\$ 1,745,101	\$ 151,535,420
Sales taxes	74,742,100	74,801,200	75,405,802	604,602	71,905,455
Tax equivalent payments	8,907,500	8,032,700	8,542,259	509,559	7,893,138
Total taxes	240,674,689	238,988,351	241,847,613	2,859,262	231,334,013
Licenses and permits	2,348,379	2,336,763	2,317,786	(18,977)	2,251,548
Fines and forfeitures	1,351,000	1,351,000	1,253,087	(97,913)	1,387,919
Grants and contributions	19,361,766	21,506,004	24,296,951	2,790,947	20,074,207
Charges for services	36,376,022	41,174,722	38,055,573	(3,119,149)	35,019,833
Interest, rents, and other	5,924,295	6,094,754	8,448,573	2,353,819	8,619,915
Interfund charges	46,505,119	47,115,788	44,729,199	(2,386,589)	44,813,528
Total revenues	352,541,270	358,567,382	360,948,782	2,381,400	343,500,963
<b>Expenditures:</b>					
<b>General government:</b>					
Council					
Salaries, wages, and employee benefits	2,631,232	2,655,976	2,505,830	150,146	2,408,604
Materials, supplies, and services	286,409	286,409	236,830	49,579	241,880
Other	38,500	38,500	—	38,500	—
	2,956,141	2,980,885	2,742,660	238,225	2,650,484
Mayor-administration					
Salaries, wages, and employee benefits	5,363,592	5,378,361	4,946,155	432,206	5,193,205
Materials, supplies, and services	1,469,128	1,569,128	1,353,216	215,912	1,263,951
	6,832,720	6,947,489	6,299,371	648,118	6,457,156
Mayor's financial administration					
Salaries, wages, and employee benefits	4,567,324	4,696,270	4,506,343	189,927	4,084,163
Materials, supplies, and services	690,271	747,896	612,721	135,175	545,161
Capital outlay	750,000	—	—	—	—
	6,007,595	5,444,166	5,119,064	325,102	4,629,324
Clerk					
Salaries, wages, and employee benefits	1,327,746	1,322,439	1,270,971	51,468	1,243,214
Materials, supplies, and services	306,940	298,940	250,566	48,374	215,852
Indirect costs	289,282	294,638	294,638	—	289,282
Capital outlay	—	8,000	7,954	46	—
	1,923,968	1,924,017	1,824,129	99,888	1,748,348
Election clerk					
Salaries, wages, and employee benefits	1,514,625	1,654,142	1,447,760	206,382	1,553,788
Materials, supplies, and services	1,056,895	2,943,194	2,232,916	710,278	2,527,625
Indirect costs	462,024	598,658	598,658	—	462,024
Capital outlay	311,300	328,270	292,164	36,106	—
	3,344,844	5,524,264	4,571,498	952,766	4,543,437
Auditor					
Salaries, wages, and employee benefits	1,956,598	1,922,679	1,716,460	206,219	1,532,636
Materials, supplies, and services	143,105	143,105	135,901	7,204	176,501
	2,099,703	2,065,784	1,852,361	213,423	1,709,137
Recorder					
Salaries, wages, and employee benefits	1,678,140	1,623,593	1,397,122	226,471	1,512,030
Materials, supplies, and services	226,441	226,441	214,050	12,391	199,136
Indirect costs	1,486,143	625,480	625,480	—	1,486,143
Capital outlay	200,000	200,000	—	200,000	9,366
	3,590,724	2,675,514	2,236,652	438,862	3,206,675

(Continued)

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Budgetary Basis

General Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budgeted Amounts		Actual on a	Variance with	Actual on a
	Original	Final	Budgetary Basis	Final Budget	Budgetary Basis
<b>Expenditures (continued):</b>					
<b>General government (continued):</b>					
Surveyor					
Salaries, wages, and employee benefits	\$ 2,347,004	\$ 2,302,355	\$ 2,120,742	\$ 181,613	\$ 1,934,650
Materials, supplies, and services	251,413	329,265	326,026	3,239	282,556
Indirect costs	132,444	206,201	206,201	—	132,444
	<u>2,730,861</u>	<u>2,837,821</u>	<u>2,652,969</u>	<u>184,852</u>	<u>2,349,650</u>
Information services					
Salaries, wages, and employee benefits	14,287,576	14,153,681	13,886,337	267,344	13,209,722
Materials, supplies, and services	7,049,976	6,862,352	6,797,433	64,919	6,808,400
Capital outlay	1,115,607	1,115,607	1,119,713	(4,106)	634,129
	<u>22,453,159</u>	<u>22,131,640</u>	<u>21,803,483</u>	<u>328,157</u>	<u>20,652,251</u>
Contracts and procurement					
Salaries, wages, and employee benefits	1,103,008	1,104,217	1,095,901	8,316	1,065,851
Materials, supplies, and services	164,288	155,688	148,753	6,935	108,852
Capital outlay	—	8,600	8,584	16	—
	<u>1,267,296</u>	<u>1,268,505</u>	<u>1,253,238</u>	<u>15,267</u>	<u>1,174,703</u>
Human resources					
Salaries, wages, and employee benefits	3,164,608	3,106,273	2,682,101	424,172	2,584,902
Materials, supplies, and services	513,252	513,252	476,349	36,903	476,741
	<u>3,677,860</u>	<u>3,619,525</u>	<u>3,158,450</u>	<u>461,075</u>	<u>3,061,643</u>
Facilities management					
Salaries, wages, and employee benefits	244,884	235,181	234,508	673	200,166
Materials, supplies, and services	157,547	157,547	85,402	72,145	125,391
Indirect costs	342,447	350,615	350,615	—	342,447
	<u>744,878</u>	<u>743,343</u>	<u>670,525</u>	<u>72,818</u>	<u>668,004</u>
Statutory and general					
Salaries, wages, and employee benefits	579,661	561,161	—	561,161	—
Materials, supplies, and services	3,071,447	3,221,447	2,951,148	270,299	2,286,706
Indirect costs	493,188	1,085,130	1,085,130	—	493,188
Other	250,000	250,000	—	250,000	—
	<u>4,394,296</u>	<u>5,117,738</u>	<u>4,036,278</u>	<u>1,081,460</u>	<u>2,779,894</u>
Real estate					
Salaries, wages, and employee benefits	366,444	364,819	341,135	23,684	308,713
Materials, supplies, and services	23,901	48,901	40,681	8,220	761,183
Capital outlay	—	252,229	248,249	3,980	6,966,771
	<u>390,345</u>	<u>665,949</u>	<u>630,065</u>	<u>35,884</u>	<u>8,036,667</u>
Records management and archives					
Salaries, wages, and employee benefits	441,830	440,316	425,014	15,302	381,168
Materials, supplies, and services	100,905	100,905	99,438	1,467	96,261
	<u>542,735</u>	<u>541,221</u>	<u>524,452</u>	<u>16,769</u>	<u>477,429</u>
Addressing					
Salaries, wages, and employee benefits	415,837	417,285	414,075	3,210	395,049
Materials, supplies, and services	29,059	29,059	26,761	2,298	24,959
Indirect costs	108,468	117,691	117,691	—	108,468
	<u>553,364</u>	<u>564,035</u>	<u>558,527</u>	<u>5,508</u>	<u>528,476</u>
Total general government	63,510,489	65,051,896	59,933,722	5,118,174	64,673,278

(Continued)

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Budgetary Basis

General Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budgeted Amounts		Actual on a	Variance with	Actual on a
	Original	Final	Budgetary Basis	Final Budget	Budgetary Basis
<b>Expenditures (continued):</b>					
<b>Public safety and criminal justice:</b>					
District attorney					
Salaries, wages, and employee benefits	\$ 30,135,471	\$ 30,593,575	\$ 29,325,132	\$ 1,268,443	\$ 27,674,444
Materials, supplies, and services	3,225,473	3,241,735	3,219,901	21,834	3,811,574
Indirect costs	2,441,744	2,250,695	2,250,695	—	2,441,744
Capital outlay	—	10,352	10,351	1	108,748
	<u>35,802,688</u>	<u>36,096,357</u>	<u>34,806,079</u>	<u>1,290,278</u>	<u>34,036,510</u>
County jail					
Salaries, wages, and employee benefits	78,483,020	78,957,049	72,897,013	6,060,036	67,452,387
Materials, supplies, and services	15,722,458	15,796,818	11,544,927	4,251,891	13,719,708
Indirect costs	3,862,916	4,179,447	4,179,447	—	3,862,916
Indigent/in-custody costs	8,486,843	8,772,144	6,725,588	2,046,556	6,728,422
Capital outlay	388,000	388,000	71,682	316,318	118,328
	<u>106,943,237</u>	<u>108,093,458</u>	<u>95,418,657</u>	<u>12,674,801</u>	<u>91,881,761</u>
Sheriff - court services and security					
Salaries, wages, and employee benefits	12,211,594	11,715,791	10,996,792	718,999	11,215,534
Materials, supplies, and services	773,454	788,087	571,370	216,717	606,491
Indirect costs	483,186	462,625	462,625	—	483,186
Capital outlay	—	—	—	—	6,519
	<u>13,468,234</u>	<u>12,966,503</u>	<u>12,030,787</u>	<u>935,716</u>	<u>12,311,730</u>
Sheriff - investigation and support					
Salaries, wages, and employee benefits	1,810,420	1,598,341	1,551,095	47,246	1,652,829
Materials, supplies, and services	15,882,402	15,822,792	15,385,963	436,829	15,074,633
Indirect costs	552,197	529,435	529,435	—	552,197
Capital outlay	12,000	32,000	21,332	10,668	61,325
	<u>18,257,019</u>	<u>17,982,568</u>	<u>17,487,825</u>	<u>494,743</u>	<u>17,340,984</u>
Criminal justice services					
Salaries, wages, and employee benefits	11,565,094	11,404,488	10,677,208	727,280	9,970,339
Materials, supplies, and services	1,942,355	1,942,355	1,873,910	68,445	1,613,804
Indirect costs	880,972	795,832	795,832	—	880,972
	<u>14,388,421</u>	<u>14,142,675</u>	<u>13,346,950</u>	<u>795,725</u>	<u>12,465,115</u>
Criminal justice advisory council					
Salaries, wages, and employee benefits	469,433	520,933	281,447	239,486	290,027
Materials, supplies, and services	160,465	310,465	190,802	119,663	37,966
Indirect costs	32,097	526,198	526,198	—	32,097
	<u>661,995</u>	<u>1,357,596</u>	<u>998,447</u>	<u>359,149</u>	<u>360,090</u>
Emergency services					
Salaries, wages, and employee benefits	123,096	32,167	32,148	19	113,648
Materials, supplies, and services	5,745,848	5,710,517	5,653,600	56,917	5,620,691
Indirect costs	81,653	134,722	134,722	—	81,653
	<u>5,950,597</u>	<u>5,877,406</u>	<u>5,820,470</u>	<u>56,936</u>	<u>5,815,992</u>
Indigent legal services					
Indirect costs	596,397	552,024	552,024	—	596,397
Indigent/in-custody costs	20,691,463	20,945,138	20,806,206	138,932	20,477,035
	<u>21,287,860</u>	<u>21,497,162</u>	<u>21,358,230</u>	<u>138,932</u>	<u>21,073,432</u>
Governmental Immunity					
Materials, supplies, and services	3,341,688	3,341,688	1,513,878	1,827,810	1,378,067
Total public safety and criminal justice	<u>220,101,739</u>	<u>221,355,413</u>	<u>202,781,323</u>	<u>18,574,090</u>	<u>196,663,681</u>

(Continued)

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Budgetary Basis

General Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budgeted Amounts		Actual on a	Variance with	Actual on a
	Original	Final	Budgetary Basis	Final Budget	Budgetary Basis
<b>Expenditures (continued):</b>					
<b>Social services (continued):</b>					
Regional development					
Salaries, wages, and employee benefits	\$ 4,109,300	\$ 4,106,331	\$ 3,598,538	\$ 507,793	\$ 3,656,658
Materials, supplies, and services	9,989,877	10,589,437	9,555,186	1,034,251	7,551,437
Indirect costs	1,027,388	978,979	978,979	—	1,027,389
Capital outlay	190,000	190,000	—	190,000	9,999
Total social services	15,316,565	15,864,747	14,132,703	1,732,044	12,245,483
<b>Education, recreation, and cultural:</b>					
Parks					
Salaries, wages, and employee benefits	8,575,115	8,415,708	8,066,413	349,295	7,891,043
Materials, supplies, and services	5,920,845	6,195,845	5,283,207	912,638	5,213,371
Indirect costs	1,422,001	1,429,388	1,429,388	—	1,422,001
	15,917,961	16,040,941	14,779,008	1,261,933	14,526,415
Recreation					
Salaries, wages, and employee benefits	22,711,424	22,773,277	22,769,002	4,275	21,815,603
Materials, supplies, and services	13,007,503	13,201,503	12,783,480	418,023	12,038,297
Indirect costs	2,335,532	2,364,457	2,364,457	—	2,335,532
	38,054,459	38,339,237	37,916,939	422,298	36,189,432
Millcreek canyon					
Salaries, wages, and employee benefits	50,800	50,800	53,620	(2,820)	49,915
Materials, supplies, and services	533,646	639,783	555,821	83,962	521,803
Indirect costs	15,554	9,417	9,417	—	15,554
	600,000	700,000	618,858	81,142	587,272
Extension services					
Salaries, wages, and employee benefits	9,984	—	—	—	9,984
Materials, supplies, and services	743,480	813,480	787,443	26,037	725,026
Indirect costs	50,120	101,319	101,319	—	50,120
	803,584	914,799	888,762	26,037	785,130
Total education, recreation, and cultural	55,376,004	55,994,977	54,203,567	1,791,410	52,088,249
<b>Capital outlay:</b>					
Materials, supplies, and services	15,000	15,000	41,040	(26,040)	46,654
Indirect costs	7,815	2,128	2,128	—	7,815
Capital outlay	117,513	1,205,385	443,950	761,435	—
Total capital outlay	140,328	1,222,513	487,118	735,395	54,469
<b>Debt service:</b>					
Principal retirement	2,830,013	3,106,780	3,098,893	7,887	2,257,831
Interest	2,391,977	2,391,977	2,391,976	1	2,468,053
Total debt service	5,221,990	5,498,757	5,490,869	7,888	4,725,884
Total expenditures	359,667,115	364,988,303	337,029,302	27,959,001	330,451,044
Excess (deficiencies) of revenues over (under) expenditures	(7,125,845)	(6,420,921)	23,919,480	30,340,401	13,049,919
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	—	—	241,505	241,505	—
Issuance of notes payable	—	797,630	797,630	—	—
Transfers in	21,894,000	21,764,000	20,664,000	(1,100,000)	20,218,532
Transfers out	(37,371,719)	(36,048,719)	(36,048,719)	—	(36,312,810)
Total other financing sources (uses)	(15,477,719)	(13,487,089)	(14,345,584)	(858,495)	(16,094,278)
Net change in fund balances	(22,603,564)	(19,908,010)	9,573,896	29,481,906	(3,044,359)
<b>Fund balances - beginning</b>	61,970,000	62,295,350	78,921,854	16,626,504	81,719,121
<b>Prior year encumbrances canceled during the year</b>	—	—	301,382	301,382	247,092
<b>Fund balances - ending</b>	\$ 39,366,436	\$ 42,387,340	\$ 88,797,132	\$ 46,409,792	\$ 78,921,854

(Concluded)

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Grant Programs Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budgeted Amounts		Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
	Original	Final			
<b>Revenues:</b>					
Property taxes	\$ 20,577,951	\$ 26,571,576	\$ 22,775,118	\$ (3,796,458)	\$ 15,645,726
Grants and contributions	45,664,298	47,593,075	46,968,053	(625,022)	44,554,616
Charges for services	76,024,170	74,105,191	67,243,976	(6,861,215)	71,624,036
Interests, rents, and other	325,830	325,830	335,014	9,184	654,017
Interfund charges	1,295,245	1,276,626	1,328,870	52,244	1,246,275
Total revenues	143,887,494	149,872,298	138,651,031	(11,221,267)	133,724,670
<b>Expenditures:</b>					
<b>Social services:</b>					
Youth services					
Salaries, wages, and employee benefits	11,710,373	12,557,020	11,653,594	903,426	10,649,009
Materials, supplies, and services	1,394,327	1,540,348	1,486,515	53,833	1,111,857
Indirect costs	1,017,050	1,057,076	1,057,076	—	1,017,050
Capital outlay	—	30,000	29,899	101	—
	14,121,750	15,184,444	14,227,084	957,360	12,777,916
Behavioral health services					
Salaries, wages, and employee benefits	2,698,842	2,680,744	2,598,293	82,451	2,380,972
Materials, supplies, and services	114,797,802	113,406,646	105,901,617	7,505,029	108,897,609
Indirect costs	916,388	847,557	847,557	—	916,388
Capital outlay	200,000	200,000	—	200,000	35,200
	118,613,032	117,134,947	109,347,467	7,787,480	112,230,169
Aging services					
Salaries, wages, and employee benefits	12,517,442	12,222,279	11,789,202	433,077	11,430,519
Materials, supplies, and services	7,273,536	7,849,074	7,813,111	35,963	7,047,103
Indirect costs	1,376,598	1,354,741	1,354,741	—	1,376,598
Capital outlay	20,750	20,750	—	20,750	68,633
	21,188,326	21,446,844	20,957,054	489,790	19,922,853
Revolving loan programs					
Materials, supplies, and services	2,280,000	2,280,000	2,329,837	(49,837)	724,507
Indirect costs	13,271	29,572	29,572	—	13,271
	2,293,271	2,309,572	2,359,409	(49,837)	737,778
EPA revolving loans					
Materials, supplies, and services	475,000	475,000	50,030	424,970	198,358
Statutory and general					
Salaries, wages, and employee benefits	70,457	70,457	—	70,457	—
Materials, supplies, and services	250,000	250,000	95,038	154,962	24,474
Indirect costs	1,156	2,364	2,364	—	1,156
	321,613	322,821	97,402	225,419	25,630
Redevelopment agency					
Materials, supplies, and services	20,577,951	26,571,576	22,775,118	3,796,458	15,645,727
Indirect costs	—	5,927	5,927	—	—
	20,577,951	26,577,503	22,781,045	3,796,458	15,645,727
Total social services	177,590,943	183,451,131	169,819,491	13,631,640	161,538,431
<b>Debt service:</b>					
Principal retirement	203,969	203,969	203,969	—	20,754
Interest	182,831	182,831	182,831	—	109,925
Total debt service	386,800	386,800	386,800	—	130,679
Total expenditures	177,977,743	183,837,931	170,206,291	13,631,640	161,669,110
Excess (deficiency) of revenues over (under) expenditures	(34,090,249)	(33,965,633)	(31,555,260)	2,410,373	(27,944,440)
<b>Other financing sources:</b>					
Transfers in	30,830,000	29,612,000	29,612,000	—	30,283,353
Transfers out	—	—	—	—	(89,855)
Total other financing sources	30,830,000	29,612,000	29,612,000	—	30,193,498
Net change in fund balances	(3,260,249)	(4,353,633)	(1,943,260)	2,410,373	2,249,058
Fund balances - beginning	5,330,000	7,250,835	24,360,161	17,109,326	22,102,541
Prior year encumbrances canceled during the year	—	—	2,901	2,901	8,562
Fund balances - ending	\$ 2,069,751	\$ 2,897,202	\$ 22,419,802	\$ 19,522,600	\$ 24,360,161

**SALT LAKE COUNTY**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
Transportation Preservation Fund  
Year Ended December 31, 2019 With Comparative Totals For 2018**

	2019				2018
	Budgeted Amounts		Actual on a	Variance With	Actual on a
	Original	Final	Budgetary Basis	Final Budget	Budgetary Basis
<b>Revenues:</b>					
Mass transit taxes	\$ 295,979,094	\$ 308,959,583	\$ 286,164,725	\$ (22,794,858)	\$ 230,086,897
Grants and contributions	2,441,630	2,441,630	2,687,811	246,181	2,700,750
Charges for services	—	—	—	—	62,254
Interest, rents, and other	203,100	203,100	2,671,569	2,468,469	1,462,796
Total revenues	298,623,824	311,604,313	291,524,105	(20,080,208)	234,312,697
<b>Expenditures:</b>					
<b>Public works:</b>					
Transportation preservation					
Materials, supplies, and services	15,500	15,500	3,400	12,100	850
Transportation preservation project					
Materials, supplies, and services	1,251,924	1,400,000	1,400,000	—	2,081,012
Local optional sales taxes for transportation preservation					
Materials, supplies, and services	261,103,300	263,819,083	240,337,446	23,481,637	205,412,604
Corridor preservation projects					
Materials, supplies, and services	3,677,141	3,677,141	1,319,614	2,357,527	2,179,199
County of the first class highway projects					
Materials, supplies, and services	5,061,848	511,019	—	511,019	19,730,885
State GO bond pass-through					
Materials, supplies, and services	7,227,000	7,227,000	6,400,000	827,000	34,699,895
UDOT State Infrastructure Bank Parking Structures					
Materials, supplies, and services	2,441,630	41,630	—	41,630	—
Regional Transportation Choices					
Materials, supplies, and services	141,096	51,700,000	44,517,089	7,182,911	—
Total public works	280,919,439	328,391,373	293,977,549	34,413,824	264,104,445
<b>Debt service:</b>					
Principal retirement	1,475,000	3,183,640	3,183,640	—	1,705,000
Interest	1,451,650	2,143,010	2,143,010	—	1,179,635
Total debt service	2,926,650	5,326,650	5,326,650	—	2,884,635
Total expenditures	283,846,089	333,718,023	299,304,199	34,413,824	266,989,080
Excess (deficiency) of revenues over (under) expenditures	14,777,735	(22,113,710)	(7,780,094)	14,333,616	(32,676,383)
<b>Other financing sources (uses):</b>					
Proceeds from notes payable	—	—	—	—	23,200,000
Net change in fund balances	14,777,735	(22,113,710)	(7,780,094)	14,333,616	(9,476,383)
<b>Fund balances - beginning</b>	31,603,000	63,028,155	63,046,496	18,341	72,522,879
<b>Fund balances - ending</b>	\$ 46,380,735	\$ 40,914,445	\$ 55,266,402	\$ 14,351,957	\$ 63,046,496

**SALT LAKE COUNTY**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Tourism, Recreation, Cultural, and Convention (TRCC) Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018**

	2019				2018
	Budgeted Amounts		Actual on a	Variance With	Actual on a
	Original	Final	Budgetary	Final Budget	Budgetary
			Basis		Basis
<b>Revenues:</b>					
<b>Taxes:</b>					
Sales taxes	\$ 42,300,000	\$ 42,500,000	\$ 42,451,908	\$ (48,092)	\$ 40,100,133
Transient room taxes	28,595,000	28,360,000	27,729,179	(630,821)	26,857,173
Total taxes	70,895,000	70,860,000	70,181,087	(678,913)	66,957,306
Licenses and permits	223,016	223,016	411,236	188,220	177,352
Grants and contributions	5,000,000	1,435,000	1,311,323	(123,677)	16,293
Charges for services	16,551,919	17,201,063	20,693,268	3,492,205	20,103,070
Interest, rents, and other	1,668,416	2,426,200	3,210,517	784,317	3,576,619
Interfund charges	—	3,810,789	60,326	(3,750,463)	—
Total revenues	94,338,351	95,956,068	95,867,757	(88,311)	90,830,640
<b>Expenditures:</b>					
<b>Education, recreation, and cultural:</b>					
Tourism, recreation, and cultural convention (TRCC)					
Materials, supplies, and services	10,184,438	9,731,562	7,790,145	1,941,417	6,554,006
Indirect costs	219,190	154,925	154,925	—	219,190
Capital outlay	12,321,024	9,878,112	4,946,366	4,931,746	1,549,754
	22,724,652	19,764,599	12,891,436	6,873,163	8,322,950
Salt Lake Arts and Culture					
Salaries, wages, and employee benefits	4,093,993	4,104,513	3,910,111	194,402	3,685,356
Materials, supplies, and services	3,871,679	3,918,438	2,346,131	1,572,307	3,293,308
Indirect costs	881,114	1,151,229	1,151,229	—	881,114
Capital outlay	1,280,844	1,242,475	2,309,742	(1,067,267)	80,788
	10,127,630	10,416,655	9,717,213	699,442	7,940,566
Rampton Salt Palace Convention Center					
Materials, supplies, and services	20,464,704	22,013,307	16,943,720	5,069,587	14,802,167
Indirect costs	583,603	494,772	494,772	—	583,603
Capital outlay	5,500,290	4,469,818	214,728	4,255,090	1,578,693
	26,548,597	26,977,897	17,653,220	9,324,677	16,964,463
South Towne Exposition Center					
Materials, supplies, and services	5,073,495	5,028,095	4,473,671	554,424	4,845,645
Indirect costs	159,213	146,849	146,849	—	159,213
Capital outlay	50,000	45,000	40,815	4,185	116,777
	5,282,708	5,219,944	4,661,335	558,609	5,121,635
Equestrian Park and Event Center					
Materials, supplies, and services	2,683,541	2,394,618	1,784,788	609,830	1,827,984
Indirect costs	147,886	206,382	206,382	—	147,886
Capital outlay	—	—	26,603	(26,603)	188,529
	2,831,427	2,601,000	2,017,773	583,227	2,164,399

(Continued)

**SALT LAKE COUNTY**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
Tourism, Recreation, Cultural, and Convention (TRCC) Special Revenue Fund  
Year Ended December 31, 2019 With Comparative Totals For 2018**

	2019				2018
	Budgeted Amounts		Actual on a	Variance With	Actual on a
	Original	Final	Budgetary Basis	Final Budget	Budgetary Basis
<b>Parks</b>					
Materials, supplies, and services	\$ 369,465	\$ 381,880	\$ 3,197	\$ 378,683	\$ 78,264
Indirect costs	15,535	15,120	15,120	—	15,535
Capital outlay	—	—	336,337	(336,337)	255,479
	<u>385,000</u>	<u>397,000</u>	<u>354,654</u>	<u>42,346</u>	<u>349,278</u>
<b>Visitor promotion - contract</b>					
Materials, supplies, and services	11,726,640	11,726,640	11,209,212	517,428	10,026,026
Indirect costs	221,747	219,702	219,702	—	221,747
	<u>11,948,387</u>	<u>11,946,342</u>	<u>11,428,914</u>	<u>517,428</u>	<u>10,247,773</u>
<b>Visitor promotion - County</b>					
Capital outlay	5,771,154	5,769,018	5,032,655	736,363	4,397,647
Debt service	10,480	6,484	6,484	—	10,480
	<u>5,781,634</u>	<u>5,775,502</u>	<u>5,039,139</u>	<u>736,363</u>	<u>4,408,127</u>
<b>Recreation</b>					
Materials, supplies, and services	804,073	1,033,928	539,333	494,595	698,357
Indirect costs	20,927	24,202	24,202	—	20,927
Capital outlay	—	—	147,944	(147,944)	52,178
	<u>825,000</u>	<u>1,058,130</u>	<u>711,479</u>	<u>346,651</u>	<u>771,462</u>
<b>Wasatch View Solar</b>					
Materials, supplies, and services	—	—	432,198	(432,198)	—
<b>Capitol Theatre</b>					
Materials, supplies, and services	66,991	66,991	54,414	12,577	—
<b>Total education, recreation, and cultural</b>	<u>86,522,026</u>	<u>84,224,060</u>	<u>64,961,775</u>	<u>19,262,285</u>	<u>56,290,653</u>
<b>Debt service:</b>					
Principal retirement	4,853,019	4,853,019	4,875,929	(22,910)	9,368,568
Interest	3,325,026	3,325,026	3,325,024	2	3,462,251
Other charges	7,500	7,500	3,850	3,650	—
<b>Total debt service</b>	<u>8,185,545</u>	<u>8,185,545</u>	<u>8,204,803</u>	<u>(19,258)</u>	<u>12,830,819</u>
<b>Total expenditures</b>	<u>94,707,571</u>	<u>92,409,605</u>	<u>73,166,578</u>	<u>19,243,027</u>	<u>69,121,472</u>
Excess (deficiency) of revenues over (under) expenditures	(369,220)	3,546,463	22,701,179	19,154,716	21,709,168
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	3,600,000	3,600,000	—	(3,600,000)	—
Transfers in	20,452,386	20,504,762	3,319,576	(17,185,186)	3,560,000
Transfers out	(46,533,508)	(46,603,508)	(46,603,508)	—	(37,330,609)
<b>Total other financing sources (uses)</b>	<u>(22,481,122)</u>	<u>(22,498,746)</u>	<u>(43,283,932)</u>	<u>(20,785,186)</u>	<u>(33,770,609)</u>
<b>Net change in fund balances</b>	<u>(22,850,342)</u>	<u>(18,952,283)</u>	<u>(20,582,753)</u>	<u>(1,630,470)</u>	<u>(12,061,441)</u>
<b>Fund balances - beginning</b>	33,256,913	31,048,858	30,648,266	(400,592)	42,570,985
<b>Prior year encumbrances canceled during the year</b>	—	—	43,023	43,023	138,722
<b>Fund balances - ending</b>	<u>\$ 10,406,571</u>	<u>\$ 12,096,575</u>	<u>\$ 10,108,536</u>	<u>\$ (1,988,039)</u>	<u>\$ 30,648,266</u>

(Concluded)

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 General Government Debt Service Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019				2018
	Budget Amounts		Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
	Original	Final			
<b>Revenues:</b>					
<b>Taxes:</b>					
Property taxes	\$ 28,800,000	\$ 28,040,327	\$ 28,315,492	\$ 275,165	\$ 30,408,873
Tax equivalent payments	1,600,000	1,399,500	1,550,744	151,244	1,476,047
Total taxes	30,400,000	29,439,827	29,866,236	426,409	31,884,920
Interest, rents, and other	626,089	626,089	600,612	(25,477)	1,057,036
Total revenues	31,026,089	30,065,916	30,466,848	400,932	32,941,956
<b>Expenditures:</b>					
<b>Debt service:</b>					
Principal retirement	22,115,000	22,115,000	22,115,000	—	22,860,000
Interest	6,539,746	6,539,746	6,539,745	1	8,155,645
Total expenditures - debt service	28,654,746	28,654,746	28,654,745	1	31,015,645
Excess of revenues over expenditures	2,371,343	1,411,170	1,812,103	400,933	1,926,311
<b>Other financing sources (uses):</b>					
Payment to refunded bond escrow agent	(32,702,300)	(32,702,300)	(32,050,000)	(652,300)	—
Transfers out	(3,000,000)	(3,000,000)	(3,000,000)	—	(3,000,000)
Total other financing sources (uses)	(35,702,300)	(35,702,300)	(35,050,000)	(652,300)	(3,000,000)
Net change in fund balances	(33,330,957)	(34,291,130)	(33,237,897)	(251,367)	(1,073,689)
<b>Fund balances - beginning</b>	46,175,000	45,861,029	45,861,024	(5)	46,934,713
<b>Fund balances - ending</b>	<u>\$ 12,844,043</u>	<u>\$ 11,569,899</u>	<u>\$ 12,623,127</u>	<u>\$ (251,372)</u>	<u>\$ 45,861,024</u>

**Special Revenue Funds:**

- Unincorporated Municipal Services Special Revenue Fund—to account for taxes, grants, and contributions received by the County for the purpose of providing municipal type services for the unincorporated areas of the County.
- Flood Control Special Revenue Fund—to account for taxes and expenditures related to flood control within the County.
- Open Space Special Revenue Fund—to account for the acquisition and preservation of open space, natural habitat, parks and community trails.
- Zoos, Arts, and Parks (ZAP) Special Revenue Fund—to account for the revenues and expenditures relating to the local option recreation sales tax authorized under Title 59, Chapter 12, Section 703 of the *Utah Code*.
- Housing Programs Special Revenue Fund—to account for revenues and expenditures used exclusively to assist with affordable and special needs for housing in the County.
- State Tax Administration Levy Special Revenue Fund—to account for taxes levied to cover expenditures related to assessing, collecting, and distributing property tax.
- Redevelopment Agency Special Revenue Fund—to account for taxes and expenditures of the Redevelopment Agency of Salt Lake County, a blended component unit of the County.
- Library Special Revenue Fund—to account for taxes levied for the purpose of operating County libraries.
- Health Special Revenue Fund—to account for taxes used to provide health services by the Department of Health.
- Planetarium Special Revenue Fund—to account for taxes and expenditures of the Clark Planetarium.

**Capital Projects Funds:**

- Park Bond Capital Projects Fund—to account for the cost of acquisition and improvement of open space, natural habitat, parks, and community trails.
- District Attorney Facilities Construction Capital Projects Fund—to account for the cost of acquisition and construction of a new building for the District Attorney.
- PeopleSoft Implementation Capital Projects Fund—to account for the cost of implementation for the County's new enterprise resource planning (ERP) system.
- Work Order Project Capital Projects Fund—to account for the cost of implementation for the County's new work order system.
- Capital Improvements Capital Projects Fund—to account for taxes levied and expenditures for the acquisition of capital-type improvements.

**Capital Projects Funds** (Continued):

- Municipal Building Authority Public Health Center Bond Projects Capital Projects Fund—to account for the cost of constructing a new Public Health Center.
- Capitol Theatre Capital Projects Fund—to account for the construction and renovation costs of the Capitol Theatre and Ballet West project.
- TRCC Bond Projects Capital Projects Fund—to account for the acquisition and construction of a new mid-valley performing arts center and a new parks operations center.
- Parks and Recreation Bond Projects Capital Projects Fund—to account for the acquisition, construction and improvement of parks and recreation facilities.
- Municipal Building Authority Library Bond Projects Capital Projects Fund— to account for the cost of constructing three new libraries and a library operations center.
- 2020 Sales Tax Revenue Bond Projects Capital Projects Fund - to account for capital projects financed by 2020 sales tax revenue bonds.

**Permanent Fund:**

- Pet Care and Adoption Endowment Permanent Fund—to account for two endowments. The Boyce endowment is to assist in adoption programs. The Utah Friends for Animal Care and Effective Solutions (FACES) endowment is to assist in providing grooming transport, microchips, injured animal care, and spay and neuter surgeries.

**Debt Service Funds:**

- Millcreek Fireflow Special Improvement District Debt Service Fund—to account for the accumulation of resources for and the payment of special assessment bond principal and interest.
- Municipal Building Authority Debt Service Fund—to account for the accumulation of resources for, and the payment of, Municipal Building Authority lease revenue bond principal and interest.
- State Transportation Debt Service Fund—to account for the accumulation of resources for, and the payment of, state transportation debt principal and interest.
- 2014 Sales Tax Revenue Bond Debt Service Fund—to account for the accumulation of resources for, and the payment of, 2014 sales tax revenue bond principal and interest.

