

**NORTH TOOELE FIRE PROTECTION  
SERVICE DISTRICT**

FINANCIAL STATEMENTS

Year Ended December 31, 2022

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**

**Table of Contents**

Year Ended December 31, 2022

---

	Page
<b>Independent Auditor's Report</b>	1
<b>Management's Discussion and Analysis</b>	4
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet - Governmental Funds	12
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	13
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	16
Notes to the Basic Financial Statements	17
<b>Required Supplementary Information:</b>	
Schedules of the Proportionate Share of Net Pension Liability (Asset) - Utah Retirement Systems	32
Schedules of District Contributions - Utah Retirement Systems	33
Notes to the Required Supplementary Information	34
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	36
Independent Auditor's Report on Compliance and Report on Internal Control over Compliance as Required by the <i>State Compliance Audit Guide</i>	38



## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
North Tooele Fire Protection Service District  
Stansbury Park, Utah

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of North Tooele Fire Protection Service District (the District) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of North Tooele Fire Protection Service District, as of December 31, 2022, and the respective changes in its financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of North Tooele Fire Protection Service District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about North Tooele Fire Protection Service District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of North Tooele Fire Protection Service District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about North Tooele Fire Protection Service District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension schedules 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2023 on our consideration of North Tooele Fire Protection Service District'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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering North Tooele Fire Protection Service District's internal control over financial reporting and compliance.

*Squire & Company, PC*

Salt Lake City, Utah  
May 30, 2023

## Management's Discussion and Analysis

As management of North Tooele Fire Protection Service District, we offer readers of the North Tooele Fire Protection Service District financial statements this narrative overview and analysis of the financial activities of North Tooele Fire Protection Service District for the year ended December 31, 2022.

### Financial Highlights

- The assets and deferred outflows of resources of North Tooele Fire Protection Service District exceeded its liabilities and deferred inflow of resources at the close of the most recent fiscal year by \$6,135,898 (net position). Of this amount, \$1,949,635 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, North Tooele Fire Protection Service District's governmental funds reported combined ending fund balances of \$2,076,823. Approximately 58% of this total amount, \$1,199,916, is unassigned and available for spending at the government's discretion. Additionally, approximately 21% of this total, \$444,797, is assigned to capital projects.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,199,916, or 64% of total general fund expenditures.
- Construction in progress (CIP) projects completed during 2022 include the purchase and modification of a water tender apparatus and the completion of the West Erda Waterline and Hydrant Installation. CIP projects pending include the Lake Point Fire Station expansion, Stansbury Park Fire Station remodel, new brush truck, new fire engine and construction of the new Arrowhead Fire Station.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to North Tooele Fire Protection Service District's basic financial statements. North Tooele Fire Protection Service District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

***Government-wide financial statements.*** The government-wide financial statements are designed to provide readers with a broad overview of North Tooele Fire Protection Service District's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of North Tooele Fire Protection Service District's assets, deferred outflow of resources, liabilities, and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of North Tooele Fire Protection Service District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of North Tooele Fire Protection Service District that are principally supported by intergovernmental revenues (governmental activities).

The governmental activities of North Tooele Fire Protection Service District include fire-fighting services.

***Fund financial statements.*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. North Tooele Fire Protection Service District, like any other state and local government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Both of the funds of North Tooele Fire Protection Service District can be grouped in one category: governmental funds.

***Governmental funds.*** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

North Tooele Fire Protection Service District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund, which are considered to be major funds.

North Tooele Fire Protection Service District adopts an annual appropriated budget for all its fund types. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

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

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of North Tooele Fire Protection Service District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$6,135,898 at the close of the most recent year.

A portion of North Tooele Fire Protection Service District’s net position (61%) reflects its investment in capital assets (e.g., land, construction in progress, water rights, buildings, machinery and equipment, and vehicles). North Tooele Fire Protection Service District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**Net Position  
December 31, 2022 and 2021**

	Governmental Activities	
	2022	2021
Current and other assets	\$ 2,658,294	\$ 3,028,614
Capital assets	3,772,850	3,021,325
Total assets	6,431,144	6,049,939
Total deferred outflows of resources	121,656	79,201
Other liabilities	245,593	114,304
Total deferred inflows of resources	171,309	77,477
Net position:		
Investment in capital assets	3,772,850	3,021,325
Restricted	413,413	1,015,680
Unrestricted	1,949,635	1,900,354
Total net position	\$ 6,135,898	\$ 5,937,359

A portion of North Tooele Fire Protection Service District’s net position (\$413,413) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$1,949,635 is unrestricted and may be used to meet the government’s ongoing obligations to citizens and creditors.