SALT LAKE COUNTY

Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2019

	Special Revenue Funds					
	Unincorporated					State Tax
	Municipal Services	Flood Control	Open Space	Zoos, Arts, and Parks	Housing Programs	Administration Levy
<b>Assets:</b>						
Cash and investments:						
Pooled cash and investments	\$ 6,777,068	\$ 5,644,550	\$ 1,804,323	\$ 3,185,347	\$ 2,549,622	\$ 7,220,865
Restricted cash and investments	—	6	—	3	—	—
Other cash	—	—	—	—	—	51,000
Receivables:						
Taxes	1,086,376	151,543	—	3,530,547	—	654,978
Grants and contributions	817,390	3,508	—	—	—	—
Accounts	119,744	4,457	300	—	—	9,166
Notes	—	—	—	—	—	—
Interest, rents, and other	22	1,044	—	1	394,809	1,995
Due from other funds	—	—	—	—	—	—
Inventories and prepaid items	—	—	—	—	—	—
Total assets	<u>\$ 8,800,600</u>	<u>\$ 5,805,108</u>	<u>\$ 1,804,623</u>	<u>\$ 6,715,898</u>	<u>\$ 2,944,431</u>	<u>\$ 7,938,004</u>
<b>Liabilities:</b>						
Accounts payable	\$ 6,634,910	\$ 1,215,300	\$ —	\$ 2,568,493	\$ —	\$ 411,583
Accrued expenditures	5,477	137,634	1,582	1,988,359	—	764,937
Due to other funds	—	—	—	—	—	—
Unearned revenue	—	—	—	—	—	—
Total liabilities	<u>6,640,387</u>	<u>1,352,934</u>	<u>1,582</u>	<u>4,556,852</u>	<u>—</u>	<u>1,176,520</u>
<b>Deferred inflows of resources:</b>						
Unavailable property tax revenue	5,089	134,400	—	—	—	583,739
<b>Fund balances:</b>						
Nonspendable:						
Notes receivable	—	—	—	—	—	—
Inventories and prepaid items	—	—	—	—	—	—
Endowment - Boyce pet adoption	—	—	—	—	—	—
Endowment- FACES pet care	—	—	—	—	—	—
Restricted for:						
Debt service	—	6	—	397,570	—	—
Housing and human services	—	—	—	—	2,944,431	—
Municipal services	569,324	—	—	—	—	—
Tort liability	1,585,800	—	—	—	—	—
Capital improvements	—	—	1,802,190	—	—	—
Infrastructure	—	4,279,138	—	—	—	—
Libraries	—	—	—	—	—	—
Tax administration	—	—	—	—	—	5,918,635
Health	—	—	—	—	—	—
Education and cultural	—	—	—	1,759,777	—	—
Redevelopment	—	—	—	—	—	—
Other purposes	—	—	—	—	—	—
Committed to:						
Compensated absences	—	38,630	851	1,699	—	259,110
Total fund balances	<u>2,155,124</u>	<u>4,317,774</u>	<u>1,803,041</u>	<u>2,159,046</u>	<u>2,944,431</u>	<u>6,177,745</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,800,600</u>	<u>\$ 5,805,108</u>	<u>\$ 1,804,623</u>	<u>\$ 6,715,898</u>	<u>\$ 2,944,431</u>	<u>\$ 7,938,004</u>

## SALT LAKE COUNTY

## Combining Balance Sheet (Continued)

## Nonmajor Governmental Funds

December 31, 2019

	Special Revenue Funds			
	Redevelopment			
	Agency	Library	Health	Planetarium
<b>Assets:</b>				
Cash and investments:				
Pooled cash and investments	\$ 2,593,021	\$ 13,173,829	\$ 5,670,755	\$ 1,589,824
Restricted cash and investments	—	—	1,791	—
Other cash	—	8,227	23,050	15,200
Receivables:				
Taxes	327,607	1,055,353	336,010	82,153
Grants and contributions	—	—	2,630,670	475,000
Accounts	—	21,496	49,036	31,086
Notes	—	—	—	—
Interest, rents, and other	—	4,218	1,209	—
Due from other funds	—	4,454,756	—	—
Inventories and prepaid items	—	—	—	220,496
Total assets	<u>\$ 2,920,628</u>	<u>\$ 18,717,879</u>	<u>\$ 8,712,521</u>	<u>\$ 2,413,759</u>
<b>Liabilities:</b>				
Accounts payable	\$ —	\$ 2,075,540	\$ 751,873	\$ 307,607
Accrued expenditures	50	1,175,153	1,488,323	175,890
Due to other funds	—	—	—	—
Unearned revenue	—	—	191,428	32,138
Total liabilities	<u>50</u>	<u>3,250,693</u>	<u>2,431,624</u>	<u>515,635</u>
<b>Deferred inflows of resources:</b>				
Unavailable property tax revenue	—	931,274	298,127	72,964
<b>Fund balances:</b>				
Nonspendable:				
Inventories and prepaid items	—	—	—	220,496
Endowment - Boyce pet adoption	—	—	—	—
Endowment- FACES pet care	—	—	—	—
Restricted for:				
Debt service	—	—	1,791	—
Housing and human services	—	—	—	—
Municipal services	—	—	—	—
Tort liability	—	—	—	—
Capital improvements	—	—	—	—
Infrastructure	—	—	—	—
Libraries	—	14,003,071	—	—
Tax administration	—	—	—	—
Health	—	—	5,484,780	—
Education and cultural	—	—	—	1,557,462
Redevelopment	2,920,578	—	—	—
Other purposes	—	—	7,492	—
Committed to:				
Compensated absences	—	532,841	488,707	47,202
Total fund balances	<u>2,920,578</u>	<u>14,535,912</u>	<u>5,982,770</u>	<u>1,825,160</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,920,628</u>	<u>\$ 18,717,879</u>	<u>\$ 8,712,521</u>	<u>\$ 2,413,759</u>

## SALT LAKE COUNTY

## Combining Balance Sheet (Continued)

## Nonmajor Governmental Funds

December 31, 2019

	Capital Projects Funds					
	Park Bond Projects	DA Facilities Construction	PeopleSoft Implementation	Work Order Project	Capital Improvements	MBA Public Health Center
<b>Assets:</b>						
Cash and investments:						
Pooled cash and investments	\$ 913,441	\$ 3,536,142	\$ 55,492	\$ 220,501	\$ 11,290,595	\$ 3,008,451
Restricted cash and investments	—	2	—	—	—	2,896,599
Other cash	—	—	—	—	—	—
Receivables:						
Taxes	—	—	—	—	166,426	—
Grants and contributions	—	—	—	—	—	—
Accounts	1	—	—	—	—	—
Notes	—	—	—	—	—	7,262,900
Interest, rents, and other	—	—	—	—	—	3,710
Due from other funds	—	—	—	—	—	—
Inventories and prepaid items	—	—	—	—	—	—
Total assets	<u>\$ 913,442</u>	<u>\$ 3,536,144</u>	<u>\$ 55,492</u>	<u>\$ 220,501</u>	<u>\$ 11,457,021</u>	<u>\$ 13,171,660</u>
<b>Liabilities:</b>						
Accounts payable	\$ 8,408	\$ —	\$ 16,396	\$ —	\$ 944,635	\$ —
Accrued expenditures	—	52,791	—	—	227,791	—
Due to other funds	—	—	—	—	—	—
Unearned revenue	—	—	—	—	—	—
Total liabilities	<u>8,408</u>	<u>52,791</u>	<u>16,396</u>	<u>—</u>	<u>1,172,426</u>	<u>—</u>
<b>Deferred inflows of resources:</b>						
Unavailable property tax revenue	—	—	—	—	147,657	—
<b>Fund balances:</b>						
Nonspendable:						
Inventories and prepaid items	—	—	—	—	—	—
Endowment - Boyce pet adoption	—	—	—	—	—	—
Endowment- FACES pet care	—	—	—	—	—	—
Restricted for:						
Debt service	—	—	—	—	—	—
Housing and human services	—	—	—	—	—	—
Municipal services	—	—	—	—	—	—
Tort liability	—	—	—	—	—	—
Capital improvements	905,034	3,483,353	39,096	220,501	10,136,938	13,171,660
Infrastructure	—	—	—	—	—	—
Libraries	—	—	—	—	—	—
Tax administration	—	—	—	—	—	—
Health	—	—	—	—	—	—
Education and cultural	—	—	—	—	—	—
Redevelopment	—	—	—	—	—	—
Other purposes	—	—	—	—	—	—
Committed to:						
Compensated absences	—	—	—	—	—	—
Total fund balances	<u>905,034</u>	<u>3,483,353</u>	<u>39,096</u>	<u>220,501</u>	<u>10,136,938</u>	<u>13,171,660</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 913,442</u>	<u>\$ 3,536,144</u>	<u>\$ 55,492</u>	<u>\$ 220,501</u>	<u>\$ 11,457,021</u>	<u>\$ 13,171,660</u>

## SALT LAKE COUNTY

## Combining Balance Sheet (Continued)

## Nonmajor Governmental Funds

December 31, 2019

	Capital Projects Funds					Permanent Fund
	Capitol Theatre	TRCC Bond Projects	Parks and Recreation Bond Projects	MBA Library Bond Projects	2020 Sales Tax Revenue Bond Projects	Pet Care and Adoption Endowment
<b>Assets:</b>						
Cash and investments:						
Pooled cash and investments	\$ 748,095	\$ 8,239,424	\$ 3,470,958	\$ 498,444	\$ —	\$ 1,909,528
Restricted cash and investments	53,333	25,337,440	46,461,333	21,258,084	—	—
Other cash	—	—	—	—	—	—
Receivables:						
Taxes	—	—	—	—	—	—
Grants and contributions	—	—	—	—	—	—
Accounts	—	—	3,000,000	8,776	—	—
Notes	5,441,600	—	—	—	16,731,054	—
Interest, rents, and other	—	51,427	—	30,443	—	—
Due from other funds	—	—	—	—	—	—
Inventories and prepaid items	—	—	—	5,000	—	—
Total assets	<u>\$ 6,243,028</u>	<u>\$ 33,628,291</u>	<u>\$ 52,932,291</u>	<u>\$ 21,800,747</u>	<u>\$ 16,731,054</u>	<u>\$ 1,909,528</u>
<b>Liabilities:</b>						
Accounts payable	\$ 498,406	\$ 3,956,899	\$ 2,389,783	\$ 687,098	\$ 1,463,782	\$ —
Accrued expenditures	—	822,563	1,516,856	—	177,971	—
Due to other funds	—	—	—	4,454,756	13,579,100	—
Unearned revenue	—	—	—	—	—	—
Total liabilities	<u>498,406</u>	<u>4,779,462</u>	<u>3,906,639</u>	<u>5,141,854</u>	<u>15,220,853</u>	<u>—</u>
<b>Deferred inflows of resources:</b>						
Unavailable property tax revenue	—	—	—	—	—	—
<b>Fund balances:</b>						
Nonspendable:						
Inventories and prepaid items	—	—	—	5,000	—	—
Endowment - Boyce pet adoption	—	—	—	—	—	1,637,510
Endowment- FACES pet care	—	—	—	—	—	119,706
Restricted for:						
Debt service	—	13,211	507,229	—	1,500,000	—
Housing and human services	—	—	—	—	—	—
Municipal services	—	—	—	—	—	—
Tort liability	—	—	—	—	—	—
Capital improvements	5,744,622	28,835,618	48,518,423	15,669,893	10,201	—
Infrastructure	—	—	—	—	—	—
Libraries	—	—	—	984,000	—	—
Tax administration	—	—	—	—	—	—
Health	—	—	—	—	—	—
Education and cultural	—	—	—	—	—	—
Redevelopment	—	—	—	—	—	—
Other purposes	—	—	—	—	—	152,312
Committed to:						
Compensated absences	—	—	—	—	—	—
Total fund balances	<u>5,744,622</u>	<u>28,848,829</u>	<u>49,025,652</u>	<u>16,658,893</u>	<u>1,510,201</u>	<u>1,909,528</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 6,243,028</u>	<u>\$ 33,628,291</u>	<u>\$ 52,932,291</u>	<u>\$ 21,800,747</u>	<u>\$ 16,731,054</u>	<u>\$ 1,909,528</u>

## SALT LAKE COUNTY

## Combining Balance Sheet (Continued)

## Nonmajor Governmental Funds

December 31, 2019

	Debt Service Funds				Total Nonmajor Governmental Funds
	Millcreek Fireflow Special Impr. District	Municipal Building Authority	State Transportation	2014 Sales Tax Revenue Bonds	
<b>Assets:</b>					
Cash and investments:					
Pooled cash and investments	\$ 842,629	\$ 4,684,731	\$ 3	\$ 50,092	\$ 89,677,730
Restricted cash and investments	—	2,024,205	393,749	—	98,426,545
Other cash	—	—	—	—	97,477
Receivables:					
Taxes	—	—	—	—	7,390,993
Grants and contributions	—	—	—	—	3,926,568
Accounts	—	—	—	—	3,244,062
Notes	—	—	—	—	29,435,554
Interest, rents, and other	—	3,750	764	—	493,392
Due from other funds	—	—	—	—	4,454,756
Inventories and prepaid items	—	—	—	—	225,496
Total assets	<u>\$ 842,629</u>	<u>\$ 6,712,686</u>	<u>\$ 394,516</u>	<u>\$ 50,092</u>	<u>\$ 237,372,573</u>
<b>Liabilities:</b>					
Accounts payable	\$ —	\$ 900	\$ —	\$ —	\$ 23,931,613
Accrued expenditures	—	—	—	—	8,535,377
Due to other funds	—	—	116,136	—	18,149,992
Unearned revenue	—	—	—	—	223,566
Total liabilities	—	900	116,136	—	50,840,548
<b>Deferred inflows of resources:</b>					
Unavailable property tax revenue	—	—	—	—	2,173,250
<b>Fund balances:</b>					
Nonspendable:					
Inventories and prepaid items	—	—	—	—	225,496
Endowment - Boyce pet adoption	—	—	—	—	1,637,510
Endowment- FACES pet care	—	—	—	—	119,706
Restricted for:					
Debt service	842,629	6,711,786	278,380	50,092	10,302,694
Housing and human services	—	—	—	—	2,944,431
Municipal services	—	—	—	—	569,324
Tort liability	—	—	—	—	1,585,800
Capital improvements	—	—	—	—	128,537,529
Infrastructure	—	—	—	—	4,279,138
Libraries	—	—	—	—	14,987,071
Tax administration	—	—	—	—	5,918,635
Health	—	—	—	—	5,484,780
Education and cultural	—	—	—	—	3,317,239
Redevelopment	—	—	—	—	2,920,578
Other purposes	—	—	—	—	159,804
Committed to:					
Compensated absences	—	—	—	—	1,369,040
Total fund balances	<u>842,629</u>	<u>6,711,786</u>	<u>278,380</u>	<u>50,092</u>	<u>184,358,775</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 842,629</u>	<u>\$ 6,712,686</u>	<u>\$ 394,516</u>	<u>\$ 50,092</u>	<u>\$ 237,372,573</u>

SALT LAKE COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended December 31, 2019

	Special Revenue Funds					
	Unincorporated					State Tax
	Municipal Services	Flood Control	Open Space	Zoos, Arts, and Parks	Housing Programs	Administration Levy
<b>Revenues:</b>						
Taxes:						
Property taxes	\$ 267,797	\$ 5,596,276	\$ —	\$ —	\$ —	\$ 26,204,595
Sales taxes	5,208,817	—	—	18,727,529	—	—
Mass transit taxes	241,886	—	—	—	—	—
Tax equivalent payments	3,553	305,764	—	—	—	1,295,053
Cable television franchise taxes	1,228,901	—	—	—	—	—
Total taxes	6,950,954	5,902,040	—	18,727,529	—	27,499,648
Licenses and permits	775	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Grants and contributions	4,875,057	23,508	—	—	—	—
Charges for services	37,237	35,312	42,307	—	7,842	200,000
Interest, rents, and other	121,800	188,091	40,341	77,630	75,793	93,853
Interfund charges	—	533,818	—	—	—	—
Total revenues	11,985,823	6,682,769	82,648	18,805,159	83,635	27,793,501
<b>Expenditures:</b>						
Current:						
Public safety and criminal justice	42,466	—	—	—	—	—
Social services	—	—	—	—	3,932	—
Education, recreation, and cultural	—	—	175,954	17,941,932	—	—
Health and regulatory	—	—	—	—	—	—
Public works	11,728,140	7,840,481	—	—	—	—
Tax administration	—	—	—	—	—	27,506,470
Capital outlay	—	—	—	—	—	—
Debt service:						
Principal retirement	—	160,000	—	1,085,000	—	—
Interest	—	9,963	—	378,125	—	—
Total expenditures	11,770,606	8,010,444	175,954	19,405,057	3,932	27,506,470
Excess (deficiency) of revenues over (under) expenditures	215,217	(1,327,675)	(93,306)	(599,898)	79,703	287,031
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	—	84,039	—	—	—	—
Issuance of bonds	—	—	—	—	—	—
Premium on bonds issued	—	—	—	—	—	—
Issuance of notes payable	—	—	—	—	—	—
Transfers in	—	—	500,000	1,840,983	—	395,000
Transfers out	—	(48,926)	—	—	—	—
Total other financing sources (uses)	—	35,113	500,000	1,840,983	—	395,000
Net change in fund balances	215,217	(1,292,562)	406,694	1,241,085	79,703	682,031
<b>Fund balances - beginning</b>	1,939,907	5,610,336	1,396,347	917,961	2,864,728	5,495,714
<b>Fund balances - ending</b>	\$ 2,155,124	\$ 4,317,774	\$ 1,803,041	\$ 2,159,046	\$ 2,944,431	\$ 6,177,745

SALT LAKE COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Nonmajor Governmental Funds

Year Ended December 31, 2019

	Special Revenue Funds			
	Redevelopment			
	Agency	Library	Health	Planetarium
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ —	\$ 41,238,058	\$ 12,611,912	\$ 2,952,047
Sales taxes	—	—	—	—
Mass transit taxes	—	—	—	—
Tax equivalent payments	—	2,417,787	689,383	161,865
Cable television franchise taxes	—	—	—	—
Total taxes	—	43,655,845	13,301,295	3,113,912
Licenses and permits	—	—	9,731,111	18,664
Fines and forfeitures	—	1,015,028	34,860	—
Grants and contributions	1,198,330	59,424	15,105,791	1,090,150
Charges for services	—	52,280	3,893,891	1,833,127
Interest, rents, and other	56,383	383,790	760,751	446,452
Interfund charges	—	130,295	167,017	—
Total revenues	1,254,713	45,296,662	42,994,716	6,502,305
<b>Expenditures:</b>				
Current:				
Public safety and criminal justice	—	—	—	—
Social services	—	—	—	—
Education, recreation, and cultural	—	40,976,956	—	6,586,247
Health and regulatory	—	—	43,004,760	—
Public works	1,221,689	—	—	—
Tax administration	—	—	—	—
Capital outlay	—	—	—	—
Debt service:				
Principal retirement	—	—	769,493	—
Interest	—	—	646,685	—
Total expenditures	1,221,689	40,976,956	44,420,938	6,586,247
Excess (deficiency) of revenues over (under) expenditures	33,024	4,319,706	(1,426,222)	(83,942)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	—	—	1,796	—
Issuance of bonds	—	—	—	—
Premium on bonds issued	—	—	—	—
Issuance of notes payable	—	—	—	—
Transfers in	—	5,141,976	1,560,000	156,138
Transfers out	—	(3,101,127)	(2,374,601)	(52,376)
Total other financing sources (uses)	—	2,040,849	(812,805)	103,762
Net change in fund balances	33,024	6,360,555	(2,239,027)	19,820
<b>Fund balances - beginning</b>	2,887,554	8,175,357	8,221,797	1,805,340
<b>Fund balances - ending</b>	<u>\$ 2,920,578</u>	<u>\$ 14,535,912</u>	<u>\$ 5,982,770</u>	<u>\$ 1,825,160</u>

SALT LAKE COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Nonmajor Governmental Funds

Year Ended December 31, 2019

	Capital Projects Funds					
	Park Bond Projects	District Attorney Facilities Construction	PeopleSoft Implementation	Work Order Project	Capital Improvements	MBA Public Health Center Bond Projects
<b>Revenues:</b>						
Taxes:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ 6,251,465	\$ —
Sales taxes	—	—	—	—	—	—
Mass transit taxes	—	—	—	—	—	—
Tax equivalent payments	—	—	—	—	341,697	—
Cable television franchise taxes	—	—	—	—	—	—
Total taxes	—	—	—	—	6,593,162	—
Licenses and permits	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Grants and contributions	—	—	—	—	—	657,906
Charges for services	—	—	—	—	—	—
Interest, rents, and other	35,711	97,527	2,553	5,559	220,873	80,819
Interfund charges	—	—	—	—	—	—
Total revenues	35,711	97,527	2,553	5,559	6,814,035	738,725
<b>Expenditures:</b>						
Current:						
Public safety and criminal justice	—	—	—	—	—	—
Social services	—	—	—	—	—	—
Education, recreation, and cultural	—	—	—	—	—	—
Health and regulatory	—	—	—	—	—	—
Public works	—	—	—	—	—	—
Tax administration	—	—	—	—	—	—
Capital outlay	622,232	519,377	88,842	—	5,758,264	1,081,743
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Total expenditures	622,232	519,377	88,842	—	5,758,264	1,081,743
Excess (deficiency) of revenues over (under) expenditures	(586,521)	(421,850)	(86,289)	5,559	1,055,771	(343,018)
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	—	—	—	—	—	—
Issuance of bonds	—	—	—	—	—	—
Premium on bonds issued	—	—	—	—	—	—
Issuance of notes payable	—	—	—	—	—	—
Transfers in	—	—	—	—	622,805	2,374,601
Transfers out	—	—	—	—	(500,000)	—
Total other financing sources (uses)	—	—	—	—	122,805	2,374,601
Net change in fund balances	(586,521)	(421,850)	(86,289)	5,559	1,178,576	2,031,583
<b>Fund balances - beginning</b>	1,491,555	3,905,203	125,385	214,942	8,958,362	11,140,077
<b>Fund balances - ending</b>	\$ 905,034	\$ 3,483,353	\$ 39,096	\$ 220,501	\$ 10,136,938	\$ 13,171,660

SALT LAKE COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Nonmajor Governmental Funds

Year Ended December 31, 2019

	Capital Projects Funds					Permanent Funds
	Capitol Theatre	TRCC Bond Projects	Parks and Recreation Bond Projects	MBA Library Bond Projects	2020 Sales Tax Revenue Bond Projects	Pet Care and Adoption Endowment
<b>Revenues:</b>						
Taxes:						
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Sales taxes	—	—	—	—	—	—
Mass transit taxes	—	—	—	—	—	—
Tax equivalent payments	—	—	—	—	—	—
Cable television franchise taxes	—	—	—	—	—	—
Total taxes	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—
Fines and forfeitures	—	—	—	—	—	—
Grants and contributions	—	1,105,000	3,007,200	46,461	—	39,619
Charges for services	—	—	—	—	1,500,000	—
Interest, rents, and other	95,099	1,043,977	536,802	790,981	10,201	47,452
Interfund charges	—	—	—	—	—	—
Total revenues	95,099	2,148,977	3,544,002	837,442	1,510,201	87,071
<b>Expenditures:</b>						
Current:						
Public safety and criminal justice	—	—	—	—	—	—
Social services	—	—	—	—	—	—
Education, recreation, and cultural	—	—	—	—	—	—
Health and regulatory	—	—	—	—	—	—
Public works	—	—	—	—	—	—
Tax administration	—	—	—	—	—	—
Capital outlay	6,612,406	17,731,494	30,441,535	15,311,666	—	—
Debt service:						
Principal retirement	—	—	—	—	—	—
Interest	—	—	—	—	—	—
Total expenditures	6,612,406	17,731,494	30,441,535	15,311,666	—	—
Excess (deficiency) of revenues over (under) expenditures	(6,517,307)	(15,582,517)	(26,897,533)	(14,474,224)	1,510,201	87,071
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	—	—	—	—	—	—
Issuance of bonds	—	—	39,615,000	16,355,476	—	—
Premium on bonds issued	—	—	6,893,636	3,082,711	—	—
Issuance of notes payable	—	—	—	14,137,500	—	—
Transfers in	1,783,610	5,161,320	—	7,193,448	—	—
Transfers out	—	—	(17,200)	(12,219,857)	—	—
Total other financing sources (uses)	1,783,610	5,161,320	46,491,436	28,549,278	—	—
Net change in fund balances	(4,733,697)	(10,421,197)	19,593,903	14,075,054	1,510,201	87,071
<b>Fund balances - beginning</b>	10,478,319	39,270,026	29,431,749	2,583,839	—	1,822,457
<b>Fund balances - ending</b>	\$ 5,744,622	\$ 28,848,829	\$ 49,025,652	\$ 16,658,893	\$ 1,510,201	\$ 1,909,528

SALT LAKE COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Nonmajor Governmental Funds

Year Ended December 31, 2019

	Debt Service Funds				Total Nonmajor Governmental Funds
	Millcreek Fireflow Special Impr. District	Municipal Building Authority	State Transportation	2014 Sales Tax Revenue Bonds	
<b>Revenues:</b>					
Taxes:					
Property taxes	\$ —	\$ —	\$ —	\$ —	\$ 95,122,150
Sales taxes	—	—	—	—	23,936,346
Mass transit taxes	—	—	—	—	241,886
Tax equivalent payments	—	—	—	—	5,215,102
Cable television franchise taxes	—	—	—	—	1,228,901
Total taxes	—	—	—	—	125,744,385
Licenses and permits	—	—	—	—	9,750,550
Fines and forfeitures	—	—	—	—	1,049,888
Grants and contributions	—	—	7,821,594	—	35,030,040
Charges for services	—	—	—	—	7,601,996
Interest, rents, and other	21,528	1,431,363	771,925	1,213	7,438,467
Interfund charges	—	—	—	—	831,130
Total revenues	21,528	1,431,363	8,593,519	1,213	187,446,456
<b>Expenditures:</b>					
Current:					
Public safety and criminal justice	—	—	—	—	42,466
Social services	—	—	—	—	3,932
Education, recreation, and cultural	—	—	—	—	65,681,089
Health and regulatory	—	—	—	—	43,004,760
Public works	—	—	—	—	20,790,310
Tax administration	—	—	—	—	27,506,470
Capital outlay	—	—	—	—	78,167,559
Debt service:					
Principal retirement	—	4,024,358	6,325,000	—	12,363,851
Interest	2,275	3,087,539	2,271,993	—	6,396,580
Total expenditures	2,275	7,111,897	8,596,993	—	253,957,017
Excess (deficiency) of revenues over (under) expenditures	19,253	(5,680,534)	(3,474)	1,213	(66,510,561)
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	—	—	—	—	85,835
Issuance of bonds	—	1,484,524	—	—	57,455,000
Premium on bonds issued	—	280,567	—	—	10,256,914
Issuance of notes payable	—	—	—	—	14,137,500
Transfers in	—	12,861,924	—	—	39,591,805
Transfers out	—	(7,088,448)	—	—	(25,402,535)
Total other financing sources (uses)	—	7,538,567	—	—	96,124,519
Net change in fund balances	19,253	1,858,033	(3,474)	1,213	29,613,958
<b>Fund balances - beginning</b>	823,376	4,853,753	281,854	48,879	154,744,817
<b>Fund balances - ending</b>	\$ 842,629	\$ 6,711,786	\$ 278,380	\$ 50,092	\$ 184,358,775

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Unincorporated Municipal Services Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance with Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 261,028	\$ 267,797	\$ 6,769	\$ 250,316
Sales taxes	5,700,000	5,208,817	(491,183)	5,645,077
Mass transit taxes	100,000	241,886	141,886	—
Tax equivalent payments	—	3,553	3,553	2,246
Cable television franchise taxes	1,042,306	1,228,901	186,595	53,613
Total taxes	7,103,334	6,950,954	(152,380)	5,951,252
Licenses and permits	177,313	775	(176,538)	462,158
Fines and forfeitures	88,325	—	(88,325)	69,996
Grants and contributions	4,625,361	4,875,057	249,696	7,552,829
Charges for services	65,726	37,237	(28,489)	150,353
Interest, rents, and other	109,783	121,800	12,017	133,473
Total revenues	12,169,842	11,985,823	(184,019)	14,320,061
<b>Expenditures:</b>				
Public safety and criminal justice:				
Tort judgment levy				
Materials, supplies, and services	175,000	38,851	136,149	85,702
Indirect costs	3,615	3,615	—	35,501
Total public safety and criminal justice	178,615	42,466	136,149	121,203
Public works:				
Unincorporated municipal services				
Materials, supplies, and services	12,072,435	11,725,498	346,937	14,049,258
Indirect costs	2,642	2,642	—	16,379
Total public works	12,075,077	11,728,140	346,937	14,065,637
Total expenditures	12,253,692	11,770,606	483,086	14,186,840
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(83,850)	215,217	299,067	133,221
<b>Fund balances - beginning</b>	1,939,906	1,939,907	1	1,806,686
<b>Fund balances - ending</b>	\$ 1,856,056	\$ 2,155,124	\$ 299,068	\$ 1,939,907

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Flood Control Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 5,561,233	\$ 5,596,276	\$ 35,043	\$ 5,406,352
Tax equivalent payments	287,500	305,764	18,264	279,250
Total taxes	5,848,733	5,902,040	53,307	5,685,602
Fines and forfeitures	—	—	—	509
Grants and contributions	50,000	23,508	(26,492)	87,730
Charges for services	15,100	35,312	20,212	92,358
Interest, rents, and other	71,100	188,091	116,991	327,794
Interfund charges	461,185	533,818	72,633	483,936
Total revenues	6,446,118	6,682,769	236,651	6,677,929
<b>Expenditures:</b>				
Public works:				
Flood control - engineering				
Salaries, wages, and employee benefits	3,095,252	2,795,375	299,877	2,762,067
Materials, supplies, and services	2,543,990	1,945,843	598,147	1,681,510
Indirect costs	433,054	433,054	—	396,901
Capital outlay	—	—	—	61,718
	6,072,296	5,174,272	898,024	4,902,196
Flood control - projects				
Materials, supplies, and services	1,746,825	1,302,247	444,578	869,021
Indirect costs	109,442	109,442	—	97,568
Capital outlay	2,076,223	1,660,271	415,952	1,331,978
	3,932,490	3,071,960	860,530	2,298,567
Total public works	10,004,786	8,246,232	1,758,554	7,200,763
Debt service:				
Principal retirement	160,000	160,000	—	155,000
Interest	7,963	7,963	—	12,888
Other	2,500	2,000	500	—
Total debt service	170,463	169,963	500	167,888
Total expenditures	10,175,249	8,416,195	1,759,054	7,368,651
Excess (deficiency) of revenues over (under) expenditures	(3,729,131)	(1,733,426)	1,995,705	(690,722)
<b>Other financing uses:</b>				
Proceeds from sale of capital assets	—	84,039	84,039	877
Transfers out	(48,926)	(48,926)	—	(72,307)
Total other financing sources (uses)	(48,926)	35,113	84,039	(71,430)
Net change in fund balances	(3,778,057)	(1,698,313)	2,079,744	(762,152)
Fund balances - beginning	4,381,307	4,631,358	250,051	5,357,845
Prior year encumbrances canceled during the year	—	24,183	24,183	35,665
Fund balances - ending	\$ 603,250	\$ 2,957,228	\$ 2,353,978	\$ 4,631,358

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Open Space Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ —	\$ —	\$ —	\$ 90,602
Charges for services	—	42,307	42,307	—
Interest, rents, and other	2,700	40,341	37,641	23,740
Total revenues	2,700	82,648	79,948	114,342
<b>Expenditures:</b>				
Education, recreation, and cultural:				
Salaries, wages, and employee benefits	41,591	31,090	10,501	27,227
Materials, supplies, and services	127,428	126,726	702	84,208
Indirect costs	14,361	14,361	—	42,582
Capital outlay	500,000	—	500,000	—
Total expenditures - education, recreation, and cultural	683,380	172,177	511,203	154,017
Excess (deficiency) of revenues over (under) expenditures	(680,680)	(89,529)	591,151	(39,675)
<b>Other financing sources (uses):</b>				
Transfers in	500,000	500,000	—	500,000
Net change in fund balances	(180,680)	410,471	591,151	460,325
<b>Fund balances - beginning</b>	1,375,313	1,377,657	2,344	917,332
<b>Prior year encumbrances canceled during the year</b>	—	230	230	—
<b>Fund balances - ending</b>	<u>\$ 1,194,633</u>	<u>\$ 1,788,358</u>	<u>\$ 593,725</u>	<u>\$ 1,377,657</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Zoos, Arts, and Parks (ZAP) Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Sales taxes	\$ 20,422,529	\$ 18,727,529	\$ (1,695,000)	\$ 17,916,617
Interest, rents, and other	35,100	77,630	42,530	64,422
Total revenues	20,457,629	18,805,159	(1,652,470)	17,981,039
<b>Expenditures:</b>				
Education, recreation, and cultural:				
Large arts groups				
Materials, supplies, and services	12,896,356	11,829,468	1,066,888	11,311,626
Small arts groups				
Materials, supplies, and services	2,589,273	2,384,763	204,510	2,211,235
Zoological				
Materials, supplies, and services	4,585,374	4,206,036	379,338	4,021,914
Administration				
Salaries, wages, and employee benefits	192,271	185,399	6,872	151,026
Materials, supplies, and services	88,995	81,421	7,574	87,116
Indirect costs	180,130	180,130	—	542,051
	461,396	446,950	14,446	780,193
ZAP revenue bond debt service				
Materials, supplies, and services	500	—	500	—
Total education, recreation, and cultural	20,532,899	18,867,217	1,665,682	18,324,968
Debt service:				
Principal retirement	1,085,000	1,085,000	—	1,035,000
Interest	378,125	378,125	—	426,600
Other	2,000	650	1,350	—
Total debt service	1,465,125	1,463,775	1,350	1,461,600
Total expenditures	21,998,024	20,330,992	1,667,032	19,786,568
Excess (deficiency) of revenues over (under) expenditures	(1,540,395)	(1,525,833)	14,562	(1,805,529)
<b>Other financing sources (uses):</b>				
Transfers in	1,840,983	1,840,983	—	1,838,808
Net change in fund balances	300,588	315,150	14,562	33,279
Fund balances - beginning	175,683	892,672	716,989	830,476
Prior year encumbrances canceled during the year	—	—	—	28,917
Fund balances - ending	\$ 476,271	\$ 1,207,822	\$ 731,551	\$ 892,672