At the end of the current year, North Tooele Fire Protection Service District is able to report positive balances in all three categories of net position.

**Governmental activities.** Governmental activities increased the District’s net position by \$198,539 in 2022, compared to an increase of \$287,893 in 2021. Property tax revenue increased by approximately \$366,000 from 2021 to 2022 and operating grants and contributions decreased by \$266,305. Total public safety expenses increased by approximately \$386,000. Revenues increased primarily due to the increase in property taxes. The increase in public safety expenses is related to hiring three additional full-time employees and increasing the part-time employee pool.



**Changes in Net Position**  
**Years Ended December 31, 2022 and 2021**

	Governmental Activities	
	2022	2021
Revenues:		
Program revenues:		
Charges for services	\$ 189,441	\$ 168,138
Operating grants and contributions	62,511	328,816
General revenues:		
Property taxes	2,053,909	1,688,115
Unrestricted investment earnings	4,935	1,724
Total revenues	2,310,796	2,186,793
Expenses:		
Public safety	2,082,561	1,696,124
Economic development	29,696	9,281
Total expenses	2,112,257	1,705,405
Increase in net position	198,539	481,388
Net position - beginning, as restated	5,937,359	5,455,971
Net position - ending	\$ 6,135,898	\$ 5,937,359

**Financial Analysis of the Government's Funds**

As noted earlier, North Tooele Fire Protection Service District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of North Tooele Fire Protection Service District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing North Tooele Fire Protection Service District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

As of the end of the current year, North Tooele Fire Protection Service District's governmental funds reported combined ending fund balances of \$2,076,823. Approximately 58% of this total amount, or \$1,199,916, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Additionally, approximately 21% of the total, \$444,797, constitutes *assigned fund balance* which has been assigned to capital projects. Also, approximately 20% of the total, \$413,413, is *restricted fund balance* to indicate that it is not available for new spending because it has already been restricted for allowable public safety capital expenditures. Finally, approximately 1% of the total, \$18,697 is nonspendable fund balance.

The general fund is the chief operating fund of North Tooele Fire Protection Service District. At the end of the current year, unassigned fund balance of the general fund was \$1,199,916, which is approximately 98% of total general fund balance of \$1,218,613.

The fund balance of North Tooele Fire Protection Service District's general fund increased by \$165,158 during the current year. The capital projects fund balance decreased by \$491,610. The increase in the general fund balance results mainly from the reimbursement received for the cost of fighting the California and Montana wildfires in 2021, and the increase in property tax revenue. The increase is partially offset by an increase in salary expense. The decrease in the capital projects fund balance resulted primarily from the purchase of capital assets.

### **General Fund Budgetary Highlights**

During the year, budgeted expenditures were less than actual expenditures by \$39,827. There was also a decrease in appropriations of \$35,695 between the original and final amended budget. The difference between budgeted and actual expenditures is due mainly to supply chain shortages of planned equipment purchases from the prior year being received and expensed in the current year. The decrease in appropriations between the original and final amended budget resulted from conservative budgeting in each category of public safety expenditures and adjustments made based on actual expenditures at the time of the budget review.

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

**Capital assets.** North Tooele Fire Protection Service District's investment in capital assets for its governmental activities as of December 31, 2022 amounts to \$3,772,850 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, vehicles, water rights, and construction in progress. The net increase in North Tooele Fire Protection Service District's investment in capital assets for the current year was \$751,525.

Major capital asset events during the current fiscal year included the following:

- Purchase of 2 new Zoll defibrillators
- Completion of Water Tender CIP
- Completion of West Erda Waterline and Hydrant Installation CIP
- Surplus of HazMat truck and trailer
- Surplus of 2 Lifepak defibrillators
- Transfer of the Erda Water rights to Stansbury Park Improvement District

**Capital Assets**  
**December 31, 2022 and 2021**  
(net of depreciation)

	Governmental Activities	
	2022	2021
Land	\$ 240,778	\$ 240,778
Buildings	1,848,734	1,884,376
Machinery and equipment	204,263	178,772
Vehicles	545,567	595,648
Water rights	8,500	10,300
Construction in progress	925,008	111,451
Total	\$ 3,772,850	\$ 3,021,325

Additional information on North Tooele Fire Protection Service District’s capital assets can be found in Note 4.

**Requests for Information**

This financial report is designed to provide a general overview of North Tooele Fire Protection Service District’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District Administrator, 179 Country Club, Stansbury Park, UT 84074.

## **BASIC FINANCIAL STATEMENTS**

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**STATEMENT OF NET POSITION**  
December 31, 2022

	<u>Governmental Activities</u>
<b>Assets:</b>	
Cash and cash equivalents	\$ 1,542,110
Taxes receivable	380,492
Intergovernmental receivable	8,492
Prepays	18,697
Restricted assets:	
Cash and cash equivalents	465,369
Intergovernmental receivable	14,092
Capital assets not being depreciated:	
Land	240,778
Water rights	8,500
Construction in progress	925,008
Capital assets being depreciated, net of accumulated depreciation:	
Buildings	1,848,734
Machinery and equipment	204,263
Vehicles	545,567
Net pension asset	229,042
Total assets	<u>6,431,144</u>
 <b>Deferred outflows of resources relating to pensions</b>	 121,656
 <b>Liabilities:</b>	
Accounts payable and accrued liabilities	186,875
Noncurrent liabilities due within one year	58,718
Total liabilities	<u>245,593</u>
 <b>Deferred inflows of resources relating to pensions</b>	 171,309
 <b>Net position:</b>	
Investment in capital assets	3,772,850
Restricted for capital improvements	413,413
Unrestricted	1,949,635
Total net position	<u>\$ 6,135,898</u>

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

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2022

Activities / Functions	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>Governmental Activities:</b>				
Public safety	\$ 2,082,561	\$ 189,441	\$ 62,511	\$ (1,830,609)
Economic development	29,696	-	-	(29,696)
Total governmental activities	<u>\$ 2,112,257</u>	<u>\$ 189,441</u>	<u>\$ 62,511</u>	<u>(1,860,305)</u>
General revenues:				
Property taxes				2,053,909
Unrestricted investment earnings				4,935
Total general revenues				<u>2,058,844</u>
Change in net position				198,539
<b>Net position - beginning, as previously reported</b>				5,743,864
Adjustment for unpaid property tax revenue				193,495
<b>Net position - beginning, as restated</b>				<u>5,937,359</u>
<b>Net position - ending</b>				<u>\$ 6,135,898</u>

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

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2022

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>Assets:</b>			
Cash and cash equivalents	\$ 1,072,832	\$ 469,278	\$ 1,542,110
Taxes receivable	380,492	-	380,492
Other receivable	8,492	-	8,492
Due from other funds	-	-	-
Prepaid expenses	18,697	-	18,697
Cash and cash equivalents - restricted	-	465,369	465,369
Intergovernmental receivable - restricted	-	14,092	14,092
Total assets	<u>\$ 1,480,513</u>	<u>\$ 948,739</u>	<u>\$ 2,429,252</u>
<b>Liabilities:</b>			
Accounts payable and accrued liabilities	\$ 96,346	\$ 90,529	\$ 186,875
<b>Deferred Inflows of Resources:</b>			
Unavailable property tax revenue	165,554	-	165,554
<b>Fund Balances:</b>			
Nonspendable - prepaid expenses	18,697	-	18,697
Restricted for public safety	-	413,413	413,413
Assigned to capital projects	-	444,797	444,797
Unassigned	1,199,916	-	1,199,916
Total fund balances	<u>1,218,613</u>	<u>858,210</u>	<u>2,076,823</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,480,513</u>	<u>\$ 948,739</u>	<u>\$ 2,429,252</u>