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Housing Programs Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ 5,000	\$ 83,635	\$ 78,635	\$ 55,725
Total revenues	5,000	83,635	78,635	55,725
<b>Expenditures:</b>				
Social services:				
Materials, supplies, and services	1,821,700	—	1,821,700	—
Indirect costs	3,932	3,932	—	—
Total expenditures - social services	1,825,632	3,932	1,821,700	—
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(1,820,632)	79,703	1,900,335	55,725
<b>Fund balances - beginning</b>	2,864,729	2,864,728	(1)	2,809,003
<b>Fund balances - ending</b>	<u>\$ 1,044,097</u>	<u>\$ 2,944,431</u>	<u>\$ 1,900,334</u>	<u>\$ 2,864,728</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 State Tax Administration Levy Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 25,903,894	\$ 26,204,595	\$ 300,701	\$ 24,861,475
Tax equivalent payments	1,261,800	1,295,053	33,253	1,332,984
Total taxes	27,165,694	27,499,648	333,954	26,194,459
Charges for services	200,000	200,000	—	200,000
Interest, rents, and other	39,043	93,853	54,810	83,251
Total revenues	27,404,737	27,793,501	388,764	26,477,710
<b>Expenditures:</b>				
Tax administration:				
Council				
Salaries, wages, and employee benefits	1,040,774	858,771	182,003	828,595
Materials, supplies, and services	60,756	58,213	2,543	57,433
Indirect costs	409,106	409,106	—	527,869
	1,510,636	1,326,090	184,546	1,413,897
Auditor				
Salaries, wages, and employee benefits	1,160,323	1,105,571	54,752	1,198,849
Materials, supplies, and services	303,050	298,623	4,427	265,550
Indirect costs	429,846	429,846	—	474,573
Capital outlay	7,370	7,364	6	—
	1,900,589	1,841,404	59,185	1,938,972
Recorder				
Salaries, wages, and employee benefits	2,530,743	2,343,079	187,664	2,212,391
Materials, supplies, and services	299,106	288,415	10,691	292,796
Indirect costs	443,853	443,853	—	234,203
Capital outlay	20,000	—	20,000	—
	3,293,702	3,075,347	218,355	2,739,390
Treasurer				
Salaries, wages, and employee benefits	2,604,561	2,604,457	104	2,486,354
Materials, supplies, and services	522,972	457,868	65,104	556,889
Indirect costs	1,563,816	1,563,816	—	1,499,862
	4,691,349	4,626,141	65,208	4,543,105
Assessor				
Salaries, wages, and employee benefits	10,100,175	9,667,595	432,580	9,617,729
Materials, supplies, and services	2,995,801	2,390,642	605,159	2,382,374
Indirect costs	2,095,516	2,095,516	—	1,920,196
Capital outlay	229,361	139,187	90,174	190,917
	15,420,853	14,292,940	1,127,913	14,111,216
District Attorney				
Salaries, wages, and employee benefits	328,855	311,807	17,048	506,400
Materials, supplies, and services	275,138	102,021	173,117	66,809
Indirect costs	20,302	20,302	—	18,998
	624,295	434,130	190,165	592,207
Surveyor				
Salaries, wages, and employee benefits	559,811	542,843	16,968	460,943
Materials, supplies, and services	34,700	29,092	5,608	20,978
Indirect costs	24,394	24,394	—	22,090
	618,905	596,329	22,576	504,011
Statutory and general				
Salaries, wages, and employee benefits	101,274	—	101,274	—
Materials, supplies, and services	1,385,122	1,126,849	258,273	1,001,970
Indirect costs	194,535	194,535	—	214,929
	1,680,931	1,321,384	359,547	1,216,899
Total tax administration	29,741,260	27,513,765	2,227,495	27,059,697
Debt service - interest	—	—	—	28,640
Total expenditures	29,741,260	27,513,765	2,227,495	27,088,337
Excess (deficiency) of revenues over (under) expenditures	(2,336,523)	279,736	2,616,259	(610,627)
<b>Other financing sources (uses):</b>				
Transfers in	395,000	395,000	—	500,000
Net change in fund balances	(1,941,523)	674,736	2,616,259	(110,627)
<b>Fund balances - beginning</b>	4,048,863	5,427,393	1,378,530	5,538,020
<b>Prior year encumbrances canceled during the year</b>	—	7,188	7,188	—
<b>Fund balances - ending</b>	\$ 2,107,340	\$ 6,109,317	\$ 4,001,977	\$ 5,427,393

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Redevelopment Agency Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Property taxes	\$ —	\$ —	\$ —	\$ 148,624
Grants and contributions	505,705	1,198,330	692,625	788,936
Interest, rents, and other	13,000	56,383	43,383	38,871
Total revenues	518,705	1,254,713	736,008	976,431
<b>Expenditures:</b>				
Public works:				
Materials, supplies, and services	1,673,277	1,210,358	462,919	330,412
Indirect costs	11,331	11,331	—	22,906
Total expenditures - public works	1,684,608	1,221,689	462,919	353,318
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(1,165,903)	33,024	1,198,927	623,113
<b>Fund balances - beginning</b>	2,887,514	2,887,514	—	2,264,401
<b>Fund balances - ending</b>	<u>\$ 1,721,611</u>	<u>\$ 2,920,538</u>	<u>\$ 1,198,927</u>	<u>\$ 2,887,514</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Library Special Revenue Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 40,925,502	\$ 41,238,058	\$ 312,556	\$ 39,573,577
Tax equivalent payments	2,325,400	2,417,787	92,387	2,457,663
Total taxes	43,250,902	43,655,845	404,943	42,031,240
Fines and forfeitures	1,125,009	1,015,028	(109,981)	1,110,834
Grants and contributions	64,700	59,424	(5,276)	62,200
Charges for services	—	52,280	52,280	33,556
Interest, rents, and other	200,361	383,790	183,429	370,682
Interfund charges	129,207	130,295	1,088	—
Total revenues	44,770,179	45,296,662	526,483	43,608,512
<b>Expenditures:</b>				
Education, recreation, and cultural:				
General Library				
Salaries, wages, and employee benefits	29,186,497	27,325,709	1,860,788	27,127,743
Materials, supplies, and services	12,499,823	11,474,177	1,025,646	12,494,862
Indirect costs	1,861,760	1,861,760	—	1,887,698
Costs of goods sold	13,090	12,839	251	11,502
Capital outlay	293,668	292,695	973	512,243
	43,854,838	40,967,180	2,887,658	42,034,048
Kearns Library				
Materials, supplies, and services	216,591	146	216,445	—
Total education, recreation, and cultural	44,071,429	40,967,326	3,104,103	42,034,048
Debt service:				
Debt service - interest	—	—	—	45,348
Total expenditures	44,071,429	40,967,326	3,104,103	42,079,396
Excess of revenues over expenditures	698,750	4,329,336	3,630,586	1,529,116
<b>Other financing sources (uses):</b>				
Transfers in	5,141,976	5,141,976	—	—
Transfers out	(3,101,127)	(3,101,127)	—	(5,947,757)
Total other financing sources (uses)	2,040,849	2,040,849	—	(5,947,757)
Net change in fund balances	2,739,599	6,370,185	3,630,586	(4,418,641)
<b>Fund balances - beginning</b>	6,613,373	7,124,334	510,961	11,542,003
<b>Prior year encumbrances canceled during the year</b>	—	63,016	63,016	972
<b>Fund balances - ending</b>	<u>\$ 9,352,972</u>	<u>\$ 13,557,535</u>	<u>\$ 4,204,563</u>	<u>\$ 7,124,334</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Health Special Revenue Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 12,469,114	\$ 12,611,912	\$ 142,798	\$ 12,120,834
Tax equivalent payments	648,200	689,383	41,183	628,774
Total taxes	13,117,314	13,301,295	183,981	12,749,608
Licenses and permits	9,554,805	9,731,111	176,306	9,241,505
Fines and forfeitures	69,000	34,860	(34,140)	110,302
Grants and contributions	15,132,687	15,105,791	(26,896)	14,019,336
Charges for services	3,366,638	3,893,891	527,253	4,687,094
Interest, rents, and other	586,998	760,751	173,753	464,066
Interfund charges	185,585	167,017	(18,568)	16,583
Total revenues	42,013,027	42,994,716	981,689	41,288,494
<b>Expenditures:</b>				
Health and regulatory:				
General Health				
Salaries, wages, and employee benefits	31,648,112	30,602,033	1,046,079	29,200,121
Materials, supplies, and services	10,555,241	9,369,227	1,186,014	9,401,966
Indirect costs	2,603,617	2,603,617	—	2,844,055
Indigent/in-custody	140,000	126,440	13,560	129,776
Capital outlay	181,484	180,403	1,081	87,872
	45,128,454	42,881,720	2,246,734	41,663,790
Downtown Health Clinic				
Materials, supplies, and services	159,138	124,081	35,057	—
Total health and regulatory	45,287,592	43,005,801	2,281,791	41,663,790
Debt service:				
Principal retirement	769,494	769,493	1	624,597
Interest	646,685	646,685	—	601,857
Total debt service	1,416,179	1,416,178	1	1,226,454
Total expenditures	46,703,771	44,421,979	2,281,792	42,890,244
Excess (deficiency) of revenues over (under) expenditures	(4,690,744)	(1,427,263)	3,263,481	(1,601,750)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	—	1,796	1,796	11,625
Transfers in	1,560,000	1,560,000	—	617,000
Transfers out	(2,374,601)	(2,374,601)	—	(397,673)
Total other financing sources (uses)	(814,601)	(812,805)	1,796	230,952
Net change in fund balances	(5,505,345)	(2,240,068)	3,265,277	(1,370,798)
<b>Fund balances - beginning</b>	8,233,157	8,175,146	(58,011)	9,500,842
<b>Prior year encumbrances canceled during the year</b>	—	5,574	5,574	45,102
<b>Fund balances - ending</b>	<u>\$ 2,727,812</u>	<u>\$ 5,940,652</u>	<u>\$ 3,212,840</u>	<u>\$ 8,175,146</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Planetarium Special Revenue Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 2,937,603	\$ 2,952,047	\$ 14,444	\$ 2,849,039
Tax equivalent payments	152,200	161,865	9,665	160,762
Total taxes	3,089,803	3,113,912	24,109	3,009,801
Grants and contributions	1,092,296	1,090,150	(2,146)	993,374
Charges for services	1,872,000	1,851,791	(20,209)	1,772,529
Interest, rents, and other	425,000	446,452	21,452	464,624
Interfund charges	—	—	—	50,000
Total revenues	6,479,099	6,502,305	23,206	6,290,328
<b>Expenditures:</b>				
Education, recreation, and cultural:				
Salaries, wages, and employee benefits	3,785,058	3,533,080	251,978	3,361,310
Materials, supplies, and services	2,010,939	1,912,886	98,053	1,789,803
Indirect costs	478,697	478,697	—	512,209
Cost of goods sold	505,000	502,286	2,714	412,961
Capital outlay	368,610	205,666	162,944	380,961
Total expenditures - education, recreation, and cultural	7,148,304	6,632,615	515,689	6,457,244
Excess (deficiency) of revenues over (under) expenditures	(669,205)	(130,310)	538,895	(166,916)
<b>Other financing sources (uses):</b>				
Transfers in	156,138	156,138	—	719,110
Transfers out	(52,376)	(52,376)	—	—
Total other financing sources (uses)	103,762	103,762	—	719,110
Net change in fund balances	(565,443)	(26,548)	538,895	552,194
<b>Fund balances - beginning</b>	1,553,601	1,803,590	249,989	1,247,089
<b>Prior year encumbrances canceled during the year</b>	—	—	—	4,307
<b>Fund balances - ending</b>	<u>\$ 988,158</u>	<u>\$ 1,777,042</u>	<u>\$ 788,884</u>	<u>\$ 1,803,590</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Park Bond Capital Projects Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ —	\$ —	\$ —	\$ 130,000
Interest, rents, and other	1,000	35,711	34,711	94,816
Total revenues	1,000	35,711	34,711	224,816
<b>Expenditures:</b>				
Capital outlay:				
Lodestone Regional Park				
Materials, supplies, and services	—	114,499	(114,499)	58,363
Capital outlay	134,201	17,008	117,193	1,374,328
	134,201	131,507	2,694	1,432,691
Southwest Regional Park				
Materials, supplies, and services	—	6,807	(6,807)	94,608
Capital outlay	54,566	45,441	9,125	862,053
	54,566	52,248	2,318	956,661
Wheadon Farm Park				
Materials, supplies, and services	—	—	—	25,476
Jordan River Trail Park				
Materials, supplies, and services	—	67,904	(67,904)	298,746
Capital outlay	330,912	221,155	109,757	167,081
	330,912	289,059	41,853	465,827
Parley's Trail Park				
Materials, supplies, and services	—	149,418	(149,418)	178,505
Capital outlay	149,419	—	149,419	174,913
	149,419	149,418	1	353,418
Total expenditures - capital outlay	669,098	622,232	46,866	3,234,073
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(668,098)	(586,521)	81,577	(3,009,257)
<b>Fund balances - beginning</b>	1,491,553	2,261,325	769,772	5,270,061
<b>Prior year encumbrances canceled during the year</b>	—	—	—	521
<b>Fund balances - ending</b>	<u>\$ 823,455</u>	<u>\$ 1,674,804</u>	<u>\$ 851,349</u>	<u>\$ 2,261,325</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 District Attorney Facilities Construction Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Charges for services	\$ 10,000	\$ —	\$ (10,000)	\$ 49,640
Interest, rents, and other	20,500	97,527	77,027	182,809
Total revenues	30,500	97,527	67,027	232,449
<b>Expenditures:</b>				
Capital outlay				
Materials, supplies, and services	—	105,196	(105,196)	265,045
Capital outlay	2,174,167	731,372	1,442,795	1,708,471
Total expenditures - capital outlay	2,174,167	836,568	1,337,599	1,973,516
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(2,143,667)	(739,041)	1,404,626	(1,741,067)
<b>Fund balances - beginning</b>	3,649,324	3,644,041	(5,283)	5,385,108
<b>Prior year encumbrances canceled during the year</b>	—	16,921	16,921	—
<b>Fund balances - ending</b>	<u>\$ 1,505,657</u>	<u>\$ 2,921,921</u>	<u>\$ 1,416,264</u>	<u>\$ 3,644,041</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 PeopleSoft Implementation Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ —	\$ 2,553	\$ 2,553	\$ 3,839
<b>Expenditures:</b>				
Capital outlay:				
Materials, supplies, and services	—	85,981	(85,981)	—
Indirect costs	2,861	2,861	—	3,928
Capital outlay	87,511	—	87,511	74,206
Total expenditures - capital outlay	90,372	88,842	1,530	78,134
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(90,372)	(86,289)	4,083	(74,295)
<b>Fund balances - beginning</b>	90,372	90,372	—	164,667
<b>Prior year encumbrances canceled during the year</b>	—	35,013	35,013	—
<b>Fund balances - ending</b>	<u>\$ —</u>	<u>\$ 39,096</u>	<u>\$ 39,096</u>	<u>\$ 90,372</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Work Order Project Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ —	\$ 5,559	\$ 5,559	\$ 5,041
<b>Expenditures:</b>				
Capital outlay:				
Capital outlay	—	—	—	142,000
Total expenditures - capital outlay	—	—	—	142,000
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	—	5,559	5,559	(136,959)
<b>Fund balances - beginning</b>	214,942	214,942	—	351,901
<b>Fund balances - ending</b>	<u>\$ 214,942</u>	<u>\$ 220,501</u>	<u>\$ 5,559</u>	<u>\$ 214,942</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Capital Improvements Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Taxes:				
Property taxes	\$ 6,062,378	\$ 6,251,465	\$ 189,087	\$ 5,996,432
Tax equivalent payments	321,300	341,697	20,397	326,096
Total taxes	6,383,678	6,593,162	209,484	6,322,528
Grants and contributions	—	—	—	2,532
Interest, rents, and other	—	220,873	220,873	175,341
Total revenues	6,383,678	6,814,035	430,357	6,500,401
<b>Expenditures:</b>				
Capital outlay:				
Materials, supplies, and services	8,886,958	3,840,214	5,046,744	5,750,568
Indirect costs	185,628	185,628	—	124,052
Capital outlay	984,647	422,178	562,469	2,021,992
Other	—	173	(173)	—
Total expenditures - capital outlay	10,057,233	4,448,193	5,609,040	7,896,612
Excess (deficiency) of revenues over (under) expenditures	(3,673,555)	2,365,842	6,039,397	(1,396,211)
<b>Other financing sources (uses):</b>				
Transfers in	622,805	622,805	—	801,160
Transfers out	(500,000)	(500,000)	—	(560,000)
Total other financing sources (uses)	122,805	122,805	—	241,160
Net change in fund balances	(3,550,750)	2,488,647	6,039,397	(1,155,051)
Fund balances - beginning	6,912,460	7,095,452	182,992	8,254,632
Prior year encumbrances canceled during the year	—	140,008	140,008	(4,129)
Fund balances - ending	\$ 3,361,710	\$ 9,724,107	\$ 6,362,397	\$ 7,095,452

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
Municipal Building Authority Public Health Center Bond Capital Projects Fund  
Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ 738,781	\$ 657,906	\$ (80,875)	\$ 240,886
Interest, rents, and other	2,216	80,819	78,603	67,464
Total revenues	740,997	738,725	(2,272)	308,350
<b>Expenditures:</b>				
Capital outlay:				
General Public Health Center				
Materials, supplies, and services	—	57,393	(57,393)	1,231,421
Capital outlay	4,982,845	—	4,982,845	115,765
	4,982,845	57,393	4,925,452	1,347,186
Downtown Health Clinic:				
Capital outlay	739,480	714,855	24,625	—
Total expenditures - capital outlay	5,722,325	772,248	4,950,077	1,347,186
Excess (deficiency) of revenues over (under) expenditures	(4,981,328)	(33,523)	(4,952,349)	(1,038,836)
<b>Other financing sources:</b>				
Transfers in	2,374,601	2,374,601	—	—
Net change in fund balances	(2,606,727)	2,341,078	(4,952,349)	(1,038,836)
<b>Fund balances - beginning</b>	1,867,247	9,067,912	7,200,665	10,106,748
<b>Prior year encumbrances canceled during the year</b>	—	455	455	—
<b>Fund balances - ending</b>	\$ (739,480)	\$ 11,409,445	\$ 2,248,771	\$ 9,067,912

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Capitol Theatre Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ 84,000	\$ 95,099	\$ 11,099	\$ 71,079
<b>Expenditures:</b>				
Capital outlay:				
General Theatre				
Materials, supplies, and services	—	(1,288,748)	1,288,748	5,345,364
Capital outlay	1,867,610	2,833,232	(965,622)	40,827
	<u>1,867,610</u>	<u>1,544,484</u>	<u>323,126</u>	<u>5,386,191</u>
Capitol Theatre NMTC				
Capital outlay	—	55,007	(55,007)	—
Total expenditures - capital outlay	<u>1,867,610</u>	<u>1,599,491</u>	<u>268,119</u>	<u>5,386,191</u>
Excess (deficiency) of revenues over (under) expenditures	(1,783,610)	(1,504,392)	279,218	(5,315,112)
<b>Other financing sources:</b>				
Transfers in	1,783,610	1,783,610	—	2,647,714
Net change in fund balances	<u>—</u>	<u>279,218</u>	<u>279,218</u>	<u>(2,667,398)</u>
<b>Fund balances - beginning</b>	579	5,547,652	5,547,073	8,211,930
<b>Prior year encumbrances canceled during the year</b>	—	—	—	3,120
<b>Fund balances - ending</b>	<u>\$ 579</u>	<u>\$ 5,826,870</u>	<u>\$ 5,826,291</u>	<u>\$ 5,547,652</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

TRCC Bond Projects Capital Projects Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ 1,105,000	\$ 1,105,000	\$ —	\$ 1,100,000
Interest, rents, and other	100,311	1,043,977	943,666	1,018,174
Total revenues	1,205,311	2,148,977	943,666	2,118,174
<b>Expenditures:</b>				
Capital outlay:				
Parks operations center				
Materials, supplies, and services	—	—	—	381,516
Capital outlay	249,330	41,425	207,905	2,545,371
	249,330	41,425	207,905	2,926,887
TRCC related capital maintenance projects				
Materials, supplies, and services	548,471	426,940	121,531	395,139
Capital outlay	1,062,312	91,726	970,586	19,937
	1,610,783	518,666	1,092,117	415,076
Mid-Valley Regional Cultural Center				
Materials, supplies, and services	—	49	(49)	—
Capital outlay	41,852,947	39,133,938	2,719,009	759,432
	41,852,947	39,133,987	2,718,960	759,432
Total expenditures - capital outlay	43,713,060	39,694,078	4,018,982	4,101,395
Excess (deficiency) of revenues over (under) expenditures	(42,507,749)	(37,545,101)	4,962,648	(1,983,221)
<b>Other financing sources:</b>				
Transfers in	5,161,320	5,161,320	—	—
Net change in fund balances	(37,346,429)	(32,383,781)	4,962,648	(1,983,221)
<b>Fund balances - beginning</b>	37,884,325	37,884,320	(5)	43,398,188
<b>Prior year encumbrances canceled during the year</b>	—	22,478	22,478	(3,530,647)
<b>Fund balances - ending</b>	<u>\$ 537,896</u>	<u>\$ 5,523,017</u>	<u>\$ 4,985,121</u>	<u>\$ 37,884,320</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 Parks and Recreation General Obligation Bonds Projects Capital Projects Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ 3,220,400	\$ 3,007,200	\$ (213,200)	\$ 4,240,000
Interest, rents, and other	150,000	536,802	386,802	902,773
Interfund charges	2,387,500	—	(2,387,500)	—
Total revenues	5,757,900	3,544,002	(2,213,898)	5,142,773
<b>Expenditures:</b>				
Capital outlay:				
Materials, supplies, and services	25,381,055	6,826,797	18,554,258	2,325,712
Capital outlay	33,175,395	17,750,179	15,425,216	15,493,199
Total expenditures - capital outlay	58,556,450	24,576,976	33,979,474	17,818,911
Excess (deficiency) of revenues over (under) expenditures	(52,798,550)	(21,032,974)	31,765,576	(12,676,138)
<b>Other financing sources (uses):</b>				
Transfers in	—	—	—	1,543,964
Transfers out	(17,200)	(17,200)	—	—
General obligation bonds issued	39,830,000	39,615,000	(215,000)	—
Premium on bond proceeds	6,725,310	6,893,636	168,326	—
Total other financing sources (uses)	46,538,110	46,491,436	(46,674)	1,543,964
Net change in fund balances	(6,260,440)	25,458,462	31,718,902	(11,132,174)
<b>Fund balances - beginning</b>	6,674,035	6,674,034	(1)	17,800,291
<b>Prior year encumbrances canceled during the year</b>	—	(3,484)	(3,484)	5,917
<b>Fund balances - ending</b>	<u>\$ 413,595</u>	<u>\$ 32,129,012</u>	<u>\$ 31,715,417</u>	<u>\$ 6,674,034</u>

**SALT LAKE COUNTY**

**Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
Municipal Building Authority Library Bond Projects Capital Projects Fund  
Year Ended December 31, 2019 With Comparative Totals For 2018**

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ 5,569,360	\$ 46,461	\$ (5,522,899)	\$ —
Interest, rents, and other	65,667	790,981	725,314	15,505
Total revenues	5,635,027	837,442	(4,797,585)	15,505
<b>Expenditures:</b>				
Capital outlay:				
Kearns Branch				
Materials, supplies, and services	33,773	1,048,287	(1,014,514)	88,350
Capital outlay	2,419,452	5,842	2,413,610	1,098,463
	2,453,225	1,054,129	1,399,096	1,186,813
Kearns Library NMTC				
Capital outlay	7,711,785	5,395,052	2,316,733	—
Operations Center				
Materials, supplies, and services	39,614	14,179	25,435	117,041
Capital outlay	940,751	705,254	235,497	5,954,970
	980,365	719,433	260,932	6,072,011
Granite Branch				
Materials, supplies, and services	26,628	—	26,628	—
Capital outlay	16,898,052	4,014,213	12,883,839	606,013
	16,924,680	4,014,213	12,910,467	606,013
Daybreak Branch				
Materials, supplies, and services	1,186,920	170,929	1,015,991	—
Capital outlay	13,292,525	430,901	12,861,624	1,270,652
	14,479,445	601,830	13,877,615	1,270,652
West Valley City Branch				
Materials, supplies, and services	10,000	—	10,000	—
Capital outlay	5,990,000	—	5,990,000	—
	6,000,000	—	6,000,000	—
Herriman Branch				
Materials, supplies, and services	10,000	—	10,000	—
Capital outlay	11,296,588	—	11,296,588	—
	11,306,588	—	11,306,588	—
Holladay Branch				
Materials, supplies, and services	57,654	512,676	(455,022)	—
Capital outlay	3,308,745	2,768,150	540,595	—
	3,366,399	3,280,826	85,573	—
Total expenditures - capital outlay	63,222,487	15,065,483	48,157,004	9,135,489
Excess (deficiency) of revenues over (under) expenditures	(57,587,460)	(14,228,041)	43,359,419	(9,119,984)
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	—	—	—	669,679
Lease revenue bonds issued	51,191,757	16,355,476	(34,836,281)	—
Premium on bonds issued	3,082,712	3,082,711	(1)	—
Proceeds from capital leases and notes payable	14,137,500	14,137,500	—	—
Transfers in	7,193,487	7,193,448	(39)	10,077,881
Transfers out	(12,219,857)	(12,219,857)	—	—
Total other financing sources (uses)	63,385,599	28,549,278	(34,836,321)	10,747,560
Net change in fund balances	5,798,139	14,321,237	8,523,098	1,627,576
<b>Fund balances - beginning</b>	1,627,576	1,627,576	—	—
<b>Prior year encumbrances canceled during the year</b>	—	234,381	234,381	—
<b>Fund balances - ending</b>	\$ 7,425,715	\$ 16,183,194	\$ 8,757,479	\$ 1,627,576

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 2020 Sales Tax Revenue Bond Projects Fund  
 Year Ended December 31, 2019

	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget
<b>Revenues:</b>			
Grants and contributions	\$ —	\$ 1,500,000	\$ 1,500,000
Interest, rents, and other	—	10,201	10,201
Total revenues	—	1,510,201	1,510,201
<b>Expenditures:</b>			
Capital outlay:			
Materials, supplies, and services	—	1,125	(1,125)
Capital outlay	21,000,000	—	21,000,000
Total expenditures - capital outlay	21,000,000	1,125	20,998,875
Excess (deficiency) of revenues over (under) expenditures	(21,000,000)	1,509,076	22,509,076
<b>Other financing sources (uses):</b>			
Lease revenue bonds issued	21,000,000	—	(21,000,000)
Net change in fund balances	—	1,509,076	1,509,076
<b>Fund balances - beginning</b>	—	—	—
<b>Fund balances - ending</b>	<u>\$ —</u>	<u>\$ 1,509,076</u>	<u>\$ 1,509,076</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Pet Care and Adoption Endowment Permanent Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Grants and contributions	\$ —	\$ 39,619	\$ 39,619	\$ 80,087
Interest, rents, and other	8,000	47,452	39,452	33,678
Total revenues	8,000	87,071	79,071	113,765
<b>Fund balances - beginning</b>	80,683	184,947	104,264	71,182
<b>Fund balances - ending</b>	<u>\$ 88,683</u>	<u>\$ 272,018</u>	<u>\$ 183,335</u>	<u>\$ 184,947</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

Millcreek Fireflow Special Improvement District Debt Service Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Special assessments	\$ 3,400	\$ 256	\$ (3,144)	\$ 13,783
Interest, rents, and other	5,700	21,272	15,572	15,540
Total revenues	9,100	21,528	12,428	29,323
<b>Expenditures:</b>				
Debt service:				
Interest	—	—	—	4,445
Other charges	7,000	2,275	4,725	—
Total expenditures - debt service	7,000	2,275	4,725	4,445
Excess of revenues over expenditures / net change in fund balances	2,100	19,253	17,153	24,878
<b>Fund balances - beginning</b>	822,800	822,800	—	797,922
<b>Fund balances - ending</b>	<u>\$ 824,900</u>	<u>\$ 842,053</u>	<u>\$ 17,153</u>	<u>\$ 822,800</u>

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
Municipal Building Authority Debt Service Fund  
Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ 1,235,181	\$ 1,431,363	\$ 196,182	\$ 1,564,985
<b>Expenditures:</b>				
Debt service:				
Principal retirement	4,029,358	4,026,508	2,850	3,913,242
Interest	3,085,390	3,085,389	1	3,166,469
Other charges	2,500	—	2,500	—
Total expenditures - debt service	7,117,248	7,111,897	5,351	7,079,711
Excess (deficiency) of revenues over (under) expenditures	(5,882,067)	(5,680,534)	201,533	(5,514,726)
<b>Other financing sources (uses):</b>				
Bonds issued	1,484,524	1,484,524	—	—
Premium on bonds issued	280,567	280,567	—	—
Transfers in	12,861,924	12,861,924	—	5,690,666
Transfers out	(7,088,487)	(7,088,448)	39	(7,077,881)
Total other financing sources (uses)	7,538,528	7,538,567	39	(1,387,215)
Net change in fund balances	1,656,461	1,858,033	201,572	(6,901,941)
<b>Fund balances - beginning</b>	4,853,753	4,853,753	—	11,755,694
<b>Fund balances - ending</b>	\$ 6,510,214	\$ 6,711,786	\$ 201,572	\$ 4,853,753

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis  
 State Transportation Debt Service Fund  
 Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Sales taxes	\$ 7,849,353	\$ —	\$ (7,849,353)	\$ 7,651,641
Grants and contributions	—	7,821,594	7,821,594	—
Interest, rents, and other	745,541	771,925	26,384	764,724
Total revenues	8,594,894	8,593,519	(1,375)	8,416,365
<b>Expenditures:</b>				
Debt service:				
Principal	6,325,000	6,325,000	—	5,845,000
Interest	2,269,394	2,269,393	1	2,564,543
Other charges	5,000	2,600	2,400	—
Total expenditures - debt service	8,599,394	8,596,993	2,401	8,409,543
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(4,500)	(3,474)	1,026	6,822
<b>Fund balances - beginning</b>	281,851	281,854	3	275,032
<b>Fund balances - ending</b>	\$ 277,351	\$ 278,380	\$ 1,029	\$ 281,854

SALT LAKE COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual—Budgetary Basis

2014 Sales Tax Revenue Bonds Debt Service Fund

Year Ended December 31, 2019 With Comparative Totals For 2018

	2019			2018
	Final Budget	Actual on a Budgetary Basis	Variance With Final Budget	Actual on a Budgetary Basis
<b>Revenues:</b>				
Interest, rents, and other	\$ 200	\$ 1,213	\$ 1,013	\$ 2,154
<b>Expenditures:</b>				
Debt service:				
Principal retirement	35,100	—	35,100	1,031,308
Interest	—	—	—	599,625
Other charges	10,100	—	10,100	—
Total expenditures - debt service	45,200	—	45,200	1,630,933
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	(45,000)	1,213	46,213	(1,628,779)
<b>Fund balances - beginning</b>	48,879	48,879	—	1,677,658
<b>Fund balances - ending</b>	<u>\$ 3,879</u>	<u>\$ 50,092</u>	<u>\$ 46,213</u>	<u>\$ 48,879</u>

**Internal Service Funds**

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- Fleet Management Fund—to account for fleet maintenance services provided to County agencies.
- Facilities Services Fund—to account for the management of those county-owned facilities under centralized management.
- Employee Service Reserve Fund—to account for monies received, expended, and accumulated by the County to provide for employee medical and dental insurance, worker's compensation claims, and other benefits.

**SALT LAKE COUNTY**

**Combining Statement of Net Position**

**Internal Service Funds**

**December 31, 2019**

	<b>Fleet Management</b>	<b>Facilities Services</b>	<b>Employee Service Reserve</b>	<b>Total</b>
<b>Assets:</b>				
Current assets:				
Cash and investments:				
Pooled cash and investments	\$ 30,342,796	\$ 3,862,664	\$ 29,238,103	\$ 63,443,563
Restricted cash and investments	1,923	—	—	1,923
Other cash	103,000	300	8,674	111,974
Receivables:				
Accounts	612,721	84,933	467,402	1,165,056
Interest, rents, and other	2	6,228	1,050,242	1,056,472
Inventories and prepaid items	—	158,932	1,253,994	1,412,926
Total current assets	31,060,442	4,113,057	32,018,415	67,191,914
Capital assets:				
Construction in progress	81,713	—	—	81,713
Buildings	9,959,169	—	114,436	10,073,605
Improvements other than buildings	737,665	—	—	737,665
Furniture, fixtures, and equipment	42,920,328	2,426,828	100,705	45,447,861
Accumulated depreciation	(25,886,121)	(2,327,946)	(125,191)	(28,339,258)
Net capital assets	27,812,754	98,882	89,950	28,001,586
Total assets	58,873,196	4,211,939	32,108,365	95,193,500
<b>Deferred outflows of resources:</b>				
Related to pensions	1,013,354	1,858,742	70,592	2,942,688
Related to OPEB	71,145	99,969	1,458	172,572
Total deferred outflows of resources	1,084,499	1,958,711	72,050	3,115,260
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	814,324	960,176	707,410	2,481,910
Accrued expenses	355,224	285,570	772,036	1,412,830
Accrued interest	56,960	—	—	56,960
Sales tax revenue bonds payable	387,912	—	—	387,912
Compensated absences	179,987	254,206	7,102	441,294
Claims and judgments payable	—	—	5,790,392	5,790,392
Total current liabilities	1,794,407	1,574,256	7,276,940	10,645,602
Noncurrent liabilities:				
Sales tax revenue bonds payable	7,230,626	—	—	7,230,626
Notes payable	—	78,018	—	78,018
Compensated absences	179,987	254,206	7,102	441,294
Claims and judgments payable	—	—	3,241,193	3,241,193
Net pension liability	1,658,404	3,041,922	115,527	4,815,853
Net OPEB liability	1,234,851	1,735,169	25,311	2,995,331
Total noncurrent liabilities	10,303,868	5,109,315	3,389,133	18,802,315
Total liabilities	12,098,274	6,683,571	10,666,072	29,447,917
<b>Deferred inflows of resources:</b>				
Related to pensions	60,648	111,243	4,225	176,116
Related to OPEB	175,461	246,551	3,596	425,608
Total deferred inflows of resources	236,109	357,794	7,821	601,724
<b>Net position:</b>				
Net investment in capital assets	20,139,179	98,882	89,950	20,328,011
Unrestricted	27,484,133	(969,597)	21,416,572	47,931,108
Total net position	\$ 47,623,312	\$ (870,715)	\$ 21,506,522	\$ 68,259,119

SALT LAKE COUNTY

Combining Statement of Revenues, Expenses and Changes in Net Position

Internal Service Funds

Year Ended December 31, 2019

	Fleet Management	Facilities Services	Employee Service Reserve	Total
<b>Operating revenues:</b>				
Charges for services	\$ 7,860,443	\$ 532,880	\$ 261,063	\$ 8,654,386
Interfund charges	11,231,921	16,356,325	5,823,526	33,411,772
Health and life insurance premiums	—	—	44,091,286	44,091,286
Total operating revenues	<u>19,092,364</u>	<u>16,889,205</u>	<u>50,175,875</u>	<u>86,157,444</u>
<b>Operating expenses:</b>				
Salaries, wages, and benefits	4,057,964	6,753,066	1,601,769	12,412,799
Materials, supplies, and services	8,830,232	9,882,468	45,863,103	64,575,803
Indirect costs	597,604	588,920	1,075,245	2,261,769
Depreciation	2,897,760	46,171	14,613	2,958,544
Total operating expenses	<u>16,383,560</u>	<u>17,270,625</u>	<u>48,554,730</u>	<u>82,208,915</u>
Operating income	2,708,804	(381,420)	1,621,145	3,948,529
<b>Nonoperating income (expense):</b>				
Interest, rents, and other	876,876	649,704	758,135	2,284,715
Grants and contributions	—	—	623,178	623,178
Interest expense	(356,804)	—	—	(356,804)
Gain (loss) on sale of capital assets	(160,887)	818	—	(160,069)
Total nonoperating income (expense)	<u>359,185</u>	<u>650,522</u>	<u>1,381,313</u>	<u>2,391,020</u>
Income before transfers	3,067,989	269,102	3,002,458	6,339,549
<b>Transfers out</b>	<u>—</u>	<u>(622,805)</u>	<u>—</u>	<u>(622,805)</u>
Change in net position	3,067,989	(353,703)	3,002,458	5,716,744
<b>Net position - beginning</b>	44,555,323	(517,012)	18,504,064	62,542,375
<b>Net position - ending</b>	<u>\$ 47,623,312</u>	<u>\$ (870,715)</u>	<u>\$ 21,506,522</u>	<u>\$ 68,259,119</u>

SALT LAKE COUNTY

Combining Statement of Cash Flows  
Internal Service Funds  
Year Ended December 31, 2019

	Fleet Management	Facilities Services	Employee Service Reserve	Total
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ —	\$ —	\$ 44,091,286	\$ 44,091,286
Intergovernmental receipts	19,072,900	16,871,501	5,930,431	41,874,832
Payments to suppliers	(9,267,473)	(9,823,492)	(46,116,266)	(65,207,231)
Payments to employees	(3,802,664)	(6,398,252)	(1,628,574)	(11,829,490)
Intergovernmental payments	(597,604)	(588,920)	(1,255,830)	(2,442,354)
Net cash provided by operating activities	<u>5,405,159</u>	<u>60,837</u>	<u>1,021,047</u>	<u>6,487,043</u>
<b>Cash flows from noncapital financing activities:</b>				
Issuance of notes payable	—	233,260	—	233,260
Principal paid on notes payable	—	(80,938)	—	(80,938)
Receipts from grantors	—	—	623,178	623,178
Transfers out	—	(622,805)	—	(622,805)
Net cash provided (used) by noncapital activities	<u>—</u>	<u>(470,483)</u>	<u>623,178</u>	<u>152,695</u>
<b>Cash flows from capital and related financing activities:</b>				
Payments for acquisition of capital assets	(2,496,577)	—	—	(2,496,577)
Principal paid on capital debt	(378,995)	—	—	(378,995)
Proceeds from sale of capital assets	425,824	818	—	426,642
Interest paid on capital debt	(358,829)	—	—	(358,829)
Net cash provided (used) by capital and related financing activities	<u>(2,808,577)</u>	<u>818</u>	<u>—</u>	<u>(2,807,759)</u>
<b>Cash flows from investing activities:</b>				
Interest, rents, and other revenue received	876,876	649,704	758,135	2,284,715
Net change in cash and cash equivalents	<u>3,473,458</u>	<u>240,876</u>	<u>2,402,360</u>	<u>6,116,694</u>
<b>Cash and cash equivalents - beginning</b>	<u>26,974,261</u>	<u>3,622,088</u>	<u>26,844,417</u>	<u>57,440,766</u>
<b>Cash and cash equivalents - ending</b>	<u>\$ 30,447,719</u>	<u>\$ 3,862,964</u>	<u>\$ 29,246,777</u>	<u>\$ 63,557,460</u>
<b>Displayed on combining statement of net position as:</b>				
Pooled cash and investments	\$ 30,342,796	\$ 3,862,664	\$ 29,238,103	\$ 63,443,563
Restricted cash and investments	1,923	—	—	1,923
Other cash	103,000	300	8,674	111,974
	<u>\$ 30,447,719</u>	<u>\$ 3,862,964</u>	<u>\$ 29,246,777</u>	<u>\$ 63,557,460</u>
<b>Reconciliation of operating income (loss) to net cash provided by operating activities:</b>				
Operating income (loss)	\$ 2,708,804	\$ (381,420)	\$ 1,621,145	\$ 3,948,529
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	2,897,760	46,171	14,613	2,958,544
Change in assets and liabilities:				
Accounts receivable	(19,465)	(13,800)	14,508	(18,757)
Other receivables	1	(3,904)	(168,666)	(172,569)
Inventories and prepaid items	—	(154,917)	(44,994)	(199,911)
Accounts payable	(437,241)	213,893	(208,169)	(431,517)
Accrued expenses	116,081	(16,878)	67,573	166,776
Due to other funds	—	—	(180,585)	(180,585)
Compensated absences payable	45,982	66,030	5,221	117,233
Claims and judgments payable	—	—	(101,175)	(101,175)
Net pension asset, net pension liability, and related deferrals	76,563	255,130	11,629	343,322
Net OPEB liability and related deferrals	16,674	50,532	(10,053)	57,153
Total adjustments	<u>2,696,355</u>	<u>442,257</u>	<u>(600,098)</u>	<u>2,538,514</u>
Net cash provided by operating activities	<u>\$ 5,405,159</u>	<u>\$ 60,837</u>	<u>\$ 1,021,047</u>	<u>\$ 6,487,043</u>
<b>Noncash investing, capital, and financing activities</b>				
None	\$ —	\$ —	\$ —	\$ —

**Custodial Funds**

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- Treasurer’s Tax Collection Custodial Fund—to account for the collection of real and personal property and other taxes for other governments and the disbursement of those taxes to those other governments.
- Salt Lake Valley Solid Waste Management Facility Custodial Fund—to account for deposits held for Salt Lake Valley Waste Management Facility, also known as the City/County Landfill, in which Salt Lake City and the County each have an equal interest. The joint venture provides solid waste management and disposal services. The County provides accounting and operational services for the City/County Landfill.
- Utah Performing Arts Center Custodial Fund—to account for deposits held for UPACA, a joint venture in which the County has a 25% equity interest and Salt Lake City/Redevelopment Agency of Salt Lake City has a 75% equity interest. UPACA owns and manages the Eccles Theater in downtown Salt Lake City. The County provides accounting and operational services for UPACA.
- Municipal Services District Custodial Fund—to account for deposits held for the Municipal Services District (MSD), a related entity, and five metro townships served by MSD. The County provides contracted public works and other various services to the MSD
- Criminal Justice Custodial Fund—to account for monies received by the County on behalf of individuals involved in various stages of the criminal justice process.