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

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

December 31, 2022

---

<b>Total fund balance - governmental funds</b>	\$ 2,076,823
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.	3,772,850
Net pension asset, net pension liability, and related deferred outflows and inflows are not available resources or payable in the current period and, therefore, are not reported in the funds.	179,389
Some of the District's property taxes 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	165,554
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.	<u>(58,718)</u>
<b>Total net position - governmental activities</b>	<u><u>\$ 6,135,898</u></u>

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



**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year Ended December 31, 2022

	General Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues:</b>			
Property taxes	\$ 2,081,850	\$ -	\$ 2,081,850
Intergovernmental	334,557	-	334,557
Investment earnings	553	4,382	4,935
Miscellaneous	11,319	-	11,319
Impact fees	-	158,122	158,122
Total revenues	<u>2,428,279</u>	<u>162,504</u>	<u>2,590,783</u>
<b>Expenditures:</b>			
Current:			
Public safety	1,854,269	2,373	1,856,642
Economic development	29,696	-	29,696
Capital Outlay	-	1,030,897	1,030,897
Total expenditures	<u>1,883,965</u>	<u>1,033,270</u>	<u>2,917,235</u>
Excess (deficiency) of revenues over (under) expenditures	544,314	(870,766)	(326,452)
<b>Other financing sources (uses):</b>			
Transfers	<u>(379,156)</u>	<u>379,156</u>	<u>-</u>
Net change in fund balances	165,158	(491,610)	(326,452)
<b>Fund balances - beginning</b>	<u>1,053,455</u>	<u>1,349,820</u>	<u>2,403,275</u>
<b>Fund balances - ending</b>	<u>\$ 1,218,613</u>	<u>\$ 858,210</u>	<u>\$ 2,076,823</u>

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

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

Year Ended December 31, 2022

---

<b>Net change in fund balances - total governmental funds</b>	\$ (326,452)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period	640,069
Revenues that provide current financial resources in governmental funds, but are not recorded as revenues in the statement of activities.	(252,046)
Certain property tax revenues that are collected several months after the District's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred inflows or resources. They are however, recorded as revenues in the statement of activities in the year for which they are levied.	(27,941)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>164,909</u>
<b>Change in net position of governmental activities</b>	<u><u>\$ 198,539</u></u>

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

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**GENERAL FUND**  
Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 1,745,383	\$ 1,825,694	\$ 2,081,850	\$ 256,156
Intergovernmental	80,000	335,000	334,557	(443)
Investment earnings	500	500	553	53
Miscellaneous	4,000	12,100	11,319	(781)
Total revenues	1,829,883	2,173,294	2,428,279	254,985
<b>Expenditures:</b>				
Current:				
Public safety:				
Wages and payroll taxes	1,392,400	1,245,562	1,293,867	(48,305)
Insurance	60,100	61,569	58,915	2,654
Repairs and maintenance	90,000	97,500	90,986	6,514
Supplies	75,000	60,270	61,446	(1,176)
Utilities and fuel	51,000	57,000	64,653	(7,653)
Other	102,920	193,837	194,903	(1,066)
Equipment	99,463	119,400	89,499	29,901
Economic development	9,000	9,000	29,696	(20,696)
Total expenditures	1,879,883	1,844,138	1,883,965	(39,827)
Excess (deficiency) of revenues over (under) expenditures	(50,000)	329,156	544,314	(215,158)
<b>Other Financing Uses:</b>				
Transfers, net	-	(379,156)	(379,156)	-
Net change in fund balances	(50,000)	(50,000)	165,158	(215,158)
<b>Fund Balances - Beginning</b>	1,053,455	1,053,455	1,053,455	-
<b>Fund Balances - Ending</b>	\$ 1,003,455	\$ 1,003,455	\$ 1,218,613	\$ (215,158)

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

# **NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT NOTES TO THE FINANCIAL STATEMENTS**

---

## **NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

North Tooele Fire Protection Service District was organized on October 6, 1987. The District provides fire protection services to four communities in Tooele County. The District operates under a Board of Trustees, consisting of five members. Effective March 13, 2014, the District was reorganized from a special service district to a local district.

### **Reporting Entity**

In evaluating how to define North Tooele Fire Protection Service District (the District) for financial reporting purposes, management has considered all potential component units. The decision of whether or not to include a potential component unit by the reporting entity is made by applying the criteria set forth in GASB statement No. 14. The basic, but not the only criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependence. Other considerations include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service, which considers whether the activity is conducted within the geographic boundaries of the District and is generally available to its citizens. A third criterion used is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities.

The District has no potential component units that meet the criteria set forth above. The financial statements of the District include all fund types required to be included within the financial statements under government accounting and reporting standards.

### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are generally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applications that purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as

## **NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT NOTES TO THE FINANCIAL STATEMENTS**

---

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. 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 and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *capital projects fund* accounts for the resources required for major capital improvements of the District.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

### **Reconciliation of Government-wide and Fund Financial Statements**

Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. As a result, there are important differences between the assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expense/expenditures reported on the fund financial statements and the government-wide financial statements. For example, many long-term assets and liabilities are excluded from the fund balance sheet but are included in the entity-wide financial statements. As a result, there must be reconciliation between the two statements to explain the differences. A reconciliation is included as part of the fund financial statements.

### **Budgetary Procedures and Budgetary Accounting**

Budgetary procedures for the District have been established by the Uniform Fiscal Procedures Act adopted by the State of Utah, which requires the legal adoption of a budget for all funds. Furthermore, in accordance with state law, all appropriations, except capital projects fund appropriations, lapse at the end of the budget year; accordingly, no encumbrances are recorded. The basis of accounting applied to each fund budget is the same basis as the related fund's financial statements.

A formal budget has been adopted and used as a control device during the year.

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

**Deposits and Investments**

The District’s cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Interfund Transactions**

During the course of operations, numerous transactions occur between individual funds for goods provided, services rendered and for short-term interfund loans or transfers. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**Restricted Cash and Cash Equivalents**

Certain resources are classified as restricted cash and cash equivalents on the statement of net position and the balance sheet because their use is limited by loan agreements or restricted by state law.

**Capital Assets**

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

In the government-wide financial statements, fixed assets are treated as capital assets. Capital assets include land, construction in progress, water rights, buildings, machinery and equipment, and vehicles. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	20-40
Machinery and equipment	5-15
Vehicles	10-20

**Compensated Absences**

All paid time off is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements. Employees can carry-over paid time off up to the maximum amount of 416 hours for permanent full-time administrative employees or 696 hours for permanent full-time firefighters. When employees terminate, they are paid for accrued and unused paid time off.

## **NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT NOTES TO THE FINANCIAL STATEMENTS**

---

### **Fund Balance**

In the fund financial statements, governmental funds report a hierarchy of fund balance classifications (nonspendable, restricted, committed, assigned, and unassigned) based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The Board of Trustees is the highest level of decision-making authority and has the ability to establish (and modify or rescind) fund balance commitments by formal resolution. The authority to assign fund balance to be used for a specific purpose is delegated to the District Chief.

Restricted amounts are considered to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed, assigned, and then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

### **Property Tax Revenues**

Property taxes are levied on January 1<sup>st</sup> based on the assessed value of property as listed on the previous May 31<sup>st</sup>. Assessed values are an approximation of market value. An evaluation of all real property must be made every year by the county assessor. Property taxes are delinquent after November 30<sup>th</sup>. The District's tax rate for 2022 was .000683. The District appropriates the entire amount to fire protection. There is no statutory maximum for the reduction of general obligation bonds.

### **Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **Deferred Outflows/Inflows of Resources**

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period (s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the District to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

The governmental fund balance sheet includes reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “net pension asset, net pension liability, and related deferred outflows and inflows are not available resources or payable in the current period and, therefore, are not reported in the funds”. The details of this \$179,389 difference are as follows:

Net pension asset	\$ 229,042
Deferred outflows of resources relating to pensions	121,656
Deferred inflows of resources relating to pensions	<u>(171,309)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 179,389</u>

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The details of this \$3,772,850 difference are as follows:

Land	\$ 240,778
Water rights	8,500
Construction in progress	925,008
Buildings, net of \$1,440,297 accumulated depreciation	1,848,734
Machinery and equipment, net of \$370,209 of accumulated depreciation	204,263
Vehicles, net of \$1,252,584 of accumulated depreciation	<u>545,567</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 3,772,850</u>