SALT LAKE COUNTY

Combining Statement of Fiduciary Net Position

Custodial Funds

December 31, 2019

	Treasurer's Tax Collection Custodial Custodial Fund	Salt Lake Valley Solid Waste Management Custodial Fund	Utah Performing Arts Center Agency Custodial Fund	Municipal Services District Custodial Fund	Criminal Justice Custodial Fund	Total Custodial Funds
<b>Assets:</b>						
Pooled cash and investments	\$ 60,983,581	\$ 33,701,740	\$ 8,204,109	\$ —	\$ 807,843	\$103,697,273
Total assets	60,983,581	33,701,740	8,204,109	—	807,843	103,697,273
<b>Liabilities:</b>						
Due to other governments	60,983,581	3,115,163	1,487,309	—	—	65,586,053
Total liabilities	60,983,581	3,115,163	1,487,309	—	—	65,586,053
<b>Net position:</b>						
Restricted for:						
Individuals, organizations, and other governments	—	30,586,577	6,716,800	—	807,843	38,111,220
Total net position	\$ —	\$ 30,586,577	\$ 6,716,800	\$ —	\$ 807,843	\$ 38,111,220

SALT LAKE COUNTY

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

Year Ended December 31, 2019

	Treasurer's Tax Collection Custodial Custodial Fund	Salt Lake Valley Solid Waste Management Custodial Fund	Utah Performing Arts Center Agency Custodial Fund	Municipal Services District Custodial Fund	Criminal Justice Custodial Fund	Total Custodial Funds
<b>Additions:</b>						
Tax collections for other governments	\$1,258,337,081	\$ —	\$ —	\$ —	\$ —	\$1,258,337,081
Deposits from other governments	—	30,790,020	18,951,658	—	—	49,741,678
Deposits from inmates and others	—	—	—	—	6,228,253	6,228,253
Miscellaneous	—	546,368	208,546	—	—	754,914
Total additions	1,258,337,081	31,336,388	19,160,204	—	6,228,253	1,315,061,926
<b>Deductions:</b>						
Payments of taxes to other governments	1,258,337,081	—	—	—	—	1,258,337,081
Other payments to other governments	—	29,142,852	24,488,935	13,578,509	—	67,210,296
Payments to inmates and others	—	—	—	—	6,257,977	6,257,977
Total deductions	1,258,337,081	29,142,852	24,488,935	13,578,509	6,257,977	1,331,805,354
Net increase (decrease) in net position	—	2,193,536	(5,328,731)	(13,578,509)	(29,724)	(16,743,428)
<b>Net position - beginning</b>	—	28,393,041	12,045,531	13,578,509	837,567	54,854,648
<b>Net position - ending</b>	\$ —	\$ 30,586,577	\$ 6,716,800	\$ —	\$ 807,843	\$ 38,111,220

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**Schedule of Taxes Charged, Collected and Disbursed—Year Ended December 31, 2019**

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This schedule is presented to comply with property tax reporting requirements of the State. The “taxes collected” column represents collection of current year real and personal property taxes, which excludes collection of prior year taxes, miscellaneous taxes, and tax equivalent payments and payments of refunds and to redevelopment agencies. These amounts, therefore, differ from tax revenues shown in the basic financial statements.

**SALT LAKE COUNTY**

**Schedule of Taxes Charged, Collected, and Disbursed**

**Year Ended December 31, 2019**

Taxing Entities	Year-end Taxable Value	2019 Tax Rate (1)	Taxes Charged
<b>County Funds:</b>			
General Fund	\$ 119,927,467,189	0.001410	\$ 169,129,128
Government Immunity	119,927,467,189	0.000016	1,920,561
Salt Lake County Municipal Type Services Unincorporated	5,036,162,478	0.000053	266,973
Flood Control	119,927,467,189	0.000051	6,121,778
County Assessing & Collecting	119,927,467,189	0.000216	25,927,531
Salt Lake County Library	82,694,736,419	0.000536	44,339,562
Health Services	119,927,467,189	0.000115	13,804,010
Clark Planetarium	119,927,467,189	0.000027	3,240,941
Capital Improvement	119,927,467,189	0.000057	6,841,984
Debt Service	119,927,467,189	0.000258	<u>30,968,996</u>
Total County funds			302,561,463
<b>School Districts:</b>			
Salt Lake City-Debt Service, Voted, Board	31,542,844,767	0.003637	114,709,601
Salt Lake City-Basic	31,542,844,767	0.001665	52,531,747
Salt Lake City-Capital Outlay			
Salt Lake City-Charter School	31,542,844,767	0.000105	3,320,791
Granite-Debt Service, Voted, Board	32,069,434,072	0.005846	187,467,051
Granite-Basic	32,069,434,072	0.001664	53,355,513
Granite-Capital Outlay			
Granite-Charter School	32,069,434,072	0.000129	4,143,806
Murray City-Debt Service, Voted, Board	4,610,648,841	0.004621	21,305,642
Murray City-Basic	4,610,648,841	0.001659	7,649,951
Murray City-Capital Outlay			
Murray City-Charter School	4,610,648,841	0.000058	267,127
Jordan-Debt Service, Voted, Board	26,478,488,935	0.004871	128,969,286
Jordan-Basic	26,478,488,935	0.001661	43,987,266
Jordan Capital-Outlay			
Jordan-Charter School	26,478,488,935	0.000145	3,839,948
Canyons-Debt Service, Voted, Board	25,226,050,574	0.005265	132,817,260
Canyons-Basic	25,226,050,574	0.001659	41,853,437
Canyons-Capital Outlay			
Former Jordan Debt Service	24,619,784,193	0.000487	12,001,225
Canyons-Charter School	25,226,050,574	0.000087	<u>2,192,203</u>
Total school districts			810,411,852
<b>Cities and Towns:</b>			
Alta	316,714,413	0.001289	408,330
Bluffdale	1,638,262,445	0.001777	2,911,396
Cottonwood Heights	4,032,366,068	0.002001	8,067,623
Draper	6,585,497,320	0.001267	8,341,378
Herriman	3,126,131,611	0.000287	897,314
Holladay	3,966,565,165	0.001236	4,900,951
Midvale	2,879,970,709	0.001106	3,186,289
Millcreek City	5,744,659,708	0.001899	10,908,630
Murray	5,650,286,515	0.001784	10,077,439
Murray City Library	5,650,286,515	0.000464	2,619,570
Salt Lake	31,582,444,255	0.003888	122,801,446
Salt Lake City Library	31,582,444,255	0.000747	23,591,304
Sandy	9,941,904,876	0.001335	13,271,826
South Jordan	7,866,402,075	0.001803	14,180,819
South Salt Lake	3,107,963,782	0.001720	5,346,382
Taylorsville	3,725,226,940	0.000945	3,519,618
West Jordan	8,385,034,644	0.002000	16,771,459
West Valley	9,617,197,839	0.003517	<u>33,826,383</u>
Total cities and towns			285,628,155

(1) Represents a blended tax rate comprised of current year tax rate on real property and prior year tax rate on personal property.

(Continued)

**SALT LAKE COUNTY**

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)**

**Year Ended December 31, 2019**

Taxing Entities	Auditor's and Treasurer's Relief			
	Unpaid Taxes	Abatements	Other	Total
<b>County Funds:</b>				
General Fund	\$ 2,605,264	\$ 993,883	\$ (13,866)	\$ 3,585,281
Government Immunity	29,584	11,286	(157)	40,713
Salt Lake County Municipal Type Services Unincorporated	1,763	524	30	2,317
Flood Control	94,300	35,974	(502)	129,772
County Assessing & Collecting	399,387	152,362	(2,126)	549,624
Salt Lake County Library	683,148	314,070	13,018	1,010,236
Health Services	212,637	81,119	(1,132)	292,624
Clark Planetarium	49,923	19,045	(266)	68,703
Capital Improvement	105,394	40,207	(561)	145,040
Debt Service	477,046	181,989	(2,539)	656,496
Total County funds	4,658,447	1,830,459	(8,101)	6,480,805
<b>School Districts:</b>				
Salt Lake City-Debt Service, Voted, Board	1,757,270	316,165	(102,895)	1,970,539
Salt Lake City-Basic	804,749	144,789	(47,121)	902,417
Salt Lake City-Capital Outlay	—	—	—	—
Salt Lake City-Charter School	50,872	9,153	(2,979)	57,046
Granite-Debt Service, Voted, Board	3,073,170	1,432,148	112,494	4,617,813
Granite-Basic	874,663	407,608	32,017	1,314,288
Granite-Capital Outlay	—	—	—	—
Granite-Charter School	67,930	31,656	2,487	102,073
Murray City-Debt Service, Voted, Board	345,650	98,174	(26,637)	417,186
Murray City-Basic	124,108	35,250	(9,564)	149,794
Murray City-Capital Outlay	—	—	—	—
Murray City-Charter School	4,334	1,231	(334)	5,231
Jordan-Debt Service, Voted, Board	1,818,647	1,001,022	3,836	2,823,505
Jordan-Basic	620,282	341,416	1,308	963,007
Jordan-Capital Outlay	—	—	—	—
Jordan-Charter School	54,149	29,805	114	84,067
Canyons-Debt Service, Voted, Board	2,054,495	769,789	22,258	2,846,541
Canyons-Basic	647,413	242,576	7,014	897,003
Canyons-Capital Outlay	—	—	—	—
Canyons-Former Jordan Debt Service	187,449	70,896	2,060	260,405
Canyons-Charter School	33,910	12,706	367	46,983
Total school districts	12,519,091	4,944,384	(5,575)	17,457,900
<b>Cities and Towns:</b>				
Alta	2,375	276	2	2,652
Bluffdale	123,555	14,306	196	138,057
Cottonwood Heights	138,173	49,345	(63)	187,455
Draper	153,234	25,968	(24)	179,178
Herriman	15,635	9,031	8	24,674
Holladay	85,841	24,479	75	110,394
Midvale	39,084	17,429	2,936	59,450
Millcreek City	231,009	75,098	(240)	305,868
Murray	159,875	57,585	(10,279)	207,180
Murray City Library	41,558	14,969	(2,672)	53,855
Salt Lake	1,880,522	338,044	(110,016)	2,108,550
Salt Lake City Library	361,266	64,941	(21,135)	405,072
Sandy	177,507	97,656	1,366	276,529
South Jordan	170,177	91,292	74	261,544
South Salt Lake	114,476	16,153	(109)	130,519
Taylorsville	39,404	38,216	1,242	78,862
West Jordan	196,017	158,208	1,153	355,378
West Valley	497,458	283,085.00	63,450	843,994
Total cities and towns	4,427,167	1,376,081	(74,035)	5,729,213

(Continued)

**SALT LAKE COUNTY**

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)**

**Year Ended December 31, 2019**

Taxing Entities	Taxes	Collection	Tax Equivalent	Prior Years	
	Collected	Percentage (2)	Payments	Miscellaneous	Taxes
<b>County Funds:</b>					
General Fund	\$ 165,543,847	98.4506 %	\$ 8,316,773	\$ 1,448,576	\$ 2,513,032
Government Immunity	1,879,848	98.4506 %	96,222	16,371	29,645
Salt Lake County Municipal Type Services Unincorporated	264,656	99.3383 %	2,983	1,258	3,280
Flood Control	5,992,006	98.4506 %	302,060	51,944	95,453
County Assessing & Collecting	25,377,907	98.4506 %	1,281,382	221,084	389,326
Salt Lake County Library	43,329,326	98.4478 %	2,408,387	392,720	625,752
Health Services	13,511,386	98.4506 %	679,121	116,949	206,535
Clark Planetarium	3,172,238	98.4506 %	159,696	27,514	52,592
Capital Improvement	6,696,945	98.4506 %	336,675	57,970	102,255
Debt Service	<u>30,312,500</u>	98.4506 %	<u>1,621,512</u>	<u>268,552</u>	<u>530,177</u>
Total County funds	296,080,658		15,204,811	2,602,937	4,548,046
<b>School Districts:</b>					
Salt Lake City-Debt Service, Voted, Board	112,739,061	98.4652 %	4,091,535	1,009,211	1,869,468
Salt Lake City-Basic	51,629,330	98.4652 %	1,831,257	459,211	796,773
Salt Lake City-Capital Outlay	—		—	(36,003)	46,437
Salt Lake City-Charter School	3,263,745	98.4652 %	92,026	27,501	33,176
Granite-Debt Service, Voted, Board	182,849,238	98.3471 %	9,269,706	1,008,633	2,362,933
Granite-Basic	52,041,224	98.3471 %	2,577,898	283,321	682,728
Granite-Capital Outlay	—		—	9,400	28,491
Granite-Charter School	4,041,733	98.3471 %	166,742	19,838	37,743
Murray City-Debt Service, Voted, Board	20,888,456	98.3722 %	1,045,942	54,377	399,632
Murray City-Basic	7,500,157	98.3722 %	402,866	20,634	152,619
Murray City-Capital Outlay	—		—	(1,273)	9,710
Murray City-Charter School	261,896	98.3722 %	11,748	621	3,609
Jordan-Debt Service, Voted, Board	126,145,781	98.5788 %	7,102,747	2,010,363	1,280,193
Jordan-Basic	43,024,259	98.5788 %	2,492,035	691,524	451,806
Jordan-Capital Outlay	—		—	11,684	18,480
Jordan-Charter School	3,755,881	98.5788 %	223,207	60,408	37,516
Canyons-Debt Service, Voted, Board	129,970,719	98.4439 %	6,737,229	741,631	1,872,886
Canyons-Basic	40,956,434	98.4439 %	2,298,043	240,634	660,821
Canyons-Capital Outlay	—		—	17,310	31,197
Canyons-Former Jordan Debt Service	11,740,820	98.4285 %	738,274	72,942	244,101
Canyons-Charter School	<u>2,145,220</u>	98.4439 %	<u>106,970</u>	<u>12,079</u>	<u>27,161</u>
Total school districts	792,953,952		39,188,225	6,714,045	11,047,480
<b>Cities and Towns:</b>					
Alta	405,677	99.4180 %	1,799	1,449	12,016
Bluffdale	2,773,339	95.7349 %	153,483	45,816	26,974
Cottonwood Heights	7,880,168	98.2768 %	375,166	28,420	160,389
Draper	8,162,201	98.1572 %	392,312	118,001	158,081
Herriman	872,640	98.2399 %	60,082	21,597	15,600
Holladay	4,790,557	98.2397 %	226,802	13,713	81,658
Midvale	3,126,838	98.7655 %	360,730	9,911	45,685
Millcreek City	10,602,762	97.8677 %	482,913	33,925	126,274
Murray	9,870,258	98.4061 %	560,118	28,277	174,802
Murray City Library	2,565,714	98.4061 %	145,432	7,338	44,424
Salt Lake	120,692,896	98.4658 %	4,344,921	1,111,575	2,010,738
Salt Lake City Library	23,186,232	98.4658 %	836,206	202,041	374,545
Sandy	12,995,296	98.6525 %	648,404	30,827	154,400
South Jordan	13,919,275	98.7922 %	798,520	224,867	154,590
South Salt Lake	5,215,863	97.8524 %	228,982	18,843	114,497
Taylorsville	3,440,755	98.8677 %	226,053	11,897	43,507
West Jordan	16,416,081	98.8200 %	1,158,719	239,786	168,082
West Valley	<u>32,982,389</u>	98.5142 %	<u>1,804,579</u>	<u>193,248</u>	<u>400,469</u>
Total cities and towns	279,898,942		12,805,221	2,341,530	4,266,732

(2) Taxes collected divided by the difference of taxes charged less abatements and other relief.

(Continued)

**SALT LAKE COUNTY**

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)**

**Year Ended December 31, 2019**

Taxing Entities	Delinquent Interest/Penalties	Redevelopment Agency Paid	Refunds on Prior Year Collections	Re-allocation of Personal Property	Total Collections
<b>County Funds:</b>					
General Fund	\$ 2,100,717	\$ 13,980,541	\$ 566,958	\$ (197,665)	\$ 165,177,780
Government Immunity	379	159,576	6,438	(5,721)	1,850,729
Salt Lake County Municipal Type Services Unincorporated	246	—	423	188	272,187
Flood Control	1,208	506,887	20,522	(9,162)	5,906,100
County Assessing & Collecting	21,963	758,068	86,915	(42,848)	26,403,831
Salt Lake County Library	35,307	2,915,559	120,279	(76,278)	43,679,375
Health Services	2,724	1,142,227	46,274	(16,762)	13,311,452
Clark Planetarium	640	280,916	10,864	(4,401)	3,116,500
Capital Improvement	1,350	566,174	22,936	(8,441)	6,597,644
Debt Service	6,112	2,599,478	103,815	(228,862)	29,806,698
Total County funds	2,170,646	22,909,426	985,424	(589,951)	296,122,296
<b>School Districts:</b>					
Salt Lake City-Debt Service, Voted, Board	102,563	12,199,815	598,452	(110,455)	106,903,115
Salt Lake City-Basic	44,275	5,574,803	274,063	121,537	49,033,517
Salt Lake City-Capital Outlay	3,473	—	—	—	13,907
Salt Lake City-Charter School	1,969	345,602	17,325	104,094	3,159,583
Granite-Debt Service, Voted, Board	128,980	7,298,627	622,599	(13,168)	187,685,097
Granite-Basic	38,306	2,060,115	177,200	103,219	53,489,382
Granite-Capital Outlay	2,642	—	—	—	40,533
Granite-Charter School	2,178	150,489	13,762	67,270	4,171,252
Murray City-Debt Service, Voted, Board	24,965	1,397,838	57,461	90,759	21,048,833
Murray City-Basic	9,159	589,283	20,632	(9,534)	7,465,986
Murray City-Capital Outlay	983	—	—	—	9,420
Murray City-Charter School	208	20,403	720	3,244	260,202
Jordan-Debt Service, Voted, Board	74,536	12,700,462	246,753	285,506	123,951,912
Jordan-Basic	25,892	4,642,659	84,160	(1,132)	41,957,566
Jordan-Capital Outlay	1,586	—	—	—	31,750
Jordan-Charter School	1,981	409,422	7,347	(8,107)	3,654,118
Canyons-Debt Service, Voted, Board	107,728	6,912,518	356,385	448,155	132,609,444
Canyons-Basic	36,685	2,356,861	112,304	(52,881)	41,670,570
Canyons-Capital Outlay	3,297	—	—	—	51,804
Canyons-Former Jordan Debt Service	13,974	533,199	32,655	(85,458)	12,158,800
Canyons-Charter School	1,413	121,442	5,882	12,098	2,177,615
Total school districts	626,794	57,313,538	2,627,700	955,146	791,544,405
<b>Cities and Towns:</b>					
Alta	957	—	580	221	421,539
Bluffdale	2,052	1,195,122	1,070	53,359	1,858,830
Cottonwood Heights	7,646	10,182	31,497	(12,614)	8,397,496
Draper	7,801	881,604	12,628	(37,129)	7,907,034
Herriman	704	130,859	850	(397)	838,517
Holladay	4,573	250,597	3,395	(1,880)	4,861,431
Midvale	2,721	608,790	6,042	(10,582)	2,920,473
Millcreek City	6,401	138,023	18,604	(6,328)	11,089,321
Murray	10,405	627,274	23,174	(36,376)	9,957,037
Murray City Library	2,629	162,780	6,024	(9,241)	2,587,492
Salt Lake	111,504	12,888,042	639,866	14,909	114,758,634
Salt Lake City Library	20,467	2,235,978	122,924	(3,235)	22,257,353
Sandy	10,201	888,368	38,585	56,289	12,968,465
South Jordan	9,259	2,503,089	17,370	(40,439)	12,545,614
South Salt Lake	5,684	21,276	19,240	(23,416)	5,519,937
Taylorsville	2,173	103,624	33,623	(4,713)	3,582,425
West Jordan	9,146	775,027	62,771	(67,511)	17,086,504
West Valley	23,902	3,498,870	152,692	(74,343)	31,678,683
Total cities and towns	238,226	26,919,505	1,190,935	(203,428)	271,236,783

(Continued)

**SALT LAKE COUNTY**

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)**  
**Year Ended December 31, 2019**

Taxing Entities	Year-end Taxable Value	2019 Tax Rate (1)	Taxes Charged
<b>Other Taxing Entities:</b>			
Central Utah Water Conservancy	\$ 119,927,467,189	0.000400	\$ 48,013,947
Jordan Valley Water Conservancy	54,884,765,044	0.000383	21,023,808
Metro. Water Dist. of Salt Lake and Sandy - SLC	31,582,444,255	0.000290	9,151,526
Metro. Water Dist. of Salt Lake and Sandy - Sandy	9,239,367,071	0.000311	2,868,902
Magna Mosquito Abatement	7,756,630,403	0.000072	558,972
Salt Lake City Mosquito Abatement	31,146,893,632	0.000133	4,153,629
South Salt Lake Valley Mosquito Abatement	80,290,747,273	0.000014	1,124,173
Copperton Improvement	77,271,229	0.000956	73,872
Cottonwood Improvement	9,024,375,757	0.000169	1,524,410
Emigration Improvement	283,210,995	0.000781	221,246
Granger Hunter Improvement	8,250,516,265	0.000486	4,013,250
Kearns Improvement	2,809,624,247	0.000544	1,528,537
Magna Water	1,645,864,543	0.002062	3,393,416
Mt. Olympus Improvement	11,535,213,260	0.000263	3,036,878
Midvalley Improvement	1,881,459,465	0.000663	1,247,060
South Valley Sewer	25,607,981,887	0.000280	7,167,223
Sandy Suburban Improvement	4,712,942,603	0.000639	3,009,549
Taylorville Bennion Improvement	3,944,879,963	0.000116	458,439
Oquirrh Recreation & Parks	3,536,420,228	0.000870	3,077,818
Cottonwood Heights Service Area	2,640,728,402	0.001205	3,180,896
Salt Lake County Svce Area #3 - Snowbird	317,544,098	0.000095	30,117
Crescent Cemetery Maintenance	3,305,659,802	0.000033	108,950
Alta Canyon Recreation Special Service	2,253,791,154	0.000170	383,004
West Jordan Fairway Estates Special Service	8,743,348	0.001180	10,317
Traverse Ridge Special Service	170,357,159	0.000510	86,881
Unified Fire Service Area	27,236,827,796	0.001747	47,581,237
Riverton Law Enforcement	3,410,778,720	0.001726	5,888,676
Herriman Safety Enforcement	3,126,131,611	0.001962	6,134,248
Salt Lake Valley Law Enforcement Service Area	8,350,060,110	0.002080	17,364,134
Multi County Assessing & Collecting	119,927,467,189	0.000009	1,080,314
Total other taxing entities			<u>197,495,427</u>
Total all taxing entities			<u>\$ 1,596,096,898</u>

(1) Represents a blended tax rate comprised of current year tax rate on real property and prior year tax rate on personal property.

(Continued)

SALT LAKE COUNTY

Schedule of Taxes Charged, Collected, and Disbursed (Continued)

Year Ended December 31, 2019

Taxing Entities	Unpaid Taxes	Auditor's and Treasurer's Relief		Total
		Abatements	Other	
<b>Other Taxing Entities:</b>				
Central Utah Water Conservancy	\$ 739,607	\$ 282,153	\$ (3,936)	\$ 1,017,824
Jordan Valley Water Conservancy	334,034	166,036	6,839	506,909
Metro. Water Dist. of Salt Lake and Sandy - SLC	140,142	25,192	(8,199)	157,135
Metro. Water Dist. of Salt Lake and Sandy - Sandy	39,261	21,168	189	60,619
Magna Mosquito Abatement	7,129	5,153	599	12,881
Salt Lake City Mosquito Abatement	64,346	11,594	1,043	76,982
South Salt Lake Valley Mosquito Abatement	17,576	7,629	152	25,357
Copperton Improvement	312	721	—	1,033
Cottonwood Improvement	25,847	12,193	(742)	37,298
Emigration Improvement	5,254	1,294	—	6,548
Granger Hunter Improvement	62,839	35,722	4,774	103,335
Kearns Improvement	19,023	17,185	4,318	40,526
Magna Water	68,784	37,918	(111)	106,590
Mt. Olympus Improvement	59,787	16,901	(24)	76,665
Midvalley Improvement	15,157	11,520	8	26,686
South Valley Sewer	117,467	45,824	115	163,406
Sandy Suburban Improvement	47,481	17,431	152	65,063
Taylorville Bennion Improvement	5,415	5,071	153	10,639
Oquirrh Recreation & Parks	36,994	31,720	6,962	75,676
Cottonwood Heights Service Area	38,948	24,006	(41)	62,912
Salt Lake County Svce Area #3 - Snowbird	431	—	57	488
Crescent Cemetery Maintenance	1,187	280	3	1,471
Alta Canyon Recreation Special Service	5,008	4,788	104	9,900
West Jordan Fairway Estates Special Service	—	126	—	126
Traverse Ridge Special Service	3,660	949	—	4,609
Unified Fire Service Area	716,221	383,779	7,860	1,107,861
Riverton Law Enforcement	98,049	60,577	133	158,759
Herriman Safety Enforcement	106,884	61,738	54	168,675
Salt Lake Valley Law Enforcement Service Area	208,012	119,299	1,153	328,464
Multi County Assessing & Collecting	16,641	6,348	(89)	22,901
Total other taxing entities	3,001,495	1,414,316	21,526	4,437,337
Total all taxing entities	\$ 24,606,201	\$ 9,565,240	\$ (66,186)	\$ 34,105,255

(Continued)

SALT LAKE COUNTY

Schedule of Taxes Charged, Collected, and Disbursed (Continued)  
 Year Ended December 31, 2019

Taxing Entities	Taxes Collected	Collection Percentage (2)	Tax Equivalent Payments	Miscellaneous	Prior Years Taxes
<b>Other Taxing Entities:</b>					
Central Utah Water Conservancy	\$ 46,996,123	98.4506 %	\$ 2,307,685	\$ 403,920	\$ 667,288
Jordan Valley Water Conservancy	20,516,899	98.3980 %	1,282,942	248,350	281,488
Metro. Water Dist. of Salt Lake and Sandy - SLC	8,994,391	98.4658 %	328,063	78,638	153,065
Metro. Water Dist. of Salt Lake and Sandy - Sandy	2,808,284	98.6212 %	158,308	7,295	40,355
Magna Mosquito Abatement	546,091	98.7114 %	18,451	3,962	2,916
Salt Lake City Mosquito Abatement	4,076,646	98.4461 %	151,826	34,989	67,777
South Salt Lake Valley Mosquito Abatement	1,098,816	98.4257 %	63,101	9,593	17,533
Copperton Improvement	72,840	99.5737 %	2,913	275	289
Cottonwood Improvement	1,487,111	98.2916 %	82,162	4,732	27,046
Emigration Improvement	214,698	97.6112 %	6,771	538	2,342
Granger Hunter Improvement	3,909,915	98.4183 %	233,022	22,358	54,198
Kearns Improvement	1,488,011	98.7377 %	92,815	7,126	14,454
Magna Water	3,286,825	97.9502 %	184,192	42,770	54,983
Mt. Olympus Improvement	2,960,213	98.0203 %	136,851	8,952	53,195
Midvalley Improvement	1,220,374	98.7732 %	199,594	3,548	20,497
South Valley Sewer	7,003,817	98.3505 %	400,650	116,342	102,998
Sandy Suburban Improvement	2,944,485	98.4130 %	150,245	8,297	46,038
Taylorville Bennion Improvement	447,800	98.8052 %	30,208	4,619	5,618
Oquirrh Recreation & Parks	3,002,142	98.7828 %	178,291	39,611	31,023
Cottonwood Heights Service Area	3,117,984	98.7663 %	151,113	7,093	38,322
Salt Lake County Svce Area #3 - Snowbird	29,628	98.5647 %	45	122	1,042
Crescent Cemetery Maintenance	107,479	98.9072 %	3,799	550	1,488
Alta Canyon Recreation Special Service	373,103	98.6754 %	28,140	1,103	4,744
West Jordan Fairway Estates Special Service	10,191	100.0000 %	971	26	1
Traverse Ridge Special Service	82,272	95.7412 %	5,666	1,273	1,799
Unified Fire Service Area	46,473,377	98.4822 %	2,672,372	438,756	642,126
Riverton Law Enforcement	5,729,917	98.3176 %	383,360	148,720	52,349
Herriman Safety Enforcement	5,965,573	98.2399 %	406,948	147,811	67,097
Salt Lake Valley Law Enforcement Service Area	17,035,670	98.7937 %	564,434	103,904	291,548
Multi County Assessing & Collecting	1,057,413	98.4506 %	51,925	9,130	15,851
Total other taxing entities	193,058,090		10,276,862	1,904,401	2,759,471
Total all taxing entities	<u>\$ 1,561,991,642</u>		<u>\$ 77,475,119</u>	<u>\$ 13,562,913</u>	<u>\$ 22,621,728</u>

(2) Taxes collected divided by the difference of taxes charged less abatements and other relief.

(Continued)

SALT LAKE COUNTY

Schedule of Taxes Charged, Collected, and Disbursed (Concluded)

Year Ended December 31, 2019

Taxing Entities	Delinquent Interest/Penalties	Redevelopment Agency Paid	Refunds on Prior Year Collections	Re -allocation of Personal Property	Total Collections
<b>Other Taxing Entities:</b>					
Central Utah Water Conservancy	\$ 37,587	\$ 3,597,216	\$ 160,954	\$ 48,024	\$ 46,702,458
Jordan Valley Water Conservancy	15,250	2,047,593	62,906	(51,159)	20,183,270
Metro. Water Dist. of Salt Lake and Sandy-SLC	8,440	873,443	47,685	(16,198)	8,625,271
Metro. Water Dist. of Salt Lake and Sandy-Sandy	2,582	163,909	8,836	(9,886)	2,834,191
Magna Mosquito Abatement	189	23,335	693	20,134	567,714
Salt Lake City Mosquito Abatement	3,730	402,376	16,931	(10,196)	3,905,466
South Salt Lake Valley Mosquito Abatement	995	68,867	3,181	(3,944)	1,114,046
Copperton Improvement	20	—	216	7	76,128
Cottonwood Improvement	1,524	21,618	6,340	(2,007)	1,572,610
Emigration Improvement	150	—	172	(6)	224,323
Granger Hunter Improvement	3,285	211,969	19,690	(10,829)	3,980,291
Kearns Improvement	974	217,538	1,089	(5,973)	1,378,781
Magna Water	3,031	447,845	2,963	1,822	3,122,816
Mt. Olympus Improvement	2,803	66,916	4,163	(2,361)	3,088,574
Midvalley Improvement	1,175	—	1,650	(1,616)	1,441,923
South Valley Sewer	5,634	977,221	10,039	(23,058)	6,619,124
Sandy Suburban Improvement	3,044	190,251	7,665	(23,042)	2,931,150
Taylorsville Bennion Improvement	281	12,485	4,398	(895)	470,748
Oquirrh Recreation & Parks	1,554	358,042	21,382	(5,685)	2,867,512
Cottonwood Heights Service Area	2,376	4,699	3,706	5,032	3,313,515
Salt Lake County Service Area #3 - Snowbird	82	—	479	(50)	30,390
Crescent Cemetery Maintenance	106	27,420	355	(337)	85,309
Alta Canyon Recreation Special Service	281	—	391	(292)	406,689
West Jordan Fairway Estates Special Service	—	—	—	—	11,189
Traverse Ridge Special Service	80	—	26	(5)	91,060
Unified Fire Service Area	35,324	2,007,611	122,685	(57,049)	48,074,609
Riverton Law Enforcement	2,580	—	10,569	(5,779)	6,300,577
Herriman Safety Enforcement	2,465	—	5,808	(2,007)	6,582,077
Salt Lake Valley Law Enforcement Service Area	17,944	133,793	21,336	(5,491)	17,852,881
Multi County Assessing & Collecting	911	31,486	3,621	1,080	1,101,202
Total other taxing entities	154,397	11,885,633	549,928	(161,767)	195,555,892
Total all taxing entities	<u>\$ 3,190,062</u>	<u>\$ 119,028,102</u>	<u>\$ 5,353,986</u>	<u>\$ —</u>	<u>\$ 1,554,459,377</u>

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**Statistical Section**

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This part of Salt Lake County’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

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**SALT LAKE COUNTY**

**Net Position By Component**

**Last Ten Years**

*(accrual basis of accounting)*

	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Governmental activities:</b>			
Net investment in capital assets	\$ 649,484,535	\$ 669,061,088	\$ 674,097,124
Restricted	120,580,246	90,330,854	102,356,052
Unrestricted	81,670,879	36,415,437	8,939,986
Total governmental activities net position	<u>\$ 851,735,660</u>	<u>\$ 795,807,379</u>	<u>\$ 785,393,162</u>
<b>Business-type activities:</b>			
Net investment in capital assets	\$ 35,408,364	\$ 41,376,485	\$ 43,131,070
Restricted	755,930	766,330	71,791
Unrestricted	16,556,173	16,796,785	16,506,572
Total governmental activities net position	<u>\$ 52,720,467</u>	<u>\$ 58,939,600</u>	<u>\$ 59,709,433</u>
<b>Total County:</b>			
Net investment in capital assets	\$ 684,892,899	\$ 710,437,573	\$ 717,228,194
Restricted	121,336,176	91,097,184	102,427,843
Unrestricted	98,227,052	53,212,222	25,446,558
Total governmental activities net position	<u>\$ 904,456,127</u>	<u>\$ 854,746,979</u>	<u>\$ 845,102,595</u>

Source: Salt Lake County statements of net position at December 31, 2010 through 2019.