“Long-term liabilities are not due and payable in the current period and therefore and not reported in the funds.” The details of this \$58,718 difference are as follows:

Compensated absences	<u>\$ (58,718)</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ (58,718)</u>



**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

**Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *change in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense”. The details of this \$640,069 difference are as follows:

Capital outlay	\$ 838,085
Depreciation expense	<u>(198,016)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 640,069</u>

Additionally, some revenue recorded for governmental activities during the year ended December 31, 2021, was not available soon enough to pay for the 2021 expenditures and, therefore, is recorded as revenue for the year ended December 31, 2022. The details of this \$252,046 difference are as follows:

Wildland reimbursement revenue	<u>\$ 252,046</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 252,046</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.” The details of this \$164,909 difference are as follows:

Accrued net pension	\$ 63,802
Gain on disposal of assets	111,456
Compensated absences	<u>(10,349)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 164,909</u>

**NOTE 3 – DEPOSITS AND INVESTMENTS**

Deposits and investments for local government are governed by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, “the Act”) and by rules of the Utah Money Management Council (“the Council”). Following are discussions of the District’s exposure to various risks related to its cash management activities.

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

**Deposits**

	<u>Bank Balances</u>	<u>Book Balances</u>
Cash on deposit	<u>\$ 1,794,829</u>	<u>\$ 1,783,201</u>

*Custodial Credit Risk* – Custodial credit risk is the risk that, in the event of a bank failure, the District’s deposits may not be recovered. The District’s policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the District to be in a *qualified depository*, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of December 31, 2022, \$1,544,829 of the District’s bank balance of \$1,794,829 was uninsured and uncollateralized.

**Investments**

*Credit Risk* – Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The District’s policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investments transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Services or Standard & Poor’s; bankers’ acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bond and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated “A” or higher by two nationally recognized statistical rating organizations as defined in the Act.

The District is authorized to invest in the Utah Public Treasurer’s Investment fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants’ average daily balance. The District’s investment in the PTIF is unrated.

As of December 31, 2022, the District had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>
State of Utah Public Treasurer's Investment Fund	<u>\$ 224,278</u>	<u>\$ 224,278</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The District manages its exposure to declines in fair value by investing mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limited the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. Maturities of the District’s investments are noted above.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The District’s policy to reduce this risk is to adhere to the rules of the Money Management Council. The Council’s Rule 17 limits investments in a single issuer of commercial paper and corporate obligations to between five and ten percent depending upon the total dollar amount held in the District’s portfolio at the time of purchase.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have a formal policy for custodial credit risk.

**NOTE 4 – CAPITAL ASSETS**

Capital asset activity was as follows for the year ended December 31, 2022:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 240,778	\$ -	\$ -	\$ 240,778
Water rights	10,300	-	(1,800)	8,500
Construction in progress	111,451	918,483	(104,926)	925,008
Total capital assets not being depreciated	<u>362,529</u>	<u>918,483</u>	<u>(106,726)</u>	<u>1,174,286</u>
Capital assets being depreciated:				
Buildings	3,238,597	50,434	-	3,289,031
Machinery and equipment	524,424	82,062	(32,014)	574,472
Vehicles	1,872,305	100,346	(174,500)	1,798,151
Total capital assets being depreciated	<u>5,635,326</u>	<u>232,842</u>	<u>(206,514)</u>	<u>5,661,654</u>
Less accumulated depreciation for:				
Buildings	(1,354,221)	(86,076)	-	(1,440,297)
Machinery and equipment	(345,652)	(40,244)	15,687	(370,209)
Vehicles	(1,276,657)	(71,695)	95,768	(1,252,584)
Total accumulated depreciation	<u>(2,976,530)</u>	<u>(198,015)</u>	<u>111,455</u>	<u>(3,063,090)</u>
Total capital assets being depreciated, net	<u>2,658,796</u>	<u>34,827</u>	<u>(95,059)</u>	<u>2,598,564</u>
Capital assets, net	<u>\$ 3,021,325</u>	<u>\$ 953,310</u>	<u>\$ (201,785)</u>	<u>\$ 3,772,850</u>

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

Depreciation expense was charged to functions/programs of the primary government as follows:

Public safety	\$ 198,015
Total depreciation expense	<u>\$ 198,015</u>

**NOTE 5 – LONG-TERM DEBT**

**Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2022 included an increase to compensated absences in the amount of \$10,349 to arrive at the ending balance of \$58,718.

**NOTE 6 – INTERFUND TRANSFERS**

During the year ended December 31, 2022, the District transferred \$379,156 from the general fund to the capital projects fund for future capital project expenditures.

**NOTE 7 – RETIREMENT SYSTEMS AND PENSION PLANS**

**Description of Plans**

Eligible employees are provided with following plans through the Utah Retirement Systems (the URS) administered by the URS:

Defined Benefit Plans (cost-sharing, multiple-employer plans):

- *Public Employees Noncontributory Retirement System* (Tier 1 Noncontributory System)
- *Firefighters Retirement System* (Tier 1 Firefighters System)
- *Tier 2 Public Employees Contributory Retirement System* (Tier 2 Public Employees System)
- *Tier 2 Public Safety and Firefighter Contributory Retirement System* (Tier 2 Public Safety and Firefighters System)

Defined Contribution Plans (individual account plans):

- 401(k) Plan which includes the *Tier 2 Public Employees Defined Contribution Plan* (Tier 2 Defined Contribution Plan)
- 457 Plan and other individual plans

Employees qualify for membership in the retirement systems if a) employment, contemplated to continue during a fiscal or calendar year, normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the District as approved by the Utah State Retirement Board, b) the employee is a classified employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, c) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or d) the employee is an appointed officer.

## **NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT NOTES TO THE FINANCIAL STATEMENTS**

---

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).

### **Benefits Provided**

The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans.

Retirement benefits are determined from 1.50% to 2.00% 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.

### **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 cost of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2022, required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	11.86%	6.11%	-	-	17.97 %
Tier 1 Firefighter System	3.61%	-	15.05%	-	18.66 %
Tier 2 Public Employees System	14.08%	-	2.59%		16.67 %
Tier 2 Public Safety and Firefighter System	9.90%	6.11%	-	0.18%	16.19 %
Tier 2 Public Safety and Firefighter Defined Contribution System	0.08%	6.11%	-	10.00%	16.19 %
Tier 2 Public Employees Defined Contribution System	0.08%	-	-	14.00%	14.08 %

\* District 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 additional contributions to defined contribution plans subject to limitations.

Contributions to the plans were as follows for the year ended December 31, 2022:

	District Contributions *	Employee Contributions
Tier 1 Firefighters System	\$ 5,309	\$ 19,744
Tier 2 Public Safety and Firefighter System	57,613	10,109
Tier 2 Public Employee Defined Contribution System	2,428	-
Tier 2 Public Safety and Firefighter Defined Contribution System	60	-
401(k) Plan	30,297	3,774
457 Plan and other individual plans	-	1,615

\* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.

**Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources  
Relating to Pensions**

At December 31, 2022, the District reported a net pension asset of \$229,042 and a net pension liability of zero for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ 6,795	\$ -
Tier 1 Firefighter System	217,392	-
Tier 2 Public Employees System	674	-
Tier 2 Public Safety and Firefighter System	4,181	-
Total	<u>\$ 229,042</u>	<u>\$ -</u>

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2021 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of its actual contributions to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2021, and the change in proportion since the prior measurement date for each plan:

	Proportionate Share	
	2021	Change
Tier 1 Noncontributory System	0.0011864 %	0.0011017 %
Tier 1 Firefighter System	0.3727471 %	0.0248684 %
Tier 2 Public Employees System	0.0015926 %	0.0014444 %
Tier 2 Public Safety and Firefighter System	0.0827315 %	0.0089929 %

The District recognized pension expense for the plans as follows for the year ended December 31, 2022:

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 72
Tier 1 Firefighter System	(46,496)
Tier 2 Public Employees System	2,348
Tier 2 Public Safety and Firefighter System	22,338
Total	<u>\$ (21,738)</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 2,428
401(k) Plan	30,297
Total	<u>\$ 32,725</u>