Notes: The County held unspent bond proceeds restricted for capital projects of \$91 million, \$100 million, \$171 million, \$100 million, \$61 million, \$52 million, \$91 million, \$79 million, \$26 million, and \$153 million at December 31, 2010 through 2019, respectively.

Beginning in 2014, net position reflects the County's proportionate share of the net pension liability for benefits provided through pension plans administered by Utah Retirement Systems.

Beginning in 2017, a portion of net position related to governmental activities was moved to business-type activities to reflect the transfer of public works activities to an enterprise fund.

Beginning in 2017, net position reflects the County's net OPEB liability for benefits provided through its Other Post Employment Benefits Plan.

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$	699,028,506	\$ 752,624,454	\$ 732,572,832	\$ 790,903,761	\$ 570,613,047	\$ 572,802,217	\$ 584,584,166
	130,909,963	84,081,996	152,302,297	135,843,626	173,119,822	220,495,882	234,308,870
	14,290,305	(16,224,321)	3,543,834	7,650,883	(31,272,777)	(42,537,982)	(12,985,098)
\$	<u>844,228,774</u>	<u>\$ 820,482,129</u>	<u>\$ 888,418,963</u>	<u>\$ 934,398,270</u>	<u>\$ 712,460,092</u>	<u>\$ 750,760,117</u>	<u>\$ 805,907,938</u>
\$	34,239,558	\$ 34,947,447	\$ 34,476,156	\$ 33,941,924	\$ 43,371,438	\$ 42,311,564	\$ 42,883,054
	—	—	—	—	477,399	663,674	866,850
	1,134,801	299,235	771,719	525,463	(9,791,333)	(8,144,551)	(7,804,443)
\$	<u>35,374,359</u>	<u>\$ 35,246,682</u>	<u>\$ 35,247,875</u>	<u>\$ 34,467,387</u>	<u>\$ 34,057,504</u>	<u>\$ 34,830,687</u>	<u>\$ 35,945,461</u>
\$	733,268,064	\$ 787,571,901	\$ 767,048,988	\$ 824,845,685	\$ 613,984,485	\$ 615,113,781	\$ 627,467,220
	130,909,963	84,081,996	152,302,297	135,843,626	173,597,221	221,159,556	235,175,720
	15,425,106	(15,925,086)	4,315,553	8,176,346	(41,064,110)	(50,682,533)	(20,789,541)
\$	<u>879,603,133</u>	<u>\$ 855,728,811</u>	<u>\$ 923,666,838</u>	<u>\$ 968,865,657</u>	<u>\$ 746,517,596</u>	<u>\$ 785,590,804</u>	<u>\$ 841,853,399</u>

**SALT LAKE COUNTY**

**Changes in Net Position**

**Last Ten Years**

*(accrual basis of accounting)*

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 26,085,798	\$ 32,064,389	\$ 30,154,033	\$ 41,497,166
Public safety and criminal justice	192,610,629	186,042,577	181,842,780	188,133,145
Social services	74,547,079	99,967,560	131,570,039	141,727,064
Education, recreation, and cultural	140,097,958	156,330,264	157,502,434	150,290,104
Health and regulatory	39,145,858	40,833,788	36,553,333	43,982,247
Public works	33,273,083	78,099,222	59,090,246	41,640,608
Tax administrations	20,776,584	22,416,256	21,975,376	22,390,159
Interest on long-term debt	18,981,583	21,074,490	19,006,873	17,536,413
Total governmental activities	<u>545,518,572</u>	<u>636,828,546</u>	<u>637,695,114</u>	<u>647,196,906</u>
Business-type activities:				
Golf courses	7,117,093	6,595,644	6,888,172	6,909,213
Public works and other services	—	—	—	—
Sanitation	<u>13,329,181</u>	<u>13,195,016</u>	<u>14,372,446</u>	<u>—</u>
Total business-type activities	<u>20,446,274</u>	<u>19,790,660</u>	<u>21,260,618</u>	<u>6,909,213</u>
Total County expenses	<u>\$ 565,964,846</u>	<u>\$ 656,619,206</u>	<u>\$ 658,955,732</u>	<u>\$ 654,106,119</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
General government	\$ 17,890,740	\$ 17,877,623	\$ 15,655,977	\$ 23,775,646
Public safety and criminal justice	33,203,446	34,786,708	14,036,451	9,305,547
Social services	3,430,272	3,765,875	2,712,186	2,231,717
Education, recreation, and cultural	37,944,541	38,849,590	41,588,384	42,308,117
Health and regulatory	15,290,301	15,808,770	16,429,581	16,917,709
Public works	13,649,377	13,811,888	13,293,692	12,909,309
Tax administration	1,685,201	1,466,866	48,153	10,502
Operating grants and contributions	69,351,007	95,343,300	121,608,390	134,247,257
Capital grants and contributions	<u>2,133,023</u>	<u>721,052</u>	<u>4,086,862</u>	<u>17,260,000</u>
Total governmental activities	<u>194,577,908</u>	<u>222,431,672</u>	<u>229,459,676</u>	<u>258,965,804</u>
Business-type activities:				
Charges for services:				
Golf courses	6,433,842	5,972,980	6,966,473	6,638,558
Public works and other services	—	—	—	—
Sanitation	<u>13,895,883</u>	<u>14,358,650</u>	<u>15,688,068</u>	<u>—</u>
Operating grants and contributions	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total business-type activities	<u>20,329,725</u>	<u>20,331,630</u>	<u>22,654,541</u>	<u>6,638,558</u>
Total County program revenues	<u>\$ 214,907,633</u>	<u>\$ 242,763,302</u>	<u>\$ 252,114,217</u>	<u>\$ 265,604,362</u>

	2014	2015	2016	2017	2018	2019
\$	35,765,862	\$ 34,301,343	\$ 44,250,154	\$ 37,494,286	\$ 34,875,521	\$ 50,828,517
	198,609,876	200,978,996	208,225,412	189,653,779	200,606,290	202,330,526
	161,986,540	164,671,237	168,448,998	179,513,419	173,314,621	182,724,510
	158,728,562	179,059,742	183,844,719	198,475,325	201,320,504	205,147,788
	44,183,499	46,321,168	49,727,368	39,470,368	42,832,091	45,544,659
	205,861,210	223,040,558	250,088,562	230,381,744	246,182,100	295,807,803
	23,363,481	24,801,232	23,809,329	26,150,614	26,598,300	28,420,806
	19,563,162	18,131,396	18,403,107	18,969,183	18,680,224	18,367,287
	848,062,192	891,305,672	946,797,649	920,108,718	944,409,650	1,029,171,895
	7,245,967	6,971,150	7,525,424	7,577,696	7,665,899	8,299,167
	—	—	—	39,046,957	38,014,598	39,144,432
	—	—	—	—	—	—
	7,245,967	6,971,150	7,525,424	46,624,653	45,680,497	47,443,599
\$	855,308,159	\$ 898,276,822	\$ 954,323,073	\$ 966,733,371	\$ 990,090,147	\$ 1,076,615,494

\$	24,015,849	\$ 21,055,435	\$ 16,936,974	\$ 27,203,179	\$ 34,261,783	\$ 29,380,321
	11,626,458	9,331,550	8,465,245	8,195,930	11,334,946	11,956,531
	1,773,039	1,887,652	1,768,102	74,280,298	74,015,388	70,927,177
	44,517,377	44,910,330	47,029,172	49,768,975	51,225,298	49,602,653
	17,130,769	16,359,044	18,675,472	12,977,407	14,255,118	14,186,730
	10,233,078	6,935,356	11,450,981	3,529,734	1,543,876	683,780
	313,226	9,233	8,137	207,523	213,900	214,350
	132,063,435	149,792,662	156,507,336	92,251,430	92,980,724	115,598,339
	141,391	300,000	32,664,884	46,898,148	3,976,000	8,200,653
	241,814,622	250,581,262	293,506,303	315,312,624	283,807,033	300,750,534
	6,762,719	7,000,052	6,741,693	7,117,106	9,424,971	7,180,933
	—	—	—	38,885,594	37,812,934	39,718,224
	—	—	—	—	—	—
	—	—	—	249,093	1,620,420	1,611,046
	6,762,719	7,000,052	6,741,693	46,251,793	48,858,325	48,510,203
\$	248,577,341	\$ 257,581,314	\$ 300,247,996	\$ 352,184,147	\$ 332,665,358	\$ 349,260,737

**SALT LAKE COUNTY**

**Changes in Net Position (Continued)**

**Last Ten Years**

*(accrual basis of accounting)*

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Net (expense) revenue:</b>				
Governmental activities	\$ (350,940,664)	\$ (414,396,874)	\$ (408,235,438)	\$ (388,231,102)
Business-type activities	(116,549)	540,970	1,393,923	(270,655)
Total County net (expense) revenue	<u>\$ (351,057,213)</u>	<u>\$ (413,855,904)</u>	<u>\$ (406,841,515)</u>	<u>\$ (388,501,757)</u>
<b>General Revenues and Other Changes in Net Position:</b>				
Governmental activities:				
Taxes:				
Property taxes	\$ 218,805,747	\$ 223,606,892	\$ 244,707,304	\$ 285,284,973
Sales taxes	101,874,162	112,004,850	119,051,866	124,009,064
Transient room taxes	12,458,550	13,698,120	14,388,890	15,296,080
Mass transit taxes (1)	—	—	—	—
Tax equivalent payments	15,044,225	14,460,025	13,718,118	17,244,769
Cable television taxes	1,097,280	1,101,431	1,000,156	1,010,817
Investment earnings	3,024,533	4,299,163	4,241,010	4,084,911
Transfers	(11,225,800)	(6,669,902)	713,877	136,100
Special item - contribution to other governments	—	—	—	—
Special item - gain on cancellation of debt	—	—	—	—
Special item - loss on disposal of tax administration software	—	—	—	—
Total governmental activities	<u>341,078,697</u>	<u>362,500,579</u>	<u>397,821,221</u>	<u>447,066,714</u>
Business-type activities:				
Investment earnings	51,796	80,903	89,787	10,415
Transfers	11,225,800	6,669,902	(713,877)	(136,100)
Special item - disposal of Sanitation	—	—	—	(23,938,734)
Total business-type activities	<u>11,277,596</u>	<u>6,750,805</u>	<u>(624,090)</u>	<u>(24,064,419)</u>
Total County general revenues and other changes in net position	<u>\$ 352,356,293</u>	<u>\$ 369,251,384</u>	<u>\$ 397,197,131</u>	<u>\$ 423,002,295</u>
<b>Changes in Net Position:</b>				
Governmental activities	\$ (9,861,967)	\$ (51,896,295)	\$ (10,414,217)	\$ 58,835,612
Business-type activities	11,161,047	7,291,775	769,833	(24,335,074)
Total County changes in net position	<u>\$ 1,299,080</u>	<u>\$ (44,604,520)</u>	<u>\$ (9,644,384)</u>	<u>\$ 34,500,538</u>

Source: Salt Lake County statements of activities for years ended December 31, 2010 through 2019.

Notes:

(1) Beginning in 2014 the County reported mass transit taxes (*local option sales taxes*), transit room taxes, and incremental taxes levied by the County and paid directly to other governments.

(2) In 2017, the County changed classifications of certain program revenues, primarily between charges for services and grants and contributions.

	2014 (1)	2015	2016	2017 (2)	2018	2019
\$	(606,247,570)	\$ (640,724,410)	\$ (653,291,346)	\$ (604,796,094)	\$ (660,602,617)	\$ (728,421,361)
	(483,248)	28,902	(783,731)	(372,860)	3,177,828	1,066,604
\$	<u>(606,730,818)</u>	<u>\$ (640,695,508)</u>	<u>\$ (654,075,077)</u>	<u>\$ (605,168,954)</u>	<u>\$ (657,424,789)</u>	<u>\$ (727,354,757)</u>
\$	312,874,967	\$ 306,993,385	\$ 315,906,837	\$ 286,706,637	\$ 288,844,720	\$ 304,166,348
	129,273,417	135,738,373	145,660,199	142,284,090	143,218,923	141,794,056
	19,330,312	21,835,946	22,754,517	25,542,154	26,857,173	27,729,179
	170,518,643	220,261,590	187,510,192	190,145,733	230,086,897	286,406,611
	15,876,965	17,270,313	17,762,105	16,104,615	14,556,960	15,308,105
	1,011,176	1,045,224	1,144,872	46,282	53,613	1,228,901
	4,949,485	5,473,199	6,393,620	10,054,305	4,953,349	7,415,088
	(1,022,432)	43,214	18,307	1,225,708	235,730	29,104
	—	—	2,120,004	(217,864,733)	(653,452)	(508,210)
	—	—	—	—	1,575,600	—
	—	—	—	—	(10,826,870)	—
	<u>652,812,533</u>	<u>708,661,244</u>	<u>699,270,653</u>	<u>454,244,791</u>	<u>698,902,643</u>	<u>783,569,182</u>
	8,802	15,505	21,555	33,427	(2,168,915)	77,274
	1,022,432	(43,214)	(18,307)	(1,225,708)	(235,730)	(29,104)
	—	—	—	—	—	—
	<u>1,031,234</u>	<u>(27,709)</u>	<u>3,248</u>	<u>(1,192,281)</u>	<u>(2,404,645)</u>	<u>48,170</u>
\$	<u>653,843,767</u>	<u>\$ 708,633,535</u>	<u>\$ 699,273,901</u>	<u>\$ 462,432,780</u>	<u>\$ 696,497,998</u>	<u>\$ 783,617,352</u>
\$	46,564,963	\$ 67,936,834	\$ 45,979,307	\$ (150,551,303)	\$ 38,300,026	\$ 55,147,821
	547,986	1,193	(780,483)	(1,565,141)	773,183	1,114,774
\$	<u>47,112,949</u>	<u>\$ 67,938,027</u>	<u>\$ 45,198,824</u>	<u>\$ (152,116,444)</u>	<u>\$ 39,073,209</u>	<u>\$ 56,262,595</u>

**SALT LAKE COUNTY**

**Fund Balances, Governmental Funds**

**Last Ten Years**

*(modified accrual basis of accounting)*

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
General fund:				
Nonspendable	\$ —	\$ —	\$ —	\$ —
Restricted	4,217,162	4,494,651	3,979,405	4,115,977
Committed	1,906,211	1,638,971	3,739,561	3,555,223
Assigned	5,101,163	6,159,810	4,203,434	4,691,563
Unassigned	43,986,192	35,253,990	32,970,932	41,048,998
Total general fund	<u>\$ 55,210,728</u>	<u>\$ 47,547,422</u>	<u>\$ 44,893,332</u>	<u>\$ 53,411,761</u>
All other governmental funds:				
Nonspendable				
Revolving loans	\$ 16,825,087	\$ 16,890,708	\$ 16,511,397	\$ 16,442,297
Notes receivable	5,837,015	10,876,415	10,876,415	16,318,015
Inventories and prepaid items	1,344,745	1,625,462	1,680,831	212,196
Endowments	1,575,000	1,575,000	1,575,000	1,575,000
Restricted	247,211,335	173,657,462	141,802,998	182,213,980
Committed	12,984,816	7,430,124	22,719,833	6,818,148
Assigned	12,733,845	10,113,266	5,774,868	3,905,819
Unassigned	—	(343,930)	—	—
Total all other governmental funds	<u>\$ 298,511,843</u>	<u>\$ 221,824,507</u>	<u>\$ 200,941,342</u>	<u>\$ 227,485,455</u>
 Total Fund Balances - Government Funds	 <u>\$ 353,722,571</u>	 <u>\$ 269,371,929</u>	 <u>\$ 245,834,674</u>	 <u>\$ 280,897,216</u>

Source: Salt Lake County balance sheets - governmental funds at December 31, 2010 through 2019.

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
\$	—	\$ —	\$ 727,793	\$ 354,287	\$ 56,776	\$ 540,912
	4,410,898	4,281,673	7,214,230	15,027,471	15,373,624	16,503,167
	5,573,676	5,242,248	7,922,903	7,178,689	7,513,982	9,502,282
	5,564,321	6,419,527	5,271,144	5,741,897	5,062,471	5,580,212
	43,479,206	45,933,056	51,396,885	58,288,033	56,840,013	65,529,647
	<u>\$ 59,028,101</u>	<u>\$ 61,876,504</u>	<u>\$ 72,532,955</u>	<u>\$ 86,590,377</u>	<u>\$ 84,846,866</u>	<u>\$ 84,846,866</u>
\$	15,198,215	\$ 15,382,807	\$ 15,382,517	\$ 14,896,169	\$ 16,188,662	\$ 15,111,738
	16,318,015	16,318,015	10,481,000	17,743,900	20,829,500	—
	179,084	151,090	214,475	189,364	244,564	296,085
	1,575,000	1,637,510	1,637,510	1,637,510	1,717,597	1,757,216
	206,252,477	252,950,583	227,823,413	342,702,889	319,635,462	343,734,194
	8,169,338	7,167,975	6,845,122	6,040,179	7,040,153	11,065,866
	19,400,542	6,483,904	11,384,695	11,451,770	14,655,453	15,048,918
	—	—	—	—	—	—
	<u>\$ 267,092,671</u>	<u>\$ 300,091,884</u>	<u>\$ 273,768,732</u>	<u>\$ 394,661,781</u>	<u>\$ 380,311,391</u>	<u>\$ 387,014,017</u>
	<u>\$ 326,120,772</u>	<u>\$ 361,968,388</u>	<u>\$ 346,301,687</u>	<u>\$ 481,252,158</u>	<u>\$ 465,158,257</u>	<u>\$ 484,670,237</u>

**SALT LAKE COUNTY**

**Changes in Fund Balances, Governmental Funds**

**Last Ten Years**

*(modified accrual basis of accounting)*

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Revenues:</b>				
Taxes	\$ 348,753,082	\$ 365,459,091	\$ 394,372,563	\$ 443,832,922
Licenses and permits	11,731,903	13,030,521	13,052,377	14,353,986
Fines and forfeitures	5,535,454	3,196,383	5,253,873	4,991,374
Intergovernmental and grant	81,356,104	105,896,995	136,796,494	146,380,207
Charges for services	43,049,538	45,329,043	36,133,357	38,825,794
Special assessments	872,414	991,630	566,085	571,762
Interfund charges	40,006,167	41,919,673	28,700,181	29,304,227
Interest, rents, and other	<u>32,729,814</u>	<u>27,007,295</u>	<u>27,419,661</u>	<u>39,729,930</u>
Total revenues	564,034,476	602,830,631	642,294,591	717,990,202
<b>Expenditures:</b>				
General government	31,468,437	36,350,029	37,416,878	41,293,986
Public safety and criminal justice	181,938,115	181,013,919	174,932,290	181,158,382
Social services	73,366,936	99,214,691	130,544,202	140,051,929
Education, recreation, and cultural	111,588,938	121,047,909	130,204,384	130,861,491
Health and regulatory	38,284,514	40,197,980	35,407,454	42,065,613
Public works	34,178,737	37,470,489	37,428,731	36,035,229
Tax administration	21,035,770	22,518,696	21,458,266	22,126,592
Capital outlay	70,542,366	124,728,626	59,142,046	57,280,995
Debt service:				
Principal retirement	36,245,500	34,845,100	39,032,804	42,569,883
Interest	<u>20,917,211</u>	<u>23,645,718</u>	<u>22,146,586</u>	<u>20,591,073</u>
Total expenditures	<u>619,566,524</u>	<u>721,033,157</u>	<u>687,713,641</u>	<u>714,035,173</u>
Excess (deficiency) of revenues over (under) expenditures	(55,532,048)	(118,202,526)	(45,419,050)	3,955,029
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	776,972	982,167	752,857	574,915
Proceeds from capital leases	—	—	1,702,427	—
Proceeds from notes issued	—	6,720,000	—	7,640,000
Refunding bond issued	9,569,794	43,635,000	81,890,000	—
Premium on refunding bond issued	—	—	8,114,655	—
General obligation bonds issued	22,000,000	25,000,000	14,600,000	25,000,000
Lease revenue bonds issued	—	—	—	—
Sales, transportation, and excise tax revenue bonds issued	109,060,000	1,917,804	—	—
Premium (discount) on bonds issued	3,384,280	5,570,365	214,988	2,320,033
Payment to refund bond escrow agent	(21,352,644)	(48,984,589)	(89,196,400)	—
Transfers in	79,938,679	60,835,991	87,810,885	81,863,074
Transfers out	<u>(80,306,508)</u>	<u>(61,824,854)</u>	<u>(87,720,362)</u>	<u>(86,290,509)</u>
Total other financing sources (uses)	123,070,573	33,851,884	18,169,050	31,107,513
<b>Special item</b> - proceeds from sale of land and buildings	<u>12,010,702</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net change in fund balances	<u>\$ 79,549,227</u>	<u>\$ (84,350,642)</u>	<u>\$ (27,250,000)</u>	<u>\$ 35,062,542</u>
Debt service as a percentage of noncapital expenditures	10.30 %	9.03 %	9.31 %	9.39 %

Source: Salt Lake County statements of revenues, expenditures, and changes in fund balances - governmental funds for years ending December 31, 2010 through 2019.

In 2014, the County began to record taxes levied by the County for other governments as revenue with an equivalent amount recorded as expenditures.

	2014	2015	2016	2017	2018	2019
\$	648,660,234	\$ 704,916,515	\$ 691,257,193	\$ 671,062,816	\$ 703,570,234	\$ 776,579,164
	14,913,431	15,614,708	16,175,542	12,707,772	12,146,721	12,479,572
	4,529,265	4,174,102	3,786,691	2,762,814	2,679,560	2,302,975
	144,953,956	150,092,662	157,494,170	209,275,577	95,634,378	110,294,178
	34,041,129	35,908,336	34,792,102	34,908,417	134,887,046	133,594,813
	484,100	311,587	8,348	2,591	13,783	—
	29,658,632	31,416,609	33,379,556	29,916,635	28,789,505	28,730,878
	<u>28,585,101</u>	<u>29,627,233</u>	<u>31,831,017</u>	<u>36,673,479</u>	<u>22,682,249</u>	<u>22,704,752</u>
	905,825,848	972,061,752	968,724,619	997,310,101	1,000,403,476	1,086,686,332
	39,110,991	40,181,546	45,068,554	42,674,443	48,533,946	55,400,032
	194,208,888	197,623,504	202,966,758	180,713,664	194,954,640	192,666,546
	162,750,328	163,926,193	168,240,041	174,939,878	173,797,328	182,877,452
	145,317,501	161,309,066	178,020,141	171,896,660	174,283,586	176,100,452
	42,942,584	46,825,486	49,273,190	40,005,760	41,655,343	43,004,760
	199,526,724	215,901,921	228,075,969	224,244,738	245,149,020	295,487,832
	23,668,958	26,062,828	25,571,163	27,570,778	27,067,889	27,506,470
	65,354,265	51,307,495	58,269,551	75,244,399	63,065,109	78,652,549
	45,642,831	42,830,000	47,221,212	42,910,415	49,108,922	45,841,282
	<u>20,606,113</u>	<u>19,885,643</u>	<u>19,795,762</u>	<u>21,846,122</u>	<u>23,056,900</u>	<u>20,979,166</u>
	939,129,183	965,853,682	1,022,502,341	1,002,046,857	1,040,672,683	1,118,516,541
	(33,303,335)	6,208,070	(53,777,722)	(4,736,756)	(40,269,207)	(31,830,209)
	186,494	26,656	709,980	26,334	682,181	327,340
	2,014,800	—	434,435	11,229,432	—	—
	—	—	563,031	—	23,200,000	14,935,130
	—	—	—	53,270,000	—	—
	—	2,898,143	—	5,861,450	—	—
	—	35,925,000	27,885,000	39,125,000	—	39,615,000
	—	—	—	—	—	17,840,000
	68,600,000	—	—	96,300,000	—	—
	6,691,013	—	7,076,160	17,103,283	—	10,256,914
	—	(15,545,779)	—	(58,724,219)	—	(32,050,000)
	98,379,824	69,308,193	74,696,085	88,851,742	78,998,188	93,187,381
	<u>(101,639,592)</u>	<u>(68,658,193)</u>	<u>(73,253,670)</u>	<u>(88,207,377)</u>	<u>(78,705,063)</u>	<u>(92,769,576)</u>
	74,232,539	23,954,020	38,111,021	164,835,645	24,175,306	51,342,189
	4,294,352	5,685,526	—	—	—	—
\$	<u>45,223,556</u>	<u>\$ 35,847,616</u>	<u>\$ (15,666,701)</u>	<u>\$ 160,098,889</u>	<u>\$ (16,093,901)</u>	<u>\$ 19,511,980</u>
	7.61 %	6.78 %	6.89 %	6.92 %	7.37 %	6.32 %

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**SALT LAKE COUNTY**

**Assessed Value and Actual Value of Taxable Property**

**Last Ten Years**

Year Ended December 31,	Real Property (1)		Less:	Total Taxable Assessed Value	Effective Tax Rate (3)	Estimated Actual Value (1)	Total Taxable Assessed Value as a Percentage of Actual Value
	Primary Residential Property	Secondary or Non-Residential Property	Tax-Exempt Real Property (2)				
2010	\$70,809,650,040	\$35,269,194,454	\$31,827,842,600	\$74,251,001,894	0.003125	\$106,078,844,494	70.00%
2011	69,197,399,520	34,619,097,723	31,096,474,217	72,720,023,026	0.003251	103,816,497,243	70.05%
2012	66,897,076,440	34,508,965,120	30,103,684,321	71,302,357,239	0.003622	101,406,041,560	70.31%
2013	70,495,618,350	34,681,570,137	31,723,028,183	73,454,160,304	0.004101	105,177,188,487	69.84%
2014	76,233,137,060	37,096,722,804	34,304,911,677	73,454,160,304	0.003933	113,329,859,864	69.73%
2015	81,617,124,770	39,045,649,613	36,727,706,146	83,935,068,237	0.003668	120,662,774,383	69.56%
2016	89,214,370,150	42,831,197,909	40,146,466,568	91,899,101,491	0.003434	132,045,568,059	69.60%
2017	97,724,409,530	45,231,005,411	43,975,984,288	98,979,430,653	0.002908	142,955,414,941	69.24%
2018	107,904,157,330	50,046,643,616	48,556,870,798	109,393,930,148	0.002648	157,950,800,946	69.26%
2019	119,144,416,890	54,406,019,429	53,614,987,600	119,935,448,719	0.002530	173,550,436,319	69.11%

Source: Tax division—Salt Lake County Auditor's Office.

- Notes: (1) Estimated actual value of real property is a net market value or property value subject to tax after reductions made for greenbelt, full or part exemptions.  
 (2) Statute 59-2-103 states 45% of the value of primary residential property is specifically exempt under the constitution of Utah.  
 (3) The effective tax rate is the accumulated weighted average of all individual rates applied by the County.

**SALT LAKE COUNTY**

**Property Tax Rates—Direct and Overlapping**

**Last Ten Years (Per \$1 of Assessed/Taxable Value)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>County-wide rates (1):</b>				
General fund	0.001505	0.001531	0.001620	0.001837
Governmental immunity fund	0.000022	0.000022	0.000023	0.000023
Flood control fund	0.000055	0.000070	0.000073	0.000094
State tax administration fund	0.000263	0.000276	0.000276	0.000315
Health fund	0.000129	0.000133	0.000089	0.000162
Clark Planetarium fund	0.000039	0.000040	0.000040	0.000040
County-wide judgment levy (2)	N/A	N/A	N/A	N/A
Capital improvement fund	0.000014	0.000015	0.000031	0.000081
Bond debt service fund	0.000566	0.000609	0.000641	0.000628
	0.002593	0.002696	0.002793	0.003180
<b>Other County rates:</b>				
<b>Salt Lake County Municipal - unincorporated rate (1):</b>				
Municipal services fund (2)	0.000792	0.000824	N/A	N/A
Tort liability	0.000070	0.000072	0.000075	0.000081
<b>Salt Lake County Library rate:</b>				
Library fund	0.000583	0.000604	0.000627	0.000755
<b>Salt Lake Valley Law Enforcement Service Area rate (2) (3)</b>				
	N/A	N/A	0.001999	0.002230
<i>Effective County tax rate (4)</i>	0.003125	0.003251	<i>0.003622</i>	<i>0.004101</i>
<b>School district rates:</b>				
Canyons School District	0.008060	0.008165	0.008418	0.008111
Granite School District	0.006434	0.006796	0.007166	0.006994
Jordan School District	0.006485	0.007319	0.007360	0.007132
Murray City School District	0.005929	0.006201	0.006481	0.007003
Salt Lake City School District	0.006371	0.006408	0.006626	0.006651
<b>City and town rates:</b>				
Alta	0.001114	0.001084	0.001065	0.001091
Bluffdale	0.001357	0.001570	0.001630	0.001523
Cottonwood Heights	0.002517	0.002586	0.002654	0.002522
Draper	0.001896	0.001996	0.002009	0.001887
Herriman	0.000376	0.000418	0.000435	0.000418
Holladay	0.001720	0.001767	0.001791	0.001707
Midvale	0.002669	0.002701	0.000687	0.000658
Millcreek (2)	N/A	N/A	N/A	N/A
Murray	0.002163	0.002203	0.002259	0.002216
Riverton (2)	0.000839	0.000880	N/A	N/A
Salt Lake City	0.005428	0.005392	0.005517	0.005849
Sandy	0.001402	0.001481	0.001520	0.001483
South Jordan	0.002072	0.002332	0.002376	0.002440
South Salt Lake	0.002729	0.002691	0.002757	0.002725
Taylorsville	0.001739	0.001794	0.002202	0.002722
West Jordan	0.002128	0.002069	0.002674	0.002562
West Valley	0.003644	0.004506	0.004857	0.004670
<b>Other taxing district rates</b>	0.000045-0.002722	0.000048-0.003803	0.000021-0.003773	0.000021-0.003360

Source: Utah State Tax Commission

Notes:

- (1) Public hearings are required before the direct rates can be adjusted by the Salt Lake County Council.
- (2) N/A = Not available or applicable.
- (3) Salt Lake Valley Law Enforcement Services Area (SLVLESA) began to levy a tax in 2012 in lieu of a law enforcement fee which reduced the Unincorporated Municipal Services Fund levy; effective January 1, 2017, SLVLESA became an independent entity from the County and is included with other taxing district rates.
- (4) The effective tax rate is the accumulated weighted average of all individual rates applied by the County.

2014	2015	2016	2017	2018	2019
0.001743	0.001662	0.001667	0.001578	0.001457	0.001409
0.000022	0.000021	0.000020	0.000019	0.000017	0.000016
0.000089	0.000085	0.000073	0.000058	0.000053	0.000051
0.000303	0.000288	0.000268	0.000244	0.000234	0.000225
0.000154	0.000147	0.000138	0.000130	0.000119	0.000115
0.000040	0.000040	0.000040	0.000040	0.000028	0.000027
N/A	N/A	N/A	0.000019	N/A	N/A
0.000077	0.000073	0.000068	0.000064	0.000059	0.000057
0.000608	0.000503	0.000365	0.000330	0.000292	0.000258
0.003036	0.002819	0.002639	0.002482	0.002259	0.002158
N/A	N/A	N/A	N/A	N/A	N/A
0.000077	0.000073	0.000068	0.000065	0.000052	0.000053
0.000715	0.000683	0.000639	0.000612	0.000559	0.000536
0.002145	0.002042	0.001925	N/A	N/A	N/A
0.003933	0.003668	0.003434	0.002908	0.002648	0.002530
0.007823	0.007859	0.007227	0.007117	0.006995	0.007507
0.006831	0.006978	0.006481	0.006779	0.007822	0.007626
0.006700	0.006872	0.006906	0.006424	0.006501	0.006676
0.006846	0.007086	0.006291	0.006185	0.005885	0.006345
0.006303	0.006497	0.006180	0.005748	0.005500	0.005393
0.001200	0.001204	0.001153	0.001163	0.001231	0.001292
0.001419	0.001309	0.001218	0.001751	0.001442	0.001783
0.002386	0.002239	0.002064	0.001981	0.002088	0.002002
0.001791	0.001701	0.001560	0.001460	0.001352	0.001268
0.000384	0.000361	0.000342	0.000326	0.000307	0.000287
0.001596	0.001528	0.001420	0.001380	0.001311	0.001235
0.000623	0.000609	0.001398	0.001309	0.001166	0.001107
N/A	N/A	N/A	0.000068	0.002012	0.001897
0.002156	0.002049	0.001892	0.001759	0.002383	0.002249
N/A	N/A	N/A	N/A	N/A	N/A
0.005675	0.004862	0.004557	0.004286	0.003977	0.003878
0.001413	0.001426	0.001321	0.001229	0.001144	0.001337
0.002210	0.002082	0.001951	0.001900	0.001880	0.001802
0.002572	0.002454	0.002303	0.002032	0.001878	0.001715
0.001294	0.001250	0.001165	0.001090	0.001003	0.000943
0.002368	0.002251	0.002139	0.001975	0.002132	0.001999
0.004381	0.004199	0.004233	0.004151	0.003706	0.003508
0.000020-.002761	0.000019-.002597	0.000018-.002052	0.000017 - .002288	0.000041 - .002139	0.000014 - .002079

**SALT LAKE COUNTY**

**Principal Property Taxpayers  
Current Year and Nine Years Ago**

**2019**

<b>Taxpayers</b>	<b>Type of Business</b>	<b>Taxable Value</b>	<b>Rank</b>
Rio Tinto/Kennecott Utah Copper/Explorations/Minerals	Mining	\$ 3,364,590,181	1
MidAmerican Energy Holdings (1)	Electric Utility	1,405,877,708	2
Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints (2)	Religious	984,155,897	3
Questar Corporation	Natural Gas Utility	603,160,024	4
Boyer Companies (3)	Real-estate Development	558,556,394	5
Intermountain Health Care (IHC)	Health Care	556,437,210	6
Tesoro	Petroleum Refining	538,547,165	7
Verizon	Communications	427,064,449	8
Larry H. Miller Group/Miller Family Real Estate (4)	Real Estate	424,988,457	9
Hexcel Corporation	Aerospace Supplier	307,947,969	10
Wal-Mart/Sam's Club/Sam's Real Estate	Retail/Real Estate		
Qwest/U.S. West Communications	Communications		
Sky West Airlines	Transportation		
Totals		<u>\$ 9,171,325,454</u>	

Source: Information compiled by the Mayor's Financial Administration from property tax records provided by the Salt Lake County Recorder and the Salt Lake County Assessor.

Notes:

- (1) PacifiCorp and Kern River Transmission.
- (2) Includes the following: Agreserves, Inc., Beneficial Life Insurance Co, Bonneville Satellite Corp, Bonneville International Corporation, City Creek Reserve, Inc., Corporation of the President of the Church of Jesus Christ of Latter-day Saints, Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-day Saints, Deseret Book Company, Deseret Digital Media, Inc., Deseret Title Holding, Deseret Management Corporation, Farmland Reserve, Inc., Hotel Temple Square Corp, Property Reserve, Inc., Suburban Land Reserve, Inc.
- (3) Includes various Boyer companies, District LLC, Gateway Office 4 LC, Gateway Associates LTD, and Gateway Parking LC.
- (4) Car dealerships, sports teams, Fanzz Stores, Jordan Commons, Megaplex Theatres, Miller Family Real Estate LLC, LHM Arena Corporation, and Saxton Horne Advertising
- (5) Percentage of total taxable values equals the taxable value divided by the total taxable value of \$119,935,448,719.
- (6) Percentage of total taxable values equals the taxable value divided by the total taxable value of \$74,251,001,894.

<b>2010</b>			
<b>Percentage of Total Taxable Values (5)</b>	<b>Taxable Value</b>	<b>Rank</b>	<b>Percentage of Total Taxable Values (6)</b>
2.8%	\$ 4,636,801,942	1	6.2%
1.2%	1,004,099,220	2	1.4%
0.8%	597,124,640	3	0.8%
0.5%	288,558,200	8	0.4%
0.5%	513,925,245	4	0.7%
0.5%	308,145,683	6	0.4%
0.4%			
0.4%			
0.4%	268,423,444	7	0.4%
0.3%			
	263,362,552	9	0.4%
	350,847,893	5	0.5%
	204,668,637	10	0.3%
<b>7.8%</b>	<b>\$ 8,435,957,456</b>		<b>11.5%</b>

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**SALT LAKE COUNTY**

**Property Tax Levies and Collections (1)  
Last Five Years**

Year Ended Dec. 31 (2)	Total Taxes Levied	Taxes Collected Within the Year		Collections in Subsequent Years	Total Collections to Date		Adjustments (3)	% of Collect Date Adjust	Tax Receivable at January 31, 2020 (4)
		Amount	%		Amount	%			
2015	\$ 307,859,731	\$ 300,913,525	97.7 %	\$ 5,015,579	\$ 305,929,104	99.4 %	\$ 2,271,596	98.6 %	\$ 59,214
2016	315,593,501	307,901,105	97.6 %	5,137,639	313,038,744	99.2 %	2,519,123	98.4 %	260,530
(5) 2017	289,458,781	283,041,694	97.8 %	4,130,494	287,172,188	99.2 %	2,064,805	98.5 %	557,589
2018	290,531,146	283,631,677	97.6 %	3,774,298	287,405,974	98.9 %	2,131,244	98.2 %	1,636,658
2019	302,561,464	296,080,659	97.9 %	—	296,080,659	97.9 %	1,822,359	97.3 %	4,658,446

Source: County Treasurer

Notes:

- (1) The information in this schedule relates to the County's own property tax levies, and does not include those it collects on behalf of other governments.
- (2) Due to system reporting limitations, only five years of collections are able to be accurately extracted for reporting purposes.
- (3) Adjustments or settlements ordered by the Board of Equalization, the County Council, and the State Tax Commission and offset for uncollected taxes from years prior to 2019.
- (4) The 2015 tax receivable amount includes the amount carried in the County's records as a receivable for all prior years.
- (5) Beginning in 2017, Salt Lake Valley Law Enforcement Services Agency is no longer reported as a blended component unit of the County. SLVLESA is not included in the 2017 figures.

**SALT LAKE COUNTY**

**Ratios of Outstanding Debt by Type  
Last Ten Years**

Dec. 31,	Governmental Activities						
	General Obligation Bonds	Sales Tax Revenue Bonds	Transportation and Excise Tax Revenue Bonds	Lease Revenue Bonds	Capital Leases Obligations	Special Assessment Debt	Notes Payable
2010	\$ 259,872,991	\$ 108,194,188	\$ 77,639,186	\$ 82,339,201	\$ 530,100	\$ 3,061,249	\$ 8,080,703
2011	262,829,421	105,226,097	76,932,090	81,261,356	990,931	2,312,533	14,800,703
2012	246,886,932	104,566,050	76,353,646	77,886,727	2,348,787	1,473,549	14,800,703
2013	239,818,491	97,555,119	76,003,854	74,445,314	1,184,067	1,014,297	22,440,703
2014	203,324,397	123,132,331	116,969,745	70,882,117	2,853,870	574,777	22,440,703
2015	195,979,209	115,966,433	114,341,346	67,192,136	2,466,292	144,989	22,440,703
2016	206,123,714	106,562,379	107,668,068	61,201,522	720,288	—	41,294,359
2017	226,285,328	204,028,902	102,476,533	57,318,670	529,329	—	51,370,553
2018	200,547,799	192,462,069	94,003,606	53,509,612	370,764	—	66,674,470
2019	190,233,893	180,585,804	85,386,485	70,257,793	245,070	—	78,987,716

Source: For outstanding debt details, see the notes to the basic financial statements.  
Amounts are reported net of bond premiums.

Notes: 1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

<b>Business-Type Activities</b>					
<b>General Obligation Bonds</b>	<b>Sales Tax Revenue Bonds</b>	<b>Lease Revenue Bonds</b>	<b>Total County</b>	<b>Percentage of Personal Income (1)</b>	<b>Per Capita (1)</b>
\$ —	\$ —	\$ 7,747,213	\$ 547,464,831	1.40%	\$ 530
—	—	699,977	545,053,108	1.33%	520
—	—	—	524,316,394	1.20%	493
—	—	—	512,461,845	1.12%	475
—	—	—	540,177,940	1.16%	495
—	—	—	518,531,108	1.05%	468
—	867,744	2,101,861	526,539,935	1.00%	470
—	859,997	2,003,152	644,872,464	1.15%	568
—	825,828	1,611,877	610,006,025	1.01%	529
—	790,487	1,466,605	607,953,853	N/A	524

**SALT LAKE COUNTY**

**Ratios of General Bonded Debt Outstanding  
Last Ten Years**

<b>December 31,</b>	<b>General Obligation Bonds</b>	<b>Estimated Actual Value of Property</b>	<b>Percentage of Estimated Actual Value of Property</b>	<b>Population</b>	<b>G.O. Bonded Debt Per Capita</b>
2010	\$ 259,872,991	\$ 106,078,844,494	0.24 %	1,033,198	\$ 252
2011	262,829,421	103,816,497,243	0.25 %	1,047,746	251
2012	246,886,932	101,406,041,560	0.24 %	1,063,842	232
2013	239,818,491	105,177,188,487	0.23 %	1,079,721	222
2014	203,324,397	113,329,859,864	0.18 %	1,091,742	186
2015	195,979,209	120,662,774,383	0.16 %	1,107,314	177
2016	206,123,714	132,045,568,059	0.16 %	1,121,354	184
2017	226,285,328	142,955,414,941	0.16 %	1,135,649	199
2018	200,547,799	157,950,800,946	0.13 %	1,152,633	174
2019	190,233,893	173,550,436,319	0.11 %	1,160,437	164

Source: For outstanding debt details, see note 9 in the notes to the basic financial statements and the statistical section, Debt Service Schedule of Outstanding Bonds. General obligation bonds are reported net of bond premiums.

**SALT LAKE COUNTY**

**Computation of Direct and Overlapping Debt**

**December 31, 2019**

<b>Entity</b>	<b>2019 Taxable Value (1)</b>	<b>County's Portion of Taxable Value</b>	<b>County's Percentage</b>	<b>Entity's General Obligation Debt</b>	<b>County's Portion of G.O. Debt</b>
State of Utah	\$ 315,456,046,864	\$ 119,390,250,532	37.8 %	\$ 2,003,625,000	\$ 757,370,250
CUWCD (2)	185,917,514,880	119,390,250,532	64.2 %	193,540,000	124,252,680
Total overlapping					881,622,930
Underlying:					
School districts:					
Canyons	25,225,752,898	25,225,752,898	100.0 %	325,170,000	325,170,000
Granite	31,913,668,162	31,913,668,162	100.0 %	334,680,000	334,680,000
Jordan	26,390,763,367	26,390,763,367	100.0 %	185,345,000	185,345,000
Murray City	4,639,434,393	4,639,434,393	100.0 %	31,825,000	31,825,000
Salt Lake City	31,220,631,712	31,220,631,712	100.0 %	28,050,000	28,050,000
Cities and towns:					
Draper (3)	6,844,532,421	6,557,847,886	95.8 %	2,830,000	2,711,140
Salt Lake City	31,260,214,697	31,260,214,697	100.0 %	115,555,000	115,555,000
West Jordan	8,368,929,814	8,368,929,814	100.0 %	4,140,000	4,140,000
Special districts:					
Cottonwood Heights Parks and Recreation					
Service Area (4)	2,642,483,276	2,642,483,276	100.0 %	2,525,000	2,525,000
Sandy Suburban Improvement District	4,705,698,676	4,705,698,676	100.0 %	5,621,000	5,621,000
Magna Water District	1,636,292,736	1,636,292,736	100.0 %	26,220,000	26,220,000
Total underlying					1,061,842,140
Total overlapping and underlying general obligation debt					\$ 1,943,465,070
Total overlapping general obligation debt (excluding State of Utah) (5)					\$ 124,252,680
Total direct general obligation bond indebtedness of Salt Lake County (6)					172,205,000
Total direct and overlapping general obligation debt (excluding the State)					\$ 296,457,680

Source: Zion's Bank Public Finance and financial statements of each entity. Information is as of December 31, 2019.

- Notes: (1) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.  
(2) Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited ad valorem tax bonds. These bonds are the only limited ad valorem tax bonds in the State issued under the Water Conservancy Act. By law CUWCD may levy a tax rate of up to 0.000400 to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.  
(3) The County's portion of overlapping general obligation debt does not include "user fee revenue" supported general obligation debt.  
(4) Cottonwood Heights Parks and Recreation Service Area was formerly known as SL County Service Area #2.  
(5) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.  
(6) The definition of "direct debt" includes all of the debt instruments, but this schedule is optional for Counties and only the general obligation debt information is available. General obligation debt is reported at face value.

**SALT LAKE COUNTY**

**Legal Debt Margin Information  
Last Ten Years**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit (2%)	\$ 2,136,350,139	\$ 2,092,732,994	\$ 2,028,120,831	\$ 2,103,543,770
Total general obligation debt applicable to the limit	<u>259,872,991</u>	<u>262,829,421</u>	<u>246,886,932</u>	<u>239,818,491</u>
Legal debt margin	<u>\$ 1,876,477,148</u>	<u>\$ 1,829,903,573</u>	<u>\$ 1,781,233,899</u>	<u>\$ 1,863,725,279</u>
Total debt applicable to the limit as a percentage of debt limit	12.16 %	12.56 %	12.17 %	11.40 %

Source: Salt Lake County Auditor's Office; general obligation debt is reported net of premiums and discounts.

Notes:

- (1) The general obligation indebtedness of the County is limited by Utah law to two percent of the "reasonable fair cash value" of taxable property in the County.
- (2) Statute 59-2-103 states 45% of the value of primary residential property is specifically exempt under the Constitution of Utah.
- (3) Legal debt margin calculation for 2019:

	<u>Taxable Value (2)</u>	<u>Adjusted Fair Market Value (1)</u>
Residential values	\$ 65,529,429,290	\$ 119,144,416,890
Non-residential values	<u>54,406,019,429</u>	<u>54,406,019,429</u>
Totals	<u>\$ 119,935,448,719</u>	<u>\$ 173,550,436,319</u>
Debt limit (adjusted fair market value x 0.02)		\$ 3,471,008,726
Debt applicable to limit:		
General obligation bonds		<u>190,233,893</u>
Legal debt margin		<u>\$ 3,280,774,833</u>

<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019 (3)</b>
\$ 2,266,597,197	\$ 2,413,255,488	\$ 2,640,911,361	\$ 2,859,108,299	\$ 3,159,016,019	\$ 3,471,008,726
<u>203,324,397</u>	<u>195,979,209</u>	<u>206,123,714</u>	<u>226,285,328</u>	<u>200,547,799</u>	<u>190,233,893</u>
<u>\$ 2,063,272,800</u>	<u>\$ 2,217,276,279</u>	<u>\$ 2,434,787,647</u>	<u>\$ 2,632,822,971</u>	<u>\$ 2,958,468,220</u>	<u>\$ 3,280,774,833</u>
8.97 %	8.12 %	7.81 %	7.91 %	6.35 %	5.48 %

**SALT LAKE COUNTY**

**Pledged-Revenue Coverage**

**Last Ten Years**

Year	Sales Tax Revenue Bonds				TRCC Revenue Bonds			
	Sales Tax Revenues	Debt Service		Coverage	TRCC Revenues (3)	Debt Service		Coverage
		Principal	Interest (1)			Principal	Interest	
2010	\$ 41,590,792	\$ 3,315,000	\$ 3,542,312	6.1	\$ —	\$ —	\$ —	N/A
2011	44,533,898	4,330,000	4,106,273	5.3	—	—	—	N/A
2012	47,665,968	4,557,804	3,125,373	6.2	—	—	—	N/A
2013	49,311,368	5,491,000	3,611,967	5.4	—	—	—	N/A
2014	51,862,908	5,663,000	3,406,513	5.7	—	—	—	N/A
2015	54,252,676	5,875,000	3,894,238	5.6	—	—	—	N/A
2016	56,560,414	7,408,000	4,048,976	4.9	—	—	—	N/A
2017	60,470,489	7,660,000	4,465,365	5.0	—	—	—	N/A
2018	64,390,394	8,487,000	5,150,332	4.7	42,477,204	1,235,000	2,254,244	12.2
2019	67,550,608	8,770,000	4,844,110	5.0	44,920,769	1,430,000	2,067,350	12.8

Source: For outstanding debt details, see the notes to the basic financial statements.

- (1) Net of federal interest subsidies as follows: 35.00% in 2011 and 2012, 31.96% in 2013, 32.48% in 2014, 32.45% in 2015, 32.62% in 2016, 32.59% in 2017, 32.69% in 2018, and 32.83% in 2019. The federal interest subsidy for 2020 will be 32.94%.
- (2) In 2010, the County and the State of Utah entered into an interlocal agreement whereby the County agreed to issue bonds to finance certain transportation projects within the County. It was also agreed a portion of the State Highway Fund revenues would be set aside and dedicated to the repayment of such bonds, and the State would agree to construct certain transportation projects within the County. Each year, the State's Division of Finance transfers from the Highway Fund to a State Sinking Fund an amount equal to two times the debt service requirement necessary to pay principal and interest on the 2010 bonds. Those amounts are shown as transportation revenues on this schedule, although only what is necessary for the debt service is actually transferred from the sinking fund to the County as revenue to make the payment.
- (3) Pledged revenues for these bonds are car rental, restaurant, and transient room sales taxes. Pledged TRCC revenues are always net of \$0.5 million annual statutory requirement to help promote ski industry tourism in the County.

Transportation Tax Revenue Bonds				Excise Tax Revenue Bonds			
Transportation Revenues (2)	Debt Service		Coverage	Excise Tax Revenues	Debt Service		Coverage
	Principal	Interest (1)			Principal	Interest	
\$ —	\$ —	\$ —	N/A	\$ —	\$ —	\$ —	N/A
4,533,512	300,000	1,966,756	2	—	—	—	N/A
4,985,612	200,000	2,292,806	2.0	—	—	—	N/A
4,646,714	—	2,323,357	2.0	—	—	—	N/A
4,691,989	—	2,345,994	2.0	11,733,960	1,070,000	1,069,941	5.5
6,003,576	655,000	2,346,788	2.0	11,879,762	1,290,000	1,745,475	3.9
14,042,841	4,705,000	2,316,420	2.0	12,968,135	1,335,000	1,706,775	4.3
14,564,323	5,200,000	2,082,162	2.0	13,245,421	1,390,000	1,653,375	4.4
15,303,282	5,845,000	1,819,779	2.0	13,118,824	1,705,000	1,179,635	4.5
15,643,187	6,325,000	1,524,352	2.0	13,256,153	1,475,000	1,451,650	4.5

**SALT LAKE COUNTY**  
**Debt Service Schedule of Outstanding Bonds (By Year)**  
**December 31, 2019**

	<b>Purpose</b>		<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>General Obligations Bonds</b>								
Series 2012A	<i>Tracy Aviary, Hogle Zoo</i>	Principal	\$ 695,000	\$ 715,000	\$ 740,000	\$ 745,000	\$ 755,000	\$ 770,000
\$14,600,000		Interest	221,375	207,475	193,175	178,375	163,475	148,375
Series 2012B Refunding	<i>Salt Palace, Old Mill, Salt Palace II, South Mountain, South Towne, Emergency Operation Parks</i>	Principal	5,325,000	4,675,000	—	—	—	—
\$38,165,000		Interest	139,088	45,582	—	—	—	—
Series 2013		Principal	1,035,000	1,090,000	1,145,000	1,205,000	—	—
\$25,000,000		Interest	197,875	144,750	88,875	30,125	—	—
Series 2015A Refunding	<i>Open Space I</i>	Principal	1,200,000	1,265,000	1,350,000	1,410,000	1,475,000	1,540,000
\$13,925,000		Interest	478,550	418,550	355,300	287,800	217,300	143,550
Series 2015B	<i>Open Space, Natural Habitat, Parks, Trails</i>	Principal	930,000	950,000	970,000	990,000	1,035,000	1,090,000
\$22,000,000		Interest	558,700	540,100	521,100	501,700	452,200	400,450
Series 2016	<i>Crossover Advance Refunding of 2009A and 2010B Series Bonds</i>	Principal	2,110,000	2,195,000	2,285,000	2,375,000	2,470,000	2,590,000
\$27,885,000		Interest	1,198,100	1,113,700	1,025,900	934,500	839,500	716,000
Series 2017	<i>Recreation</i>	Principal	2,500,000	2,625,000	2,750,000	2,875,000	3,025,000	3,175,000
\$39,125,000		Interest	1,191,250	1,066,250	935,000	797,500	653,750	502,500
Series 2017B	<i>Utah Museum of Natural History, Tracy Aviary II, Parks</i>	Principal	1,620,000	1,700,000	1,800,000	1,875,000	3,200,000	3,350,000
\$29,345,000		Interest	946,650	865,650	780,650	690,650	596,900	436,900
Series 2019	<i>Recreation</i>	Principal	4,165,000	4,350,000	4,575,000	4,800,000	5,050,000	5,300,000
\$39,615,000		Interest	1,964,244	1,772,500	1,555,000	1,326,250	1,086,250	833,750
Total principal			19,580,000	19,565,000	15,615,000	16,275,000	17,010,000	17,815,000
Total interest			6,895,832	6,174,557	5,455,000	4,746,900	4,009,375	3,181,525
Total general obligation bonds			<u>\$ 26,475,832</u>	<u>\$ 25,739,557</u>	<u>\$ 21,070,000</u>	<u>\$ 21,021,900</u>	<u>\$ 21,019,375</u>	<u>\$ 20,996,525</u>
<b>Sales Tax Revenue Bonds</b>								
Series 2010A Refunding	<i>Planetarium, Midvale Storm Drain</i>	Principal	\$ 165,000	\$ —	\$ —	\$ —	\$ —	\$ —
\$8,855,000		Interest	2,681	—	—	—	—	—
Series 2010D	<i>District Attorney, Fleet, and Public Health Land and Buildings</i>	Principal	1,305,000	1,330,000	1,360,000	1,400,000	1,435,000	1,470,000
\$33,020,000		Interest	1,165,722	1,120,046	1,073,496	1,019,096	963,096	905,696
Series 2011C	<i>Solar Projects at Salt Palace</i>	Principal	112,000	115,000	117,000	120,000	123,000	126,000
\$1,917,804		Interest	23,626	21,072	18,462	15,796	13,062	10,260
Series 2012A Refunding	<i>Salt Palace Expansion 3, Phases I and II and Recreation Projects</i>	Principal	4,325,000	4,540,000	4,765,000	5,015,000	5,295,000	4,345,000
\$43,725,000		Interest	1,197,500	975,875	743,250	498,750	241,000	54,312
Series 2014	<i>District Attorney, Fleet, Public Health, Senior Center, and Salt Palace Land and Buildings</i>	Principal	1,155,000	1,195,000	1,255,000	1,320,000	1,390,000	1,460,000
\$30,000,000		Interest	953,506	912,081	850,831	786,456	718,706	647,456
Series 2017	<i>Tourism, Recreation, Cultural, and Convention (TRCC)</i>	Principal	1,500,000	1,555,000	1,610,000	1,695,000	1,780,000	1,870,000
\$44,230,000		Interest	1,994,100	1,941,050	1,885,250	1,802,625	1,715,750	1,624,500
Series 2017A	<i>Health and District Attorney Buildings, Other Capital Improvements</i>	Principal	2,025,000	2,075,000	2,100,000	2,175,000	2,200,000	—
\$13,550,000		Interest	197,119	157,939	112,410	60,548	16,680	—
Series 2017B	<i>Health and District Attorney Buildings, Other Capital Improvements</i>	Principal	—	—	—	—	1,020,000	2,300,000
\$38,520,000		Interest	1,378,362	1,378,362	1,378,364	1,378,362	1,352,863	1,298,612
Total principal			10,587,000	10,810,000	11,207,000	11,725,000	12,243,000	11,571,000
Total interest			6,912,616	6,506,425	6,062,063	5,561,633	5,021,157	4,540,836
Total sales tax revenue bonds			<u>\$ 17,499,616</u>	<u>\$ 17,316,425</u>	<u>\$ 17,269,063</u>	<u>\$ 17,286,633</u>	<u>\$ 17,264,157</u>	<u>\$ 16,111,836</u>
<b>Lease Revenue Bonds</b>								
Series 2009B	<i>Public Works Administration, Libraries, Senior Centers</i>	Principal	\$ 4,300,000	\$ 4,425,000	\$ 4,570,000	\$ 4,725,000	\$ 4,895,000	\$ 5,060,000
\$58,390,000		Interest	2,757,244	2,551,704	2,335,764	2,094,468	1,844,988	1,586,532
Series 2019		Principal	—	—	530,000	560,000	585,000	610,000
\$17,840,000		Interest	892,000	892,000	878,750	851,500	822,875	793,000
Total principal			4,300,000	4,425,000	5,100,000	5,285,000	5,480,000	5,670,000
Total interest			3,649,244	3,443,704	3,214,514	2,945,968	2,667,863	2,379,532
Total lease revenue bonds			<u>\$ 7,949,244</u>	<u>\$ 7,868,704</u>	<u>\$ 8,314,514</u>	<u>\$ 8,230,968</u>	<u>\$ 8,147,863</u>	<u>\$ 8,049,532</u>
<b>Transportation and Excise Tax Revenue Bonds</b>								
Series 2010B	<i>State Roads (Transportation Tax)</i>	Principal	\$ 6,895,000	\$ 7,265,000	\$ 7,995,000	\$ 8,710,000	\$ 9,295,000	\$ 11,150,000
\$57,635,000		Interest	2,057,000	1,818,570	1,556,450	1,255,998	880,770	480,342
Series 2014	<i>Transportation Preservation (Excise Tax)</i>	Principal	1,550,000	1,630,000	1,715,000	1,800,000	—	—
\$38,600,000		Interest	334,750	257,250	175,750	90,000	—	—
Series 2017	<i>Transportation Preservation (Excise Tax)</i>	Principal	—	—	—	—	1,880,000	1,975,000
\$23,925,000		Interest	1,043,150	1,043,150	1,043,150	1,043,150	1,043,150	949,150
Total principal			8,445,000	8,895,000	9,710,000	10,510,000	11,175,000	13,125,000
Total interest			3,434,900	3,118,970	2,775,350	2,389,148	1,923,920	1,429,492
Total transportation and excise tax revenue bonds			<u>\$ 11,879,900</u>	<u>\$ 12,013,970</u>	<u>\$ 12,485,350</u>	<u>\$ 12,899,148</u>	<u>\$ 13,098,920</u>	<u>\$ 14,554,492</u>
<b>Total All Bonds</b>								
Total principal			\$ 42,912,000	\$ 43,695,000	\$ 41,632,000	\$ 43,795,000	\$ 45,908,000	\$ 48,181,000
Total interest			20,892,592	19,243,656	17,506,927	15,643,649	13,622,315	11,531,385
Total all bonds			<u>\$ 63,804,592</u>	<u>\$ 62,938,656</u>	<u>\$ 59,138,927</u>	<u>\$ 59,438,649</u>	<u>\$ 59,530,315</u>	<u>\$ 59,712,385</u>

2026	2027	2028	2029	2030	2031	2032	2033	2034	2035 - 2037	Total
\$ 790,000	\$ 810,000	\$ 830,000	\$ 850,000	\$ 870,000	\$ 875,000	\$ —	\$ —	\$ —	\$ —	\$ 9,445,000
131,050	111,300	91,050	70,300	47,987	24,062	—	—	—	—	1,587,999
—	—	—	—	—	—	—	—	—	—	10,000,000
—	—	—	—	—	—	—	—	—	—	184,670
—	—	—	—	—	—	—	—	—	—	4,475,000
—	—	—	—	—	—	—	—	—	—	461,625
1,595,000	1,650,000	—	—	—	—	—	—	—	—	11,485,000
97,350	49,500	—	—	—	—	—	—	—	—	2,047,900
1,110,000	1,145,000	1,180,000	1,210,000	1,250,000	1,285,000	1,325,000	1,365,000	1,405,000	1,445,000	18,685,000
378,650	345,350	311,000	278,550	242,250	204,750	166,200	126,450	85,500	43,350	5,156,300
2,720,000	2,860,000	3,000,000	3,150,000	—	—	—	—	—	—	25,755,000
586,500	450,500	307,500	157,500	—	—	—	—	—	—	7,329,700
3,350,000	3,525,000	—	—	—	—	—	—	—	—	23,825,000
343,750	176,250	—	—	—	—	—	—	—	—	5,666,250
2,225,000	2,300,000	2,325,000	2,400,000	2,425,000	1,825,000	1,875,000	—	—	—	28,920,000
369,900	325,400	277,100	223,626	164,824	101,776	52,500	—	—	—	5,832,526
5,550,000	5,825,000	—	—	—	—	—	—	—	—	39,615,000
568,750	291,250	—	—	—	—	—	—	—	—	9,397,994
17,340,000	18,115,000	7,335,000	7,610,000	4,545,000	3,985,000	3,200,000	1,365,000	1,405,000	1,445,000	172,205,000
2,475,950	1,749,550	986,650	729,976	455,061	330,588	218,700	126,450	85,500	43,350	37,664,964
<u>\$ 19,815,950</u>	<u>\$ 19,864,550</u>	<u>\$ 8,321,650</u>	<u>\$ 8,339,976</u>	<u>\$ 5,000,061</u>	<u>\$ 4,315,588</u>	<u>\$ 3,418,700</u>	<u>\$ 1,491,450</u>	<u>\$ 1,490,500</u>	<u>\$ 1,488,350</u>	<u>\$ 209,869,964</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 165,000
—	—	—	—	—	—	—	—	—	—	2,681
1,510,000	1,550,000	1,595,000	1,640,000	1,695,000	1,745,000	1,805,000	1,865,000	1,930,000	1,995,000	25,630,000
846,896	784,232	716,032	642,662	564,762	482,130	393,136	301,080	204,100	103,740	11,285,922
128,000	131,000	134,000	—	—	—	—	—	—	—	1,106,000
7,402	4,489	1,508	—	—	—	—	—	—	—	115,677
—	—	—	—	—	—	—	—	—	—	28,285,000
—	—	—	—	—	—	—	—	—	—	3,710,687
1,535,000	1,605,000	1,670,000	1,730,000	1,780,000	1,835,000	1,890,000	1,950,000	2,010,000	2,075,000	25,855,000
572,581	502,106	436,606	377,256	324,606	270,381	214,506	156,906	96,250	32,425	7,852,659
1,970,000	2,070,000	2,175,000	2,285,000	2,405,000	2,525,000	2,655,000	2,795,000	2,935,000	9,740,000	41,565,000
1,528,500	1,427,500	1,321,375	1,209,875	1,092,625	969,375	839,875	703,625	560,375	746,750	21,363,150
—	—	—	—	—	—	—	—	—	—	9,575,000
—	—	—	—	—	—	—	—	—	—	544,696
2,400,000	2,525,000	2,625,000	2,675,000	2,775,000	2,850,000	2,950,000	3,025,000	3,150,000	10,225,000	38,520,000
1,209,863	1,086,737	988,174	914,619	834,875	750,500	661,656	566,406	454,250	580,125	16,212,130
7,543,000	7,881,000	8,199,000	8,330,000	8,655,000	8,955,000	9,300,000	9,635,000	10,025,000	24,035,000	170,701,000
4,165,242	3,805,064	3,463,695	3,144,412	2,816,868	2,472,386	2,109,173	1,728,017	1,314,975	1,463,040	61,087,601
<u>\$ 11,708,242</u>	<u>\$ 11,686,064</u>	<u>\$ 11,662,695</u>	<u>\$ 11,474,412</u>	<u>\$ 11,471,868</u>	<u>\$ 11,427,386</u>	<u>\$ 11,409,173</u>	<u>\$ 11,363,017</u>	<u>\$ 11,339,975</u>	<u>\$ 25,498,040</u>	<u>\$ 231,788,602</u>
\$ 5,235,000	\$ 5,450,000	\$ 5,650,000	\$ 5,865,000	—	—	—	—	—	—	\$ 50,175,000
1,292,040	987,364	670,174	341,344	—	—	—	—	—	—	16,461,622
655,000	685,000	715,000	760,000	795,000	840,000	880,000	925,000	970,000	8,330,000	17,840,000
761,375	727,875	692,875	656,000	617,125	576,250	533,250	488,125	440,750	1,539,500	12,163,250
5,890,000	6,135,000	6,365,000	6,625,000	795,000	840,000	880,000	925,000	970,000	8,330,000	68,015,000
2,053,415	1,715,239	1,363,049	997,344	617,125	576,250	533,250	488,125	440,750	1,539,500	28,624,872
<u>\$ 7,943,415</u>	<u>\$ 7,850,239</u>	<u>\$ 7,728,049</u>	<u>\$ 7,622,344</u>	<u>1,412,125</u>	<u>1,416,250</u>	<u>1,413,250</u>	<u>1,413,125</u>	<u>1,410,750</u>	<u>9,869,500</u>	<u>\$ 96,639,872</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 51,310,000
—	—	—	—	—	—	—	—	—	—	8,049,130
—	—	—	—	—	—	—	—	—	—	6,695,000
—	—	—	—	—	—	—	—	—	—	857,750
2,080,000	2,180,000	2,295,000	2,410,000	2,535,000	2,670,000	2,760,000	2,860,000	—	—	23,645,000
850,400	746,400	637,400	522,650	402,150	275,400	168,600	85,800	—	—	9,853,700
2,080,000	2,180,000	2,295,000	2,410,000	2,535,000	2,670,000	2,760,000	2,860,000	—	—	81,650,000
850,400	746,400	637,400	522,650	402,150	275,400	168,600	85,800	—	—	18,760,580
<u>\$ 2,930,400</u>	<u>\$ 2,926,400</u>	<u>\$ 2,932,400</u>	<u>\$ 2,932,650</u>	<u>\$ 2,937,150</u>	<u>\$ 2,945,400</u>	<u>\$ 2,928,600</u>	<u>\$ 2,945,800</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 100,410,580</u>
32,853,000	34,311,000	24,194,000	24,975,000	16,530,000	16,450,000	16,140,000	14,785,000	12,400,000	33,810,000	492,571,000
9,545,007	8,016,253	6,450,794	5,394,382	4,291,204	3,654,624	3,029,723	2,428,392	1,841,225	3,045,890	146,138,018
<u>\$ 42,398,007</u>	<u>\$ 42,327,253</u>	<u>\$ 30,644,794</u>	<u>\$ 30,369,382</u>	<u>\$ 20,821,204</u>	<u>\$ 20,104,624</u>	<u>\$ 19,169,723</u>	<u>\$ 17,213,392</u>	<u>\$ 14,241,225</u>	<u>\$ 36,855,890</u>	<u>\$ 638,709,018</u>

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**SALT LAKE COUNTY**

**Demographic and Economic Statistics  
Last Ten Years**

<b>Year</b>	<b>Population (1)</b>	<b>Personal Income (amounts in thousands) (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>School Enrollment</b>	<b>Unemployment % Rate (4)</b>
2010	1,033,196	\$ 39,083,765	\$ 37,827	193,886	7.8
2011	1,047,746	40,995,436	39,081	197,363	6.5
2012	1,063,842	43,658,167	41,038	198,414	5.5
2013	1,079,721	45,552,565	42,189	202,489	4.2
2014	1,091,742	46,437,317	42,535	205,545	3.7
2015	1,107,314	49,488,031	44,692	210,450	3.3
2016	1,121,354	52,436,840	46,762	211,775	2.9
2017	1,135,649	56,152,594	49,445	228,865	2.9
2018	1,152,633	60,673,924	52,639	221,758	2.9
2019	1,160,437	N/A	N/A	217,841	2.3

- Sources:(1) Utah population estimates come from the 2019 County Total Population Estimates found on [www.census.gov/popest](http://www.census.gov/popest). Current year estimates are not updated in subsequent years.
- (2) 2010-2019 data was updated using the U.S Bureau of Economic Analysis website from statistical information provided on the CA1 Personal Income Summary. 2019 statistics were not available for per capita income and personal income.
- (3) Utah State Board of Education-- Superintendent's Annual Report (Note: School statistics represent a composite figure of five school districts (Canyons, Granite, Jordan, Murray, and Salt Lake City) and several charter schools within the County. Some clean up was done in 2018 for schools with the same name in different counties.
- (4) Data 2010-2019 are revised based on statistical information provided by Utah Department of Workforce Services ([www.jobs.utah.gov](http://www.jobs.utah.gov)).

**SALT LAKE COUNTY**

**Principal Employers (1)**

**Most Current Calendar Year Available and Nine Years Prior**

Employer	Industry	2018 (2)		Rank	Percentage of Total County Employment
		Employees			
University of Utah	Higher Education	20,000	— 24,999	1	3.21 % — 4.02%
State of Utah	State Government	20,000	— 24,999	2	3.21 % — 4.02%
Intermountain Health Care	Health Care	15,000	— 19,999	3	2.41 % — 3.21%
United States Government	Federal Government	10,000	— 14,999	4	1.61 % — 2.41%
Wal-Mart Associates	Warehouse Clubs/Supercenters	7,000	— 9,999	5	1.13 % — 1.61%
Granite School District	Public Education	7,000	— 9,999	6	1.13 % — 1.61%
Church of Jesus Christ of Latter-day Saints	Religious Organizations	7,000	— 9,999	7	1.13 % — 1.61%
Zions Bank	Financial Services	7,000	— 9,999	8	1.13 % — 1.61%
Salt Lake County	Local Government	5,000	— 6,999	9	0.80 % — 1.12%
Jordan School District	Public Education	5,000	— 6,999	10	0.80 % — 1.12%
Canyons School District	Public Education	4,000	— 4,999	11	0.64 % — 0.80%
Smith's	Grocery Stores	4,000	— 4,999	12	0.64 % — 0.80%
Delta Airlines	Transportation	4,000	— 4,999	13	0.64 % — 0.80%
United Parcel Service	Delivery Service	3,000	— 3,999	14	0.48 % — 0.64%
Discover	Financial Services	3,000	— 3,999	15	0.48 % — 0.64%
Salt Lake City School District	Public Education	3,000	— 3,999	16	0.48 % — 0.64%
Department of Veteran Affairs	Health Care	3,000	— 3,999	17	0.48 % — 0.64%
C.R. England	Delivery Service	3,000	— 3,999	18	0.48 % — 0.64%
L-3 Communications Corp	Manufacturing	3,000	— 3,999	19	0.48 % — 0.64%
ARUP Laboratories	Medical Research	3,000	— 3,999	20	0.48 % — 0.64%
Salt Lake Community College	Higher Education	3,000	— 3,999	21	0.48 % — 0.64%
U.S. Post Office	Federal Government				
Salt Lake City Corp	Local Government				
Total		<u>139,000</u>	<u>— 185,979</u>		<u>22.34 % — 29.89 %</u>

Source: Utah Department of Workforce Services.

Notes:

- (1) Workforce Services compiled the numbers for 2018.  
Total labor force for the County in 2018 is 622,199 and in 2009 was 553,753.
- (2) Information for 2018 was used because the 2019 information was not available.

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**2009**

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<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
15,000 — 19,999	1	2.71 % — 3.61%
10,000 — 14,999	3	1.81 % — 2.71%
15,000 — 19,999	1	2.71 % — 3.61%
5,000 — 6,999	6	0.90 % — 1.26%
4,000 — 4,999	8	0.72 % — 0.90%
7,000 — 9,999	4	1.26 % — 1.81%
3,000 — 3,999	9	0.54 % — 0.72%
5,000 — 6,999	6	0.90 % — 1.26%
7,000 — 9,999	4	1.26 % — 1.81%
2,000 — 2,999	14	0.36 % — 0.54%
3,000 — 3,999	9	0.54 % — 0.72%
2,000 — 2,999	14	0.36 % — 0.54%
3,000 — 3,999	9	0.54 % — 0.72%
3,000 — 3,999	9	0.54 % — 0.72%
3,000 — 3,999	9	0.54 % — 0.72%
87,000	— 119,985	15.69 % — 21.65 %

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**SALT LAKE COUNTY**

**Full-Time Equivalent County Government Employees By Function (1)**

**Last Ten Years**

<b>Function</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
General government	306.2	299.3	305.8	296.6	316.6	302.2	273.5	288.9	308.4	314.3
Public safety and criminal justice	1,221.6	1,212.9	1,192.2	1,219.9	1,129.2	1,150.8	1,122.9	1,159.2	1,236.0	1,266.8
Social services	463.4	472.2	412.0	422.5	418.9	406.8	433.5	397.5	408.3	422.6
Education, recreation and cultural	1,075.2	1,169.8	1,222.4	1,246.9	1,202.3	1,177.8	1,241.3	1,270.2	1,309.5	1,305.9
Health and regulatory	428.1	440.3	436.6	435.6	436.8	434.8	466.0	455.0	454.8	457.0
Public works	176.3	182.9	187.6	189.8	175.8	177.7	181.5	174.7	164.6	164.6
Tax administration	180.7	186.2	182.5	180.1	178.0	175.3	169.5	174.3	177.2	178.6
Golf, landfill, and sanitation (2)	153.9	162.3	167.9	127.7	125.3	123.4	124.5	125.9	128.9	125.7
Internal service	125.5	128.5	133.7	133.6	127.1	120.4	121.1	119.5	123.6	123.7
<b>Total</b>	<b>4,130.9</b>	<b>4,254.4</b>	<b>4,240.7</b>	<b>4,252.6</b>	<b>4,110.0</b>	<b>4,069.2</b>	<b>4,133.8</b>	<b>4,165.2</b>	<b>4,311.3</b>	<b>4,359.2</b>

Source: Full-time equivalent query, Office of Financial Administration, Salt Lake County Mayor's Office.

Note: (1) Source is Salt Lake County PeopleSoft Human Capital Management system.

(2) Effective January 1, 2013, all employees who formerly worked for the County Sanitation became employees of Wasatch Front Waste & Recycling District.

**SALT LAKE COUNTY**

**Operating Indicators By Organization  
Last Ten Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>ORGANIZATION</b>										
Aging Services:										
Meals on Wheels served to homebound	341.816	351.316	353.882	364.461	380.974	374.054	345.764	315.960	315.111	337.395
Meals on Wheels delivered by volunteers	37.0 %	32.0 %	33.0 %	31.0 %	31.0 %	33.0 %	36.0 %	41.0 %	44.0 %	41.0 %
Congregate meals served in Senior Centers	168.316	172.653	181.334	200.419	206.124	222.203	211.700	191.021	199.476	197.701
Frail adults able to stay home rather than being admitted to a nursing home	416	727	460	440	555	540	550	539	509	565
Volunteer hours reported	463.572	431.630	433.915	336.928	353.083	302.958	339.813	333.269	341.898	304.839
Auditor: (3)										
Key control audits and special projects	20	24	48	144	120	N/A	N/A	N/A	N/A	N/A
Performance Audits	N/A	N/A	N/A	N/A	N/A	3	1	—	—	—
Financial and Internal Control Audits	N/A	N/A	N/A	N/A	N/A	3	3	5	11	21
Cash and Asset Management Compliance Audits	N/A	N/A	N/A	N/A	N/A	46	9	18	30	3
Special Investigations/Special Projects	N/A	N/A	N/A	N/A	N/A	9	13	4	3	3
Community Resources and Development:										
Low-income housing units completed	143	131	—	2	4	5	5	2	58	100
Improvements completed to low-income housing units	301	202	433	357	419	183	349	229	132	150
Citizens receiving benefits from SSBG (5)	66.838	41.429	49.148	44.997	34.108	24.576	21.137	14.423	15.685	2.861
Criminal Justice:										
Pretrial Services:										
Clients screened at jail	34.762	34.180	35.258	34.568	36.197	37.619	29.862	35.396	34.658	32.249
Releases by screeners	5.378	4.595	10.107	9.567	9.382	8.122	5.317	6.051	6.437	7.194
Supervision clients served	6.403	5.484	4.804	4.339	4.718	4.912	3.717	3.447	4.041	4.928
Probation Services:										
Probation clients served:	4.925	4.789	5.034	5.148	5.408	4.380	3.747	3.378	3.437	3.898
ISP Clients Served	N/A	N/A	N/A	N/A	N/A	54	232	321	470	439
Drug Court:										
Drug court clients (misdemeanor and ASAP Court Clients Served)	1.208	1.071	915	737	666	542	516	680	837	774
Treatment Client Contact Hours (6) (thru. psycho-ed. indiv)	N/A	N/A	N/A	N/A	N/A	59	70	58	52	42
	49,701	34,308	31,077	27,005	34,092	30,709	26,529	25,508	13,257	—
Assessment Services:										
Pre-sentence report (PSR) referrals received	1,244	1,056	708	788	901	1,430	1,034	743	807	673
Assessment report referrals received	N/A	N/A	N/A	N/A	N/A	528	2,066	3,227	3,090	3,281
District Attorney:										
Civil Attorneys hours for Salt Lake County divisions (1)	N/A	N/A	N/A	N/A	33,473	29,606	25,935	25,441	21,195	16,172
Cases received from Law Enforcement for screening (1)	N/A	N/A	N/A	N/A	15,755	17,047	17,335	18,369	18,516	18,636
Children's Justice Center (2)	1,576	1,341	1,586	1,314	1,592	1,674	1,505	1,549	1,636	1,765
Flood Control:										
Debris basins cleaned	14	16	15	14	14	12	15	10	11	9
Stream channels cleared (miles)	130	166	173	191	167	187	177	162	185	185
Health:										
Food inspections completed	6.725	6.818	6.451	6.826	7.976	7.414	7.402	8.099	9.272	9.138
Permit suspensions due to health hazards	0.3 %	0.7 %	1.1 %	1.9 %	0.9 %	1.5 %	1.0 %	0.9 %	0.7 %	0.9 %
Tobacco sale compliance checks - tobacco sold to minors	5.0 %	5.0 %	7.7 %	8.8 %	9.2 %	9.7 %	9.6 %	0.9 %	4.8 %	10.5 %
WIC food vouchers redeemed	\$ 14,864,758	\$ 15,480,090	\$ 14,939,251	\$ 14,571,821	\$ 13,363,300	\$ 12,998,273	\$ 12,439,170	\$ 11,962,496	\$ 10,809,285	\$ 9,787,314
Average WIC clients served (monthly):										
Women	6.767	6.264	6.440	6.009	5.855	5.254	4.900	4.527	4.170	3.644
Children	14.036	13.905	13.669	12.595	12.147	11.220	10.643	9.310	9.387	8.104
Infants	7,102	5,821	5,883	5,638	5,518	5,071	4,796	4,547	4,235	3,780
Total	27,905	25,990	25,992	24,242	23,520	21,545	20,339	18,384	17,792	15,528

Sources: Various County government organizations.

- Notes:
- (1) District Attorney did not report "Civil attorneys hours" and "Cases received from law enforcement" before 2014.
  - (2) Number of clients served at Children's Justice Center moved from Youth Services to District Attorney.
  - (3) Auditor requested a more detailed breakout of activity type beginning in 2015.
  - (4) As of 2018, the UPDES program is no longer required to sample storm events or monitor stations as a result of a new permit status.
  - (5) As of 2019, the United Way 2-1-1 Information & Referral Line program was not funded.
  - (6) As of 2019, Criminal Justice Services stopped performing treatment.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>ORGANIZATION (CONTINUED)</b>										
Library:										
Library materials circulated	15,706,171	16,126,662	16,192,314	15,568,915	15,545,217	15,354,704	14,660,789	13,730,775	13,270,152	12,985,382
Visitors	4,631,359	4,639,639	4,582,534	4,388,104	4,151,586	3,853,980	3,678,891	3,498,793	3,310,740	3,160,709
Library program attendance	237,057	254,446	271,616	228,389	355,215	337,343	442,071	379,103	393,782	393,557
Public meeting room use	11,255	12,681	13,215	16,864	15,152	16,590	16,989	18,104	21,096	22,320
Computer sessions	898,061	909,109	875,756	797,497	750,462	618,008	569,434	499,878	470,027	401,594
Active library patrons	618,923	610,945	621,724	565,421	582,220	595,109	602,652	614,445	598,466	619,142
New library patrons	43,722	42,987	52,946	49,595	40,894	39,579	38,339	37,932	38,203	37,573
Mayor Financial Administration:										
General obligation bond rating	AAA									
Journal vouchers reviewed and processed	5,999	6,456	7,078	7,499	5,967	6,022	6,076	6,580	7,077	7,072
General warrants, electronic payments and AP pay cards processed	30,607	28,261	28,211	25,324	25,794	22,090	21,782	22,942	25,061	23,436
Payroll direct deposit issued	130,405	145,456	146,041	142,260	139,057	134,164	137,709	142,364	151,413	156,177
Payroll warrants issued	9,337	1,005	1,389	2,162	9,739	13,877	13,254	12,621	10,341	13,616
W-2s issued annually	9,195	8,816	8,870	8,872	8,837	9,032	9,368	9,778	9,809	9,770
Mental Health:										
Clients served	17,596	16,142	14,748	15,499	15,517	15,381	16,794	16,250	16,950	15,396
Severe and persistently mentally ill adults (SPMI) served	8,603	8,536	8,037	8,014	8,456	8,382	8,534	8,526	8,411	7,998
Severely emotionally disturbed youth (SED)	4,644	4,578	3,997	4,066	4,205	4,168	4,153	4,127	3,330	3,640
Average cost per SPMI/SED client	\$ 3,820	\$ 4,128	\$ 3,716	\$ 3,848	\$ 3,814	\$ 4,058	\$ 3,936	\$ 4,160	\$ 4,233	\$ 4,352
Public Works Engineering:										
Sidewalks constructed (feet)	3,500	1,908	1,500	3,780	9,330	7,473	15,234	19,926	3,990	12,322
Driver feedback signs installed	13	16	20	6	2	4	—	—	—	8
Public Works Operations:										
Roads resurfaced (miles)	19	48	48	32	57	45	37	19	15	26
ADA ramps installed	81	47	49	106	56	84	46	40	82	66
Behavioral Health Services:										
Clients served (unduplicated)	7,029	6,759	7,193	8,172	8,158	7,491	7,214	7,394	8,283	7,624
Type of treatment (unduplicated):										
Residential	9 %	8 %	8 %	9 %	11 %	10 %	10 %	13 %	11 %	14 %
Intensive outpatient and day treatment	22 %	21 %	20 %	19 %	23 %	20 %	21 %	19 %	18 %	19 %
Outpatient	26 %	24 %	28 %	36 %	34 %	37 %	36 %	35 %	38 %	34 %
Detoxification	43 %	47 %	44 %	36 %	32 %	33 %	33 %	33 %	33 %	33 %
Youth Services:										
Youth served by:										
Crisis Intake and Counseling	3,950	3,291	2,710	2,511	2,329	2,268	1,910	2,043	1,985	2,020
Hours of direct service counseling provided	13,642	11,235	13,186	11,286	15,789	13,371	13,223	10,674	10,266	9,994
Emergency Residential Group Homes	442	482	508	480	521	600	609	724	561	645
Substance Abuse Prevention	5,338	1,124	6,619	6,983	7,052	6,096	6,594	6,112	7,845	9,237
Substance Abuse Treatment	333	360	453	444	390	273	299	252	210	279
FAST program (Mental Health Counseling)	N/A	N/A	N/A	45	48	43	41	65	50	103
Milestone homeless youth transition program	N/A	N/A	N/A	12	33	26	38	54	32	34
Afterschool programs	N/A	N/A	N/A	1,346	2,313	3,366	2,275	2,862	2,425	2,664
Utah Pollutant Discharge Elimination System:										
Storms sampled (4)	2	2	2	1	1	3	4	3	N/A	N/A
Stations monitored (4)	5	5	4	3	2	4	4	4	N/A	N/A
Public information and education events staffed	19	11	8	8	10	1	2	1	2	2

**SALT LAKE COUNTY**

**Capital Asset Statistics  
Last Ten Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Highways and streets:										
Traffic signals (1)	27	27	28	28	29	31	31	19	19	19
Street lights (1)	3,920	4,181	3,937	3,860	3,816	3,834	3,588	275	276	307
Miles of road (1) (2)	478	487	490	495	494	471	473	205	149	170
Recreation:										
Neighbor Parks	27	27	27	18	18	20	20	5	5	5
Community Parks (2)	34	34	34	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Regional Parks (3)	15	15	15	88	88	88	88	77	77	77
Golf Courses	6	6	6	6	6	6	6	6	6	6
Pools/Aquatic Centers	18	19	19	19	19	19	19	19	19	18
Recreation Centers	19	21	21	21	21	21	17	17	17	17
Ice Centers	3	3	3	3	3	3	2	2	2	2
Public Libraries	17	18	18	18	18	18	18	18	18	18
Convention Centers	2	2	2	2	2	2	2	2	2	2
Fine Arts Facilities	4	3	3	3	3	3	3	4	4	4
Planetarium	1	1	1	1	1	1	1	1	1	1

Source: Salt Lake County Website and Salt Lake County Departments

- Note: (1) In 2017, Metro Townships and Millcreek took ownership of their roads, streetlights, etc.  
 (2) Since 2013, community parks were turned into regional parks.  
 (3) In 2017, regional parks that were part of the same larger area were combined. (Examples: Bonneville Shoreline Trail, Parley's Trail, Jordan River Trail)

**APPENDIX B**

**THE GENERAL INDENTURE OF TRUST**

Reference is made to the Indenture, for full details of all of the terms of the 2020B Bonds, the security provisions appertaining thereto, and the definition of any terms used but not defined in this OFFICIAL STATEMENT.

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SALT LAKE COUNTY, UTAH  
SALES TAX REVENUE BONDS

GENERAL INDENTURE OF TRUST

Dated as of November 15, 2001

ZIONS FIRST NATIONAL BANK,  
as Trustee

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THIS GENERAL INDENTURE OF TRUST, dated as of November 15, 2001, by and between Salt Lake County, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer"), and Zions First National Bank, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts, as trustee (the "Trustee"),

WITNESSETH:

WHEREAS, the Issuer desires to finance and/or refinance all or a portion of the costs of facilities, equipment and improvements for the benefit of the Issuer pursuant to the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and/or the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the "Act"); and

WHEREAS, the Issuer is authorized under the Act to issue its bonds secured by a pledge of and payable from the Revenues described herein; and

WHEREAS, the Issuer desires to pledge said Revenues toward the payment of the principal and interest on Bonds issued hereunder:

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Issuer and the Trustee, the purchase from time to time of the Bonds by the Registered Owners thereof, the issuance by the Security Instrument Issuers from time to time of Security Instruments and the issuance by Reserve Instrument Providers from time to time of Reserve Instruments, and in order to secure the payment of the principal of and premium, if any, and interest on the Bonds, of all Security Instrument Repayment Obligations according to their tenor and effect and of all Reserve Instrument Repayment Obligations according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Issuer does hereby convey, assign and pledge unto the Trustee and unto its successors in trust forever all right, title and interest of the Issuer in and to (i) the Revenues, (ii) all moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund), and (iii) all other rights hereinafter granted, first, for the further securing of the Bonds and all Security Instrument Repayment Obligations, and second, for the further security of all Reserve Instrument Repayment Obligations, subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby and hereafter conveyed and assigned, or agreed or intended so to be, to the Trustee and its respective successors and assigns in such trust forever;

IN TRUST NEVERTHELESS, upon the terms and trust set forth in this Indenture, FIRST, for the equal and proportionate benefit, security and protection of all Registered Owners of the Bonds issued pursuant to and secured by this Indenture and all Security Instrument Issuers without privilege, priority or distinction as to the lien or otherwise of any Bond or Security Instrument Issuer over any other by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Indenture; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever;

"Bondholder," "Bondowner", "Registered Owner" or "Owner" means the registered owner of any Bonds herein authorized.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to this Indenture, including the Initial Bonds and any Additional Bonds.

"Business Day" means (i) any day on which banking business is transacted, but not including any day on which banks are authorized to be closed, in New York City or in the city in which the Trustee has its principal corporate trust office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its principal office for purposes of such Security Instrument, or (ii) as otherwise provided in a Supplemental Indenture.

"Capital Appreciation Bonds" means Bonds the interest on which (i) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (ii) is payable upon maturity or redemption of such Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commercial Paper Program" means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

"Construction Fund" means Salt Lake County, Utah Sales Tax Revenue Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 5.1 hereof.

"Cost" or "Costs" or "Cost of Completion", or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

- (a) amounts payable to contractors and costs incident to the award of contracts;
- (b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;
- (c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;
- (d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- (e) interest expenses, including interest on the Series of Bonds relating to a Project;
- (f) printing, engraving and other expenses of financing, including premiums for municipal bond insurance, fees of financial rating services and fees for issuance of bank letters of credit or similar banking arrangements and costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to interest rate exchanges (or the elimination thereof));
- (g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;
- (h) costs of furniture, fixtures, and equipment purchased by the Issuer and necessary to construct a Project;
- (i) amounts required to repay temporary or bond anticipation loans or notes made to finance the costs of a Project;

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, the principal and premium, if any, on the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, all Security Instrument Repayment Obligations, according to the true intent and meaning thereof and all Reserve Instrument Repayment Obligations, according to the true intent and meaning thereof, or shall provide, as permitted by this Indenture, for the payment thereof as provided in Article X hereof, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payments or provisions for such payments by the Issuer, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become Registered Owners thereof, and the trusts and conditions upon which the Revenues are to be held and disposed, which said trusts and conditions the Trustee hereby accepts, are as follows:

ARTICLE I  
DEFINITIONS

Section 1.1 Definitions. As used in this Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

"Act" means collectively, the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Accreted Amount" means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

"Additional Bonds" means all Bonds issued under this Indenture other than the Initial Bonds.

"Administrative Costs" means all Security Instrument Costs, Reserve Instrument Costs and Rebutable Arbitrage required to be paid to the United States.

"Aggregate Annual Debt Service Requirement" means the sum of (i) the total Debt Service for any one Bond Fund Year on all Series of Bonds Outstanding or any specified portion thereof and (ii) any Repayment Obligations.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representatives" means the Mayor, the County Treasurer or any other officer of the Issuer so designated in writing by the Issuer to the Trustee.

"Average Aggregate Annual Debt Service Requirement" means the total of all Aggregate Annual Debt Service Requirements divided by the total Bond Fund Years of the Bonds Outstanding or any specified portion thereof.

"Bond Fund" means Salt Lake County, Utah Sales Tax Revenue Bond Fund created in Section 3.2 hereof to be held by the Trustee and administered pursuant to Section 5.3 hereof.

"Bond Fund Year" means the 12-month period beginning January 1 of each year and ending on the next succeeding December 31, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding December 31.

- (j) cost of site improvements performed by the Issuer in anticipation of a Project;
- (k) moneys necessary to fund the Funds created under this Indenture;
- (l) costs of the capitalization with proceeds of a Series of Bonds issued hereunder and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as herein provided, of any discount on bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;
- (m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;
- (n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and
- (o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of refunding or redeeming any bonds or other obligations, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f), (i), (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

"County Clerk" means the County Clerk of the Issuer or any successor to the duties of such office and any deputy to the County Clerk.

"Cross-over Date" means with respect to Cross-over Refunding Bonds the date on which the Principal portion of the related Cross-over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds.

"Cross-over Refunded Bonds" means Bonds or other obligations refunded by Cross-over Refunding Bonds.

"Cross-over Refunding Bonds" means Bonds issued for the purpose of refunding Bonds or other obligations if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

"Current Interest Bonds" means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, for any particular Bond Fund Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (i) all interest payable during such Bond Fund Year on such Series of Bonds plus (ii) the Principal Installments payable during such Bond Fund Year on (a) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (b) such Repayment Obligations then outstanding;

*provided, however, for purposes of Section 2.13 hereof.*

(1) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained

for any particular Bond Fund Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at the maximum rate applicable to such Series of Variable Rate Bonds or related Repayment Obligations;

(2) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if each Rating Agency has reviewed and approved such Interest Rate Swap and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(3) when calculating interest payable during such Bond Fund Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in effect in which the Issuer has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Issuer under such Interest Rate Swap plus the amount of the floating payments (using the maximum rate in a manner similar to that described in (1) above, unless another method of estimation is more appropriate, in the opinion of the Issuer's financial advisor, underwriter or similar agent with the approval of each Rating Agency, for such floating payments) to be made by the Issuer under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if each Rating Agency has reviewed and approved such Interest Rate Swap and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Bond Fund Year with respect to any Commercial Paper Program, "Debt Service" shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Bond Fund Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program; and bearing interest at the maximum interest rate applicable to such Commercial Paper Program; and

(5) When calculating interest payable on Bonds that are Paired Obligations, the interest rate on such Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations;

and further provided, however, that there shall be excluded from Debt Service (x) interest on Bonds (including Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (y) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, as amended, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, and (z) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the Issuer's obligation to pay such Repayment Obligations.

"Debt Service Reserve Fund" means Salt Lake County, Utah Sales Tax Revenue Debt Service Reserve Fund created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 5.5 hereof.

"Debt Service Reserve Requirement", for a Series of Bond, means the amount, if any, set forth in the Supplemental Indenture authorizing such Series of Bonds. The Debt Service Reserve Requirement applicable to any Series of Bonds may be funded by a Reserve Instrument as herein provided and, if provided in the related Supplemental Indenture, may be accumulated over time.

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taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Sections 6.6 and 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Pledged Bonds" means any Bonds that have been (i) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (ii) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

"Principal" means (i) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case "Principal" means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (ii) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

"Principal Corporate Trust Office" means, with respect to the Trustee, the office of the Trustee at One South Main Street, 3<sup>rd</sup> Floor, Salt Lake City, Utah 84111 or such other or additional offices as may be specified by the Trustee.

"Principal Installment" means, as of any date of calculation, (i) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (a) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established and (b) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment and (ii) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Project" means the acquisition, construction, and/or improvement of capital facilities, equipment and/or improvements financed or refinanced with a Series of Bonds.

"Put Bond" means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a "Put Bond".

"Qualified Investments" means any of the following securities:

(a) Government Obligations;

(b) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration; General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(c) Money market funds rated "AAAm" or "AAAm-G" or better by S & P and/or the equivalent rating or better of Moody's (if so rated);

(d) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's or "A-1+" by S & P, and which matures not more than 270 days after the date of purchase;

(e) Bonds, notes or other evidences or indebtedness rated "AAA" by S & P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

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"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code, in connection with the issuance of Refunding Bonds or Cross-over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross-over Refunding Bonds or the related Cross-over Refunded Bonds.

"Event of Default" means with respect to any default or event of default hereunder any occurrence or event specified in and defined by Section 7.1 hereof.

"Governing Body" means the County Council of the Issuer.

"Government Obligations" means solely one or more of the following:

(a) State and Local Government Series issued by the United States Treasury ("SLGS");

(b) United States Treasury bills, notes and bonds, as traded on the open market;

(c) Zero Coupon United States Treasury Bonds; and

(d) Any other direct obligations of or obligations fully and unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as "REF-CORP strips").

"Gross Proceeds" means with respect to any Series of Bonds the gross proceeds of such Series of Bonds as defined in Section 148(f)(6)(B) of the Code and Section 1.148-1(b) of the Regulations.

"Indenture" means this General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of this Indenture.

"Initial Bonds" means the first Series of Bonds issued under this Indenture.

"Interest Payment Date" means the stated payment date of an installment of interest on the Bonds.

"Interest Rate Swap" means an agreement between the Issuer or the Trustee and a Swap Counterparty related to Bonds of one or more Series whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Issuer or the Trustee enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

"Issuer" means Salt Lake County, Utah and its successors.

"Mayor" means the duly elected mayor of the Issuer. Such term shall also include the Deputy Mayor except as the Deputy Mayor's powers may be limited by written declaration of the duly elected Mayor.

"Moody's" means Moody's Investors Service, Inc.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under this Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article X of this Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder, unless proof satisfactory to the Trustee is presented that such Bond is held by a bona fide holder in due course.

"Owner(s)" or "Registered Owner(s)" means the registered owner(s) of the Bonds according to the registration books of the Issuer maintained by the Trustee as Registrar for the Bonds pursuant to Sections 2.6, 6.5 and 11.5 hereof.

"Paired Obligations" means any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates which,

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(f) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S & P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(g) the fund held by the Treasurer for the State of Utah and commonly known as the Utah State Public Treasurer's Investment Fund; and

(h) Any other investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, including investments contracts permitted by Section 51-7-17(2)(d) thereof.

"Rating Agency" means Moody's or S & P and their successors and assigns, but only to the extent such rating agency is then providing a rating on a Series of Bonds issued hereunder at the request of the Issuer. If either such corporation ceases to act as a securities rating agency, the Issuer may designate any nationally recognized securities rating agency as a replacement.

"Rating Category" or "Rating Categories" mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

"Rebatable Arbitrage" means with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to each Series of Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the Initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last bond for such Series.

"Rebate Fund" means Salt Lake County, Utah Sales Tax Revenue Rebate Fund created in Section 3.6 hereof to be held by the Trustee and administered pursuant to Section 5.7 hereof.

"Registrar" means the record of ownership of the Bonds maintained by the Registrar.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to Sections 2.6 and 11.5 hereof, and any additional or successor registrar appointed pursuant hereto.

"Regular Record Date" means, with respect to any Interest Payment Date for any Series of Bonds, the date specified as the Regular Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Regulations," and all references thereto shall mean and include applicable final, proposed and temporary United States Treasury Regulations promulgated with respect to Sections 103 and 141 through 150 of the Code, including all amendments thereto made hereafter.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repayment Obligations" means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

"Reserve Instrument" means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term "Reserve Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

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"Reserve Instrument Agreement" means any agreement entered into by the Issuer and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

"Reserve Instrument Coverage" means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant hereto under all Reserve Instruments.

"Reserve Instrument Fund" means Salt Lake County, Utah Sales Tax Revenue Reserve Instrument Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 5.6 hereof.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

"Reserve Instrument Provider" means any bank, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Reserve Instrument.

"Reserve Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Issuer under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs. Each Reserve Instrument Agreement or the Supplemental Indenture authorizing the execution and delivery of such Reserve Instrument Agreement shall specify the amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and shall specify the portions of such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

"Revenue Fund" means Salt Lake County, Utah Sales Tax Revenue Fund created in Section 3.7 hereof to be held by the Issuer and administered pursuant to Section 5.2 hereof.

"Revenues" means 100% of the County Option Sales and Use Tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Part 11, Utah Code Annotated 1953, as amended.

"S & P" means Standard & Poor's Rating Services.

"Security Instrument" means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term "Security Instrument" includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); provided, however, that no such device or instrument shall be a "Security Instrument" for purposes of this Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

"Security Instrument Agreement" means any agreement entered into by the Issuer and a Security Instrument Issuer pursuant to a Supplemental Indenture providing for the issuance by such Security Instrument Issuer of a Security Instrument.

"Security Instrument Costs" means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a

Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

"Security Instrument Issuer" means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs. Each Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Security Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Security Instrument Repayment Obligations.

"Serial Bonds" means those Bonds other than Term Bonds.

"Series" means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor.

"Sinking Fund Account" means Salt Lake County, Utah Sales Tax Revenue Sinking Fund Account of the Bond Fund created in Section 3.3 hereof to be held by the Trustee and administered pursuant to Section 5.4 hereof.

"Sinking Fund Installment" means the amount of money which is required to be deposited into the Sinking Fund Account in each Bond Fund Year as specified in the Supplemental Indenture authorizing the Bonds of a Series for the retirement of Term Bonds of such Series, if any (whether at maturity or by redemption), and including the redemption premium, if any.

"Special Record Date" means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with this Indenture.

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Issuer and the Trustee entered into pursuant to and in compliance with the provisions of Article IX hereof.

"Swap Counterparty" means a member of the International Swap Dealers Association rated in one of the three top rating categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State.

"Swap Payments" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Trustee on behalf of the Issuer.

"Swap Receipts" means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Trustee for the account of the Issuer by the Swap Counterparty.

"Term Bonds" means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Sinking Fund Account.

"Trustee" means Zions First National Bank, Corporate Trust Department, One South Main Street, 3<sup>rd</sup> Floor, Salt Lake City, Utah 84111, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder.

"Utah Code" means Utah Code Annotated 1953, as amended.

"Variable Rate Bonds" means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible to a precise determination.

Section 1.2 Indenture to Constitute Contract. In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued hereunder by the Registered Owners thereof, the issuance from time to time of any and all Security Instruments by Security Instrument Issuers, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant hereto, this Indenture shall be deemed to be and shall constitute a contract between the Issuer and the Owners from time to time of the Bonds, the Security Instrument Issuers and the Reserve Instrument Providers; and the pledge made in this Indenture and the covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be, FIRST, for the equal benefit, protection and security of the Owners of any and all of the Bonds and the Security Instrument Issuers of any and all of the Security Instruments all of which, regardless of the time or times of their issuance, delivery, maturity or expiration, shall be of equal rank without preference, priority or distinction of any of the Bonds or Security Instrument Repayment Obligations over any others, except as expressly provided in or permitted by this Indenture, and SECOND, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

Section 1.3 Construction. This Indenture, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(a) The terms "hereby," "hereof," "herein," "hereto," "hereunder", and any similar terms used in this Indenture shall refer to this Indenture in its entirety unless the context clearly indicates otherwise.

(b) Words in the singular number include the plural, and words in the plural include the singular.

(c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.

(d) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs hereof so numbered or otherwise so designated.

(e) The titles or leadlines applied to articles, sections and subsections herein are inserted only as a matter of convenience and ease in reference and in no way define, limit or restrict the scope or intent of any provisions of this Indenture.

ARTICLE II  
THE BONDS

Section 2.1 Authorization of Bonds. There is hereby created for issuance hereunder an issue of Bonds which may, if and when authorized by Supplemental Indenture, be issued in one or more separate Series. Each Series of Bonds shall be authorized by a Supplemental Indenture, which shall state the purpose or purposes for which each such Series of Bonds is being issued. The aggregate principal amount of Bonds which may be issued shall not be limited except as provided herein or as may be limited by law provided that the aggregate principal amount of Bonds of each such Series shall not exceed the amount specified in the Supplemental Indenture authorizing each such Series of Bonds.

Section 2.2 Description of Bonds; Payment.

(a) The Bonds of each Series issued under the provisions hereof may be issued only as registered bonds. Unless otherwise specified in the Supplemental Indenture authorizing such Series of Bonds, bonds of each Series shall be in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof, shall be numbered consecutively from R-1 upwards and shall bear interest payable on each Interest Payment Date.

(b) The Bonds of each Series issued hereunder shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of Bonds of such Series, and be payable on the days, shall be stated to mature on the days and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. The Bonds of each Series shall be designated "[Taxable] Sales Tax Revenue [and Refunding] Bonds, Series \_\_\_\_," in each case inserting the year in which the Bonds are issued and, if necessary, an identifying Series letter.

(c) Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such registration books or to owners of \$1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of an Series then Outstanding) by wire transfer to a bank account designated by the Registered Owner in written instructions furnished to the Trustee no later than the Record Date for such payment. The interest on Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions hereof as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board or otherwise, as may be specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.3 Execution; Limited Obligation. The Bonds shall be executed on behalf of the Issuer with the manual or official facsimile signature of its Mayor, countersigned with the manual or official facsimile signature of the County Clerk, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds, together with interest thereon, and all Repayment Obligations shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created hereunder or the income from the temporary investment thereof). The Bonds shall be a valid claim of the respective Registered Owners thereof only against the Revenues and other moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund) and the

Issuer hereby pledges and assigns the same for the equal and ratable payment of the Bonds and all Repayment Obligations, and the Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds and to pay the Repayment Obligations, except as may be otherwise expressly authorized herein. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor.

The provisions of this Section relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

#### Section 2.4 Authentication and Delivery of Bonds.

(a) The Issuer shall deliver executed Bonds of each Series to the Trustee for authentication. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee shall authenticate such Bonds, and deliver them upon the order of the Issuer to the purchasers thereof upon the payment by the purchasers to the Trustee for the account of the Issuer of the purchase price thereof. Delivery by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds, and such purchasers shall be under no obligation to see to the application thereof. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the related Supplemental Indenture.

(b) No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit hereunder, unless and until a certificate of authentication on such Bond substantially in the form set forth in the Supplemental Indenture authorizing such Bond shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

(c) Prior to the authentication by the Trustee of each Series of Bonds there shall have been filed with the Trustee:

(i) A copy, duly certified by the County Clerk, of this Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds;

(ii) A copy, certified by the County Clerk, of the proceedings of the Issuer's Governing Body approving the execution and delivery of the instruments specified in Subparagraph (i) above and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the County Clerk that such proceedings are still in force and effect without amendments except as shown in such proceedings;

(iii) A request and authorization to the Trustee of the Issuer to authenticate such Series of Bonds in the aggregate principal amount therein specified and deliver them to purchasers therein identified upon payment to the Trustee, for account of the Issuer, of the sum specified therein; and

(iv) An opinion of bond counsel dated the date of authentication of such Series of Bonds to the effect that (a) the Issuer has authorized the execution and delivery of this Indenture and such Series of Bonds and this Indenture has been duly executed and delivered by the Issuer and is the valid, binding and enforceable agreement of the Issuer; (b) this Indenture creates the valid pledge which it purports to create of the Revenues; and (c) such Series of Bonds are valid and binding

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Bond issued pursuant to this Section shall be deemed part of the Series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Issuer.

Section 2.6 Registration of Bonds; Persons Treated as Owners. The Issuer shall cause the books for the registration and for the transfer of the Bonds as provided herein to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Issuer with respect to the Bonds, provided, however, that the Issuer may by Supplemental Indenture select a party other than the Trustee to act as Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Upon the occurrence of an Event of Default which would require any Security Instrument Issuer to make payment under a Security Instrument Agreement, the Registrar shall make such registration books available to the Security Instrument Issuer. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Bond at the Principal Corporate Trust Office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by, the Registered Owner or his attorney duly authorized in writing, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same Series and the same maturity for a like aggregate principal amount as the Bond surrendered for transfer. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same Series and the same maturity. The execution by the Issuer of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever, and neither the Issuer, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of or on account of either principal or interest on any Bond shall be made only to or upon order of the Registered Owner thereof or such person's legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of Bonds of any tax or other governmental charge and by the Issuer of any service charge of the Trustee as Registrar which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Bond shall be delivered.

Section 2.7 Redemption Provisions. The Term Bonds of each Series of Bonds shall be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments required to be made to the Sinking Fund Account. The Bonds of each Series shall further be subject to redemption prior to maturity at such times and upon such terms as shall be fixed by such Supplemental Indenture. Except as otherwise provided in a Supplemental Indenture, if less than all Bonds of a Series are to be redeemed, the particular maturities of such

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obligations of the Issuer, entitled to the benefits and security hereof, provided that such opinion may contain limitations acceptable to the purchaser of such Series of Bonds.

(v) The Issuer may provide by Supplemental Indenture the delivery to the Trustee of one or more Security Instruments with respect to any Series of Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith.

(vi) Subject to any limitations contained in a Supplemental Indenture, the Issuer may provide a Security Instrument for any Series of Bonds (or may substitute one Security Instrument for another).

(vii) The Issuer may provide by Supplemental Indenture the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(viii) The Issuer may provide by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the Issuer to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Pledged Revenues on a parity with the pledge contained in Section 6.2 hereof. The Issuer may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Issuer may determine.

(ix) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer deems appropriate, including:

(A) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (I) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (a) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (b) following an Event of Default and (II) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

(B) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Issuer to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument.

(x) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

Section 2.5 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate a new Bond of like date, series, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together in all cases with indemnity satisfactory to the Trustee and the Issuer. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof upon compliance with the foregoing. The Trustee may charge the Registered Owner of such Bond with its reasonable fees and expenses in this connection. Any

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Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If fewer than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular units of Bonds, as determined in accordance with Section 2.9 herein, to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee, in its discretion, may deem fair and appropriate.

#### Section 2.8 Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.8. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (i) shall be filed with the paying agent designated for the Bonds being redeemed; and (ii) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including Series, to be redeemed, the identification numbers of Bonds and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Bonds;

(ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issue date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed;

(iv) the date of mailing of redemption notices and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Bonds are to be surrendered for payment of the redemption price, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, at least two (2) Business Days in advance of the mailed notice to Registered Owners, by registered or certified mail or overnight delivery service, to all registered securities depositories (as reasonably determined by the Trustee) then in the business of holding substantial amounts of obligations of types comprising the Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Bonds. Such further notice shall contain the information required in clause (a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

(c) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

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(d) If at the time of mailing of any notice of redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

(e) A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

(f) In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Section 2.9 Partially Redeemed Fully Registered Bonds. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bonds by \$5,000.

Section 2.10 Cancellation. All Bonds which have been surrendered for payment, redemption or exchange, and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Issuer, shall be canceled and cremated or otherwise destroyed by the Trustee and shall not be reissued; provided, however, that one or more new Bonds shall be issued for the unredeemed portion of any Bond without charge to the Registered Owner thereof.

Section 2.11 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within five years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Issuer the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

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Section 2.12 Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.4(c) hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.13 Issuance of Additional Bonds. No additional indebtedness, bonds or notes of the Issuer secured by a pledge of the Revenues senior to the pledge of Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations hereby created shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds and the Security Instrument Issuers. In addition, no Additional Bonds or other indebtedness, bonds or notes of the Issuer payable on a parity with the Bonds herein authorized out of Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default shall have occurred and be continuing hereunder on the date of authentication of any Additional Bonds. This paragraph (a) shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds plus (y) the maximum annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds; and

provided, however, that such Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for the purpose of refunding Bonds issued hereunder, (ii) the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith and (iii) the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

(c) All payments required by this Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument coverage) the full amount required by this Indenture to be accumulated therein at such time; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued hereunder or other obligations of the Issuer (including the funding of necessary reserves and the payment of costs of issuance) or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

Section 2.14 Form of Bonds. For each Series of Bonds, the text of such Bonds, the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations not inconsistent with the terms hereof as may be necessary, desirable, authorized and permitted hereby.

Section 2.15 Covenant Against Creating or Permitting Liens. Except for the pledge of Revenues to secure payment of the Bonds and Repayment Obligations hereunder, the Revenues are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however,

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that nothing contained herein shall prevent the Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Revenues subordinated to that of the Bonds and Repayment Obligations.

### ARTICLE III CREATION OF FUNDS AND ACCOUNTS

Section 3.1 Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee the Construction Fund. There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Project to be designated by the name of the applicable Project or Series of Bonds and, if applicable, a separate account for each Series of Bonds and for all grant moneys to be received by the Issuer for deposit in the Construction Fund. (Said Construction Fund and applicable accounts thereunder are herein defined as the "Construction Fund".)

Section 3.2 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee the Bond Fund.

Section 3.3 Creation of Sinking Fund Account. There is hereby created and ordered established in the custody of the Trustee as a separate account within the Bond Fund the Sinking Fund Account.

Section 3.4 Creation of Debt Service Reserve Fund. There is hereby created and ordered established in the custody of the Trustee the Debt Service Reserve Fund.

Section 3.5 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee the Reserve Instrument Fund.

Section 3.6 Creation of Rebate Fund. There is hereby created and ordered established in the custody of the Trustee the Rebate Fund.

Section 3.7 Creation of Revenue Fund. There is hereby created and ordered established with the Issuer the Revenue Fund. For accounting purposes, the Revenue Fund may be redesignated by different account names by the Issuer from time to time.

Section 3.8 Creation of Funds and Accounts. Notwithstanding anything contained herein to the contrary, the Trustee need not create any of the funds or accounts referenced in this Article III until such funds or accounts shall be utilized as provided in a Supplemental Indenture authorizing a Series of Bonds. By Supplemental Indenture the Issuer may authorize the creation of additional funds and additional accounts within any fund.

### ARTICLE IV APPLICATION OF BOND PROCEEDS

Upon the issuance of each Series of Bonds, the proceeds thereof shall be deposited as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

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### ARTICLE V USE OF FUNDS

#### Section 5.1 Use of Construction Fund

(a) So long as an Event of Default shall not have occurred and be continuing, moneys deposited in the appropriate account in the Construction Fund shall be paid out by the Trustee in order to pay the Cost of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Issuer in substantially the form as Exhibit "A" attached hereto, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon audited, itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments, the Trustee may rely upon such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to see to the application of any payments from the Construction Fund or to inquire into the purposes for which withdrawals are being made from the Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Issuer is of the opinion that such Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing statement any claim or claims out of which a lien exists or might ripen in the event that the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to Paragraph (c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, there shall be filed with the Trustee a similar certificate when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Indenture, upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 5.1, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by the Issuer, be deposited in the Bond Fund, to be applied at the written direction of the Issuer toward the redemption of the Series of Bonds issued to finance such Project or to pay principal and/or interest next falling due with respect to the Bonds.

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(g) The Trustee shall, to the extent there are no other available funds held under the Indenture, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default hereunder.

Section 5.2 Application of Revenues. All Revenues shall be accounted for by the Issuer separate and apart from all other moneys of the Issuer.

(a) So long as any Bonds are Outstanding and as a first charge and lien on the Revenues, the Issuer shall on or before the fifteenth day of each month allocate to the Revenue Fund an amount equal to:

(i) approximately one-sixth of the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Issuer need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) if principal is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

(iii) if a Sinking Fund Installment is due on the Bonds within the next succeeding 12 months, approximately one-twelfth of the Sinking Fund Installments falling due on the next succeeding Sinking Fund Installment payment date, plus

(iv) Administrative Costs which shall be paid by the Issuer from time to time as they become due and payable,

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable and to pay Administrative Costs. The Issuer shall transfer from the Revenue Fund or otherwise provide for allocation from Revenues to the Trustee for deposit to the Bond Fund at least fifteen days prior to each Interest Payment Date amounts sufficient to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates.

(b) As a second charge and lien on the Revenues, the Issuer shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required hereby and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement at the times and in the amounts provided herein and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund to pay debt service or Sinking Fund Installments, the Issuer shall deposit Revenues in such account in the Debt Service Reserve Fund sufficient in amount to restore such moneys so withdrawn within the period required by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement; or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (ii) of this Paragraph) of remaining Revenues if less than the amount necessary, and

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ified in a related Supplemental Indenture, all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any paying agent for the purpose of paying said principal and interest.

(c) After payment in full of the Principal of and interest on all Bonds issued hereunder (or after provision has been made for the payment thereof as provided herein so that such Bonds are no longer Outstanding), all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms, and the fees, charges and expenses of the Trustee, any paying agent and any other amounts required to be paid hereunder or under any Supplemental Indenture and under any Security Instrument Agreement and under any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Issuer.

Section 5.4 Use of Sinking Fund Account.

(a) The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Issuer, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant hereto, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account).

(b) On the maturity date of any Term Bonds, the Trustee shall apply the moneys on hand in the Sinking Fund Account for the payment of the principal of such Term Bonds.

Section 5.5 Use of Debt Service Reserve Fund. Except as otherwise provided in this Section and subject to the immediately following sentence, moneys in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement, if any. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount of any Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement, if any, applicable to such Series which amount shall be (i) deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof or (ii) deposited from available Revenues over the period of time specified therein, or (iii) deposited from any combination of (i) and (ii) above; provided however, the foregoing provisions shall be subject to the requirements of any bond insurer or other security instrument issuer set forth in any Supplemental Indenture. If at any time the amount on deposit in any account of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under this Section, the Issuer is required, pursuant to Section 5.2(b) hereof and the provisions of a Supplemental Indenture, make payments totaling the amount of any such deficiency directly to the Trustee for deposit into the Debt Service Reserve Fund.

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(ii) Equally and ratably to the accounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Subparagraph (i) of this Paragraph) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit.

(c) The Revenues remaining after the foregoing deposits and transfers in each month and not required to be used for remedying any deficiencies in payments previously made into the Funds hereinabove established, may be used at any time for any other lawful purpose.

Section 5.3 Use of Bond Fund. The Issuer may direct the Trustee, pursuant to a Supplemental Indenture, to create an account within the Bond Fund for a separate Series of Bonds under the Indenture.

(a) The Trustee shall make deposits, as and when received, as follows:

(i) accrued interest received upon the issuance of any Series of Bonds shall be deposited into the Bond Fund;

(ii) all moneys payable by the Issuer as specified in Section 5.2(a) hereof shall be deposited into the Bond Fund;

(iii) any amount in the Construction Fund which shall be transferred to the Bond Fund to the extent required by or directed pursuant to Section 5.1(f) hereof upon completion of a Project;

(iv) all moneys transferred to the Bond Fund from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in Section 5.5 hereof; and

(v) all other moneys received by the Trustee hereunder when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund, shall be deposited into the Bond Fund.

(b) Except as provided in Section 7.4 hereof and as provided in this Section and except as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required for the interest payable on such date;

(ii) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required for the payment of redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agents to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise speci-

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In the event funds on deposit in an account of the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account of the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Issuer shall be obligated to reinstate the Reserve Instrument as provided in Section 5.2(b)(ii) herein.

No Reserve Instrument shall be allowed to expire or terminate unless and until cash has been deposited into the related account of the Debt Service Reserve Fund, or a new Reserve Instrument has been issued in place of the expiring or terminating Reserve Instrument, or any combination thereof in an amount or to provide coverage, as the case may be, at least equal to the amount required to be maintained in the related account of the Debt Service Reserve Fund.

Funds at any time on deposit in the account of the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of Reserve Instrument Coverage) shall be transferred to the Bond Fund at least once each year.

Funds on deposit in any account of the Debt Service Reserve Fund shall be used to make up any deficiencies in the Bond Fund only for each related Series of Bonds and any Reserve Instrument for a Series of Bonds shall only be drawn upon with respect to the Series of Bonds for which such Reserve Instrument was obtained.

Section 5.6 Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement. The Issuer may, with the approving opinion of bond counsel that such transaction will not adversely affect the tax-exempt status of any outstanding Bonds, replace any amounts required to be on deposit on the Debt Service Reserve Fund with a Reserve Instrument.

Section 5.7 Use of Rebate Fund.

(a) If it becomes necessary for the Issuer to comply with the rebate requirements of the Code and the Regulations, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund, which shall be held separate and apart from all other funds and accounts established under this Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebateable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebateable Arbitrage is determined, less amounts of Rebateable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Issuer's written request accompanied by the determination report, withdraw from the Rebate Fund and pay to the Issuer an amount not to exceed such excess.

(c) The Issuer shall determine the amount of Rebateable Arbitrage and the corresponding required rebate deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date and take all other actions necessary to comply with the rebate requirements of the Code and the Regulations. The Issuer shall deposit into the Rebate Fund the required rebate deposit, if any, with respect to

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each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such required rebate deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) or shall otherwise make payment of the rebate to be paid to the United States at the times required by the Code and the Regulations. If applicable, the Issuer shall instruct in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebateable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Issuer from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Issuer's determinations, calculations and certifications required by this Section and the Trustee shall have no responsibility to independently make any calculations or determination or to review the Issuer's determinations, calculations and certifications required by this Section.

(d) The Trustee shall, at least 60 days prior to each Rebate Calculation Date, notify the Issuer of the requirements of this Section. By agreeing to give this notice, the Trustee assumes no responsibility whatsoever for compliance by the Issuer with the requirements of Section 148 of the Code or any successor. The Issuer expressly agrees that (notwithstanding any other provision of the Indenture) any failure of the Trustee to give any such notice, for any reason whatsoever, shall not cause the Trustee to be responsible for any failure of the Issuer to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions of this Section may be amended or deleted without Bond owner consent or notice, upon receipt by the Issuer and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect the exclusion from gross income of interest on the Bonds.

Section 5.8 Investment of Funds. Any moneys in the Bond Fund, the Construction Fund, the Rebate Fund, the Reserve Instrument Fund or the Debt Service Reserve Fund shall, at the discretion and authorization of the treasurer of the Issuer, be invested by the Trustee in Qualified Investments; provided, however, that moneys on deposit in the Bond Fund, the Reserve Instrument Fund and Debt Service Reserve Fund may only be invested in Qualified Investments having a maturity date one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, Bond Fund, the Reserve Instrument Fund and Rebate Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as herein provided. All income derived from the investment of the Debt Service Reserve Fund shall be disbursed in accordance with Section 5.5 hereof. All moneys in the Revenue Fund may at the discretion of the Issuer be invested by the Issuer in Qualified Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Section. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Qualified Investment, remains a Qualified Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may, to the extent permitted by the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, make any and all investments permitted by the provisions of the Indenture through its own or any of its affiliate's investment departments.

The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted

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by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee hereunder.

In the event the Issuer shall be advised by nationally recognized municipal bond counsel that it is necessary to restrict or limit the yield on the investment of any moneys paid to or held by the Trustee in order to avoid the Bonds, or any Series thereof, being considered "arbitrage bonds" within the meaning of the Code or the Regulations proposed or promulgated thereunder, or to otherwise preserve the exclusion of interest payable or paid on any Bonds from gross income for federal income tax purposes, the Issuer may require in writing the Trustee to take such steps as it may be advised by such counsel are necessary so to restrict or limit the yield on such investment, irrespective of whether the Trustee shares such opinion, and the Trustee agrees that it will take all such steps as the Issuer may require.

Section 5.9 Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions hereof. Except as provided otherwise in Section 5.7 hereof, unless and until disbursed pursuant to the terms hereof, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable hereunder.

Section 5.10 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Qualified Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur quarterly, except in the event of a withdrawal from the Debt Service Reserve Fund, whereupon securities shall be valued immediately after such withdrawal.

## ARTICLE VI GENERAL COVENANTS

Section 6.1 General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued hereunder and Reserve Instrument Provider as follows:

(a) Pursuant to Section 11-14-17.5(2)(d) of the Act, while any of the Bonds remain outstanding and unpaid, or any Repayment Obligations are outstanding, the ordinance, resolution or other enactment of the Issuer imposing the taxes described in the definition of Revenues and pursuant to which said taxes are being collected, the obligation of the Issuer to continue to levy, collect, and allocate such taxes, and to apply such Revenues in accordance with the provisions of the authorizing ordinance, resolution or other enactment, shall be irrevocable until the Bonds and/or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due.

(b) The outstanding Bonds to which the Revenues of the Issuer have been pledged as the sole source of payment shall not at any one time exceed an amount for which the Average Aggregate Annual Debt Service Requirement of the Bonds will exceed eighty percent (80%) of the Revenues to be received by the Issuer during the Bond Fund Year immediately preceding the Bond Fund Year in which the resolution authorizing the latest applicable Series of Bonds is adopted.

(c) Each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider, or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all re-

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ords, accounts and data relating to the receipt and disbursements of the Revenues. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Bond Fund Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements of the Revenues, and that such audit will be available for inspection by each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider.

Section 6.2 First Lien Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Revenues. The Issuer covenants that the Bonds and Security Instrument Repayment Obligations hereafter authorized to be issued and from time to time outstanding are equitably and ratably secured by a first lien on the Revenues and shall not be entitled to any priority one over the other in the application of the Revenues regardless of the time or times of the issuance of the Bonds or delivery of Security Instruments, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) Revenues, or (iii) Funds established hereby, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected hereby to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Section 6.3 Payment of Principal and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of and interest on every Bond issued hereunder, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, this Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created hereunder or the income from the temporary investment thereof), which Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds, this Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

Section 6.4 Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained herein, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Issuer represents that it is duly authorized under the Constitution of the State to issue the Bonds authorized hereby and to execute this Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 6.5 List of Bondholders. The Trustee will keep on file at its Principal Corporate Trust Office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

Section 6.6 Designation of Additional Paying Agents. The Issuer hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the

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designation of alternate paying agents, if any, and for the making available of funds hereunder, but only to the extent such funds are made available to the Issuer from Bond proceeds or other Funds created hereunder or the income from the temporary investment thereof, for the payment of such of the Bonds as shall be presented when due at the Principal Corporate Trust Office of the Trustee, or its successor in trust hereunder, or at the principal corporate trust office of said alternate paying agents.

Section 6.7 Tax Exemption of Bonds. The Issuer recognizes that Section 149(a) of the Code requires bonds to be issued and to remain in fully registered form in order that interest thereon not to be includible in gross income for purposes of federal income taxation under laws in force at the time the bonds are delivered. Bonds issued pursuant to this Indenture, the interest on which is not includible in gross income for federal income tax purposes, are referred to in this Section 6.7 as "tax-exempt Bonds". Pursuant to the provisions thereof, the Issuer agrees that it will not take any action to permit tax-exempt Bonds issued hereunder to be issued in, or converted into, bearer or coupon form, unless the Issuer first receives an opinion from nationally recognized bond counsel that such action will not result in the interest on any Bonds becoming includible in gross income for purposes of federal income taxes then in effect.

The Issuer's Mayor and County Clerk are hereby authorized and directed to execute such certificates as shall be necessary to establish that tax-exempt Bonds issued hereunder are not "arbitrage bonds" within the meaning of Section 148 of the Code and the regulations promulgated or proposed thereunder, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150-1 through 1.150-2 as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer covenants and certifies to and for the benefit of the Registered Owners of such Bonds that no use will be made of the proceeds of the issue and sale of such Bonds, or any funds or accounts of the Issuer which may be deemed to be available proceeds of such Bonds, pursuant to Section 148 of the Code and applicable regulations (proposed or promulgated) which use, if it had been reasonably expected on the date of issuance of such Bonds, would have caused the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148 of the Code. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of such Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

The Issuer further covenants and agrees to and for the benefit of the Registered Owners that the Issuer (i) will not take any action that would cause interest on tax-exempt Bonds issued hereunder to become includible in gross income for purposes of federal income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the tax-exempt Bonds to become includible in gross income for purposes of federal income taxation and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Bonds in order to preserve the exclusion from gross income for purposes of federal income taxation of interest on such Bonds.

Section 6.8 Expedient Construction. The Issuer shall complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

Section 6.9 Instruments of Further Assurance. The Issuer and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, or upon the request of a Security Instrument Issuer or a Reserve Instrument Provider, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes hereof; provided, however, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Issuer or any official thereof.

Section 6.10 Covenant of State of Utah. In accordance with Section 11-14-17.5(3), Utah Code Annotated 1953, as amended, the State of Utah hereby pledges and agrees with the Owners of the Bonds and all Reserve Instrument Providers that it will not alter, impair or limit the Revenues in a manner that reduces the amounts to be rebated to the Issuer which are devoted or pledged herein until the Bonds, to

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gether with applicable interest, and all Reserve Instrument Repayment Obligations, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the Owners of the Bonds.

ARTICLE VII  
EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default. Each of the following events is hereby declared an "Event of Default":

- (a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, or
- (b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund hereunder or otherwise; or
- (c) if the Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
- (d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues of the Issuer, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer shall not be vacated or discharged or stayed on appeal within 30 days after the entry thereof; or
- (e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or
- (f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of its property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or
- (g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or
- (h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control; or
- (i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or herein or any Supplemental Indenture hereof on the part of the Issuer to be performed, other than as set forth above in this Section, and

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such Default shall continue for 30 days after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding hereunder; or

- (j) any event specified in a Supplemental Indenture as constituting an Event of Default.

Section 7.2 Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee, upon being indemnified pursuant to Section 8.1 hereof, may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder including the right to require the Issuer to make monthly deposits to the Bond Fund in the amounts set forth in Section 5.2(a)(i) through (iii).

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in Section 8.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee or by the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.3 Right of Registered Owners and Security Instrument Issuers to Direct Proceedings. Anything herein to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Bondowners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

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Section 7.4 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of Trustee's fees and expenses including the fees and expenses of its counsel for the proceedings resulting in the collection of such moneys and of the expenses and liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied in the following order:

- (a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:
  - (i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions hereof), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.
  - (ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.
  - (iii) To the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever moneys are to be applied pursuant to the provisions of this Section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates shall cease to accrue.

Section 7.5 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity

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of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Section 7.6 Rights and Remedies of Registered Owners. Except as provided in the last sentence of this Section, no Registered Owner of any Bond or Security Instrument Issuer shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred of which the Trustee has been notified as provided in Section 8.1(g), or of which by said Section it is deemed to have notice, nor unless also Registered Owners of 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 8.1 hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust hereof, and to any action or cause of action for the enforcement hereof, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer shall have any right in any manner whatsoever to affect, disturb or prejudice the lien hereof by its action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments. Nothing herein contained shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder held by such Registered Owner and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Section 7.7 Termination of Proceedings. In case the Trustee, any Bondowner or any Security Instrument Issuer shall have proceeded to enforce any right hereunder by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Bondowner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 7.8 Waivers of Events of Default. Subject to Section 8.1(g) hereof, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments, waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of principal and interest exist, or (b) a majority in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any default in the payment of the principal of any Bonds at the date that a Principal Installment is due or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, with interest

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(to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of principal and premium, if any, when due and all expenses of the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.9 Cooperation of Issuer. In the case of any Event of Default hereunder, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Registered Owners, Bondowners and the Security Instrument Issuers.

#### ARTICLE VIII THE TRUSTEE

Section 8.1 Acceptance of the Trusts. The Trustee accepts the trusts imposed upon it hereby, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee may execute any of the trusts or powers thereof and perform any of its duties by or through attorneys, agents, receivers or employees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer; but the Trustee may require of the Issuer full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions hereof. The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder, except as specifically set forth herein. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant hereto upon the request or authority or consent of any person who at the time of making such request or giv-

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(m) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Bondholders, Security Instrument Issuers or Reserve Instrument Issuers pursuant to the provisions of this Indenture, unless such Bondholders, Security Instrument Issuers or Reserve Instrument Issuers shall have offered to the Trustee security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby.

(n) The Trustee shall not be required to expend, advance, or risk its own funds or incur any financial liability in the performance of its duties or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or satisfactory indemnity against such risk or liability is not assured to it.

Section 8.2 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its services rendered as Trustee hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as hereinabove provided. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred. The Trustee's rights under this Section will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture. Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 8.1(g) hereof required to take notice or if notice of an Event of Default be given to the Trustee as in said Section provided, then the Trustee shall give written notice thereof by registered or certified mail to all Security Instrument Issuers or to Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Section 8.3 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by the Registered Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 8.4 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed of conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.5 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer, served personally or by registered or certified mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of and acceptance by a successor Trustee by the Registered Owners or by the Issuer as provided in Section 8.8 hereof; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

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ing such authority or consent is the Registered Owner of any Bond, shall be conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchanged therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Paragraph (g) of this Section, or of which by said Paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Representative of the Issuer under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated herein shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder, except an Event of Default described in Section 7.1(a) or (b), unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate principal amount of any Series of the Bonds then Outstanding and all notices or other instruments required hereby to be delivered to the Trustee must, in order to be effective, be delivered at the Principal Corporate Trust Office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times and upon reasonable prior written notice, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere herein contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview hereof, any showing, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) All moneys received by the Trustee or any paying agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any paying agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(l) If any Event of Default hereunder shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.

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Section 8.6 Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments (i) in writing delivered to the Trustee, and signed by the Issuer, unless there exists any Event of Default, or (ii) in writing delivered to the Trustee and the Issuer, and signed by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 8.7 Appointment of Successor Trustee by Registered Owners; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer or if an Event of Default exists by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed by an Authorized Representative under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners. Every successor Trustee appointed pursuant to the provisions of this Section or otherwise shall be a trust company or bank in good standing having a reported capital and surplus of not less than \$50,000,000.

Each Reserve Instrument Provider and Security Instrument Issuer shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Section 8.8 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article shall be filed and/or recorded by the successor Trustee in each recording office, if any, where the Indenture shall have been filed and/or recorded.

Section 8.9 Trustee Protected in Relying Upon Indenture, Etc. The indentures, opinions, certificates and other instruments provided for herein may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 8.10 Successor Trustee as Trustee of Funds; Paying Agent and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee hereunder and Registrar for the Bonds and Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, Registrar and Paying Agent for the Bonds.

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Section 8.11 Trust Estate May Be Vested in Separate or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the enforcement of remedies on Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee or hold title to the trust estate, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended hereby to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or co-trustee, but only to the extent necessary to enable the separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Issuer be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request of such trustee or co-trustee, be executed, acknowledged and delivered by the Issuer. In case any separate trustee or co-trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.12 Quarterly Accounting. The Trustee shall prepare a quarterly accounting for each calendar quarter by the end of the month following each such quarter showing in reasonable detail all financial transactions relating to the pledged Revenues during the accounting period and the balance in any funds or accounts created hereby as of the beginning and close of such accounting period, and shall mail the same to the Issuer, and to each Reserve Instrument Issuer requesting the same. The Trustee shall also make available for inspection by any Registered Owner a copy of said accounting (with the names and addresses of Registered Owners receiving payment of debt service on the Bonds deleted therefrom) and shall mail the same if requested in writing to do so by Registered Owners of at least 25% in aggregate principal amount of Bonds then Outstanding to the designee of said Owners specified in said written request at the address therein designated. On or before the end of the month following each Bond Fund Year, the Trustee shall, upon written request, provide to the Issuer and the Issuer's independent auditor representations as to the accuracy of the facts contained in the financial reports that were delivered by the Trustee during the Bond Fund Year just ended.

Section 8.13 Indemnification. To the extent permitted by law and subject to the provisions of Section 8.1(a) of this Indenture, the Issuer shall indemnify and save Trustee harmless against any liabilities it may incur in the exercise and performance of its powers and duties hereunder, other than those due to its own negligence or willful misconduct.

Section 8.14 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

Section 9.1 Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers. The Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, but with notice to any Security Instrument Issuer, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.13 hereof;

(b) To cure any ambiguity or formal defect or omission herein;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers or Security Instrument Issuers without its consent;

(d) To subject to this Indenture additional Revenues or other revenues, properties, collateral or security;

(e) To provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code Annotated 1953, as amended, or any successor provisions of law;

(f) To make any change which shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds, any Security Instrument Issuers or any Reserve Instrument Provider requested by a Rating Agency in order to obtain or maintain any rating on the Bonds or by a Security Instrument Issuer or Reserve Instrument Provider in order to insure or provide other security for any Bonds;

(g) To make any change necessary (A) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code or interpretations by the Internal Revenue Service of Section 148 of the Code or of regulations proposed or promulgated thereunder, or (B) to comply with the provisions of Section 148(f) of the Code, including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America;

(h) If the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(i) If the Bonds affected by such change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected;

(j) Unless otherwise provided by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the Issuer delivers to the Trustee (1) a Supplemental Indenture designating the facilities to comprise the Project and (2) an opinion of Bond Counsel to the effect that such amendment will not adversely affect the tax-exempt status (if applicable) or validity of the Bonds and (3) a written certificate of the Issuer setting forth the costs of the Project and an estimated completion date and certifying that such amendment will not adversely affect the Issuer's ability to comply with the provisions of the Indenture;

(k) To correct any references contained herein to provisions of the Act, the Code or other applicable provisions of law that have been amended so that the references herein are correct.

Section 9.2 Supplemental Indentures Requiring Consent of Registered Owners and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by Section 9.1 hereof and subject to the terms and provisions contained in this Section, and not otherwise, the Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (i) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions hereof or of any indenture supplemental hereto; provided, however, that nothing in this Section contained shall permit or be construed as permitting (a) an extension of the date that a Principal Installment is due at maturity or mandatory redemption or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any Fund established hereunder applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the Registered Owners of less than all Bonds then outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement hereto shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as provided in Section 9.1, neither this Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable.

ARTICLE X  
DISCHARGE OF INDENTURE

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Registered Owners of the Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions hereof, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due accordingly to the provisions of any Security Instrument Agreements, Reserve Instrument Agreements, as applicable, then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon

the Trustee shall cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien hereof, except moneys or securities held by the Trustee for the payment of the principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of this Article when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Government Obligations, maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee, and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such moneys or Government Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) directing the Trustee to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity pursuant to Subparagraph (i) above; and

(c) directing the Trustee to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this Section has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (i) above.

Any moneys so deposited with the Trustee as provided in this Article may at the direction of the Issuer also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the Trustee pursuant to this Article which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Trustee shall first obtain a written verification from a certified public accountant that the moneys remaining on deposit with the Trustee and invested in Government Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

No such deposit under this Article shall be made or accepted hereunder and no use made of any such deposit unless the Trustee shall have received an opinion of nationally recognized municipal bond counsel to the effect that such deposit and use would not cause any tax-exempt Bonds to be treated as arbitrage bonds within the meaning of Sections 148 of the Code.

Notwithstanding any provision of any other Article hereof which may be contrary to the provisions of this Article, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Government Obligations have been so set aside in trust.

Anything in Article VIII hereof to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Registered Owner of each Bond affected thereby.

ARTICLE XI  
MISCELLANEOUS

Section 11.1 Consents, Etc. of Registered Owners. Any consent, request, direction, approval, objection or other instrument required hereby to be executed by the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 11.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and any Reserve Instrument Provider, any legal or equitable right, remedy or claim under or in respect hereto or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and the Reserve Instrument Providers as herein provided.

Section 11.3 Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.4 Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Issuer if the same shall be duly mailed by registered or certified mail addressed to it at 2001 South State Street, Salt Lake City, Utah 84190, Attention: Mayor, or to such address as the Issuer may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the

Trustee if the same shall be duly mailed by registered or certified mail addressed to it at Zions First National Bank, Attention: Corporate Trust Department, One South Main Street, 3<sup>rd</sup> Floor, Salt Lake City, Utah 84111, or to such other address as the Trustee may from time to time file with the Issuer.

Section 11.5 Trustee as Paying Agent and Registrar. Trustee is hereby designated and agrees to act as principal Paying Agent and Bond Registrar for and in respect to the Bonds.

Section 11.6 Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 11.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Issuer.

Section 11.9 Holidays. If any date for the payment of principal or of interest on the Bonds is not a Business Day, then such payment shall be due on the first Business Day thereafter and no interest shall accrue for the period between such Business Day and such first Business Day thereafter.

Section 11.10 Effective Date. This Indenture shall become effective immediately.

Section 11.11 Compliance with Municipal Bond Act and Refunding Bond Act. It is hereby declared by the Issuer's Governing Body that it is the intention of the Issuer by the execution of this Indenture to comply in all respects with the provisions of the Utah Municipal Bond Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed as of the date first written above.

SALT LAKE COUNTY, UTAH, as Issuer

\_\_\_\_\_  
/s/ Nancy Workman  
Mayor

ATTEST:

\_\_\_\_\_  
/s/ Sherrie Swensen  
Deputy County Clerk

( S E A L )

ZIONS FIRST NATIONAL BANK,  
as Trustee

By: \_\_\_\_\_  
/s/ David VanWagoner

Title: Second Vice President

EXHIBIT "A"

FORM OF REQUISITION

RE: Salt Lake County, Utah Sales Tax Revenue Bonds, Series \_\_\_\_ in the sum of \$ \_\_\_\_\_

Zions First National Bank  
One South Main Street, 3<sup>rd</sup> Floor  
Salt Lake City, UT 84111

You are hereby authorized to disburse from the 20\_\_\_\_ Account of the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: \_\_\_\_\_

NAME AND ADDRESS OF PAYEE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

AMOUNT: \$ \_\_\_\_\_

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the 20\_\_\_\_ Account of the Construction Fund based upon audited, itemized claims substantiated in support thereof, and has not been the basis for a previous withdrawal.

DATED: \_\_\_\_\_  
\_\_\_\_\_  
Authorized Representative

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**APPENDIX C**

**FORM OF OPINION OF BOND COUNSEL**

Upon the delivery of the 2020B Bonds, Gilmore & Bell, P.C., Bond Counsel, proposes to issue their final approving opinion in substantially the following forms:

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**APPENDIX D**

**FORM OF CONTINUING DISCLOSURE UNDERTAKING**

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## APPENDIX E

### BOOK-ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com>.

Purchases of 2020B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020B Bonds on DTC's records. The ownership interest of each actual purchaser of each 2020B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2020B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2020B Bonds, except in the event that use of the book-entry system for the 2020B Bonds is discontinued.

To facilitate subsequent transfers, all 2020B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2020B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2020B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2020B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2020B Bond documents. For example, Beneficial Owners of 2020B Bonds may wish to ascertain that the nominee holding the 2020B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the 2020B Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2020B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2020B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2020B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Authority or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2020B Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2020B Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2020B Bond certificates will be printed and delivered to DTC.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy thereof.*

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