At December 31, 2022, the District reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources Related to Pensions				
	Tier 1 Noncontributory System	Tier 1 Firefighter System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter	Total
Differences between expected and actual experience	\$ 712	\$ 15,272	\$ 327	\$ 3,583	\$ 19,894
Changes of assumptions	638	21,371	628	4,692	27,329
Changes in proportion and differences between District contributions and proportionate share of contributions	2,871	553	547	5,051	9,022
Contributions subsequent to the measurement date	-	5,309	2,428	57,673	65,410
Total	<u>\$ 4,221</u>	<u>\$ 42,505</u>	<u>\$ 3,930</u>	<u>\$ 70,999</u>	<u>\$ 121,656</u>

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

At December 31, 2022, the District reported deferred inflows of resources related to pensions from the following sources:

	Deferred Inflows of Resources Related to Pensions				Total
	Tier 1 Noncontributory System	Tier 1 Firefighter System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter	
Differences between expected and actual experience	\$ -	\$ 1,945	\$ 87	\$ 687	\$ 2,719
Changes of assumptions	44	-	6	743	793
Net difference between projected and actual earnings on pension plan investments	9,148	134,207	1,665	12,781	157,801
Changes in proportion and differences between District contributions and proportionate share of contributions	-	9,698	-	298	9,996
Total	<u>\$ 9,192</u>	<u>\$ 145,850</u>	<u>\$ 1,758</u>	<u>\$ 14,509</u>	<u>\$ 171,309</u>

The \$65,410 reported as deferred outflows of resources related to pensions results from District contributions subsequent to the measurement date of December 31, 2021 will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2023. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Tier 1 Noncontributory System	Tier 1 Firefighter System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter	Total
2022	\$ (76)	\$ (22,533)	\$ (307)	\$ (2,519)	\$ (25,436)
2023	(1,282)	(38,164)	(395)	(3,093)	(42,934)
2024	(2,094)	(29,116)	(285)	(2,340)	(33,835)
2025	(1,519)	(19,345)	(161)	(1,506)	(22,531)
2026	-	504	138	831	1,473
Thereafter	-	1	754	7,444	8,200

**Actuarial Assumptions**

The total pension liability in the January 1, 2021 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 9.25%, average, including inflation
Investment rate of return	6.85%, 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, 2021 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2019. The discount rate was reduced from 6.95% to 6.85% from the prior measurement date.



**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity securities	37%	2.43%
Debt securities	20%	(0.06%)
Real assets	15%	0.87%
Private equity	12%	1.18%
Absolute return	16%	0.47%
Total	<u>100%</u>	

**Discount Rate**

The discount rate used to measure the total pension liability (asset) was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the plans' 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).

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS**

---

**Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.85%, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85%) or 1-percentage-point higher (7.85%) than the current rate:

	1% Decrease (5.85%)	Discount Rate (6.85%)	1% Increase (7.85%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 3,654	\$ (6,795)	\$ (15,512)
Tier 1 Firefighter System	(53,234)	(217,392)	(350,448)
Tier 2 Public Employees System	4,016	(674)	(4,275)
Tier 2 Public Safety and Firefighter System	33,546	(4,181)	(34,132)
Total	<u>\$ (12,018)</u>	<u>\$ (229,042)</u>	<u>\$ (404,367)</u>

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued URS financial report.

**NOTE 8 – RESTATEMENT OF BEGINNING NET POSITION**

During the current year, management identified an understatement of property tax receivable and property tax revenue in governmental activities as of December 31, 2021. This misstatement is related to delinquent property taxes which are recorded as deferred inflows of resources in the general fund financial statements because they are not available but should be recorded as revenue in the government-wide financial statements. As a result of the correction, governmental activities beginning net position was restated from \$5,743,864 to \$5,937,359.

**REQUIRED SUPPLEMENTARY INFORMATION**

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)**  
**Utah Retirement Systems**  
**Last Eight Plan Years**

	2021	2020	2019	2018	2017	2016	2015	2014
<b>Tier 1 Noncontributory System:</b>								
District's proportion of the net pension liability (asset)	0.0011864%	0.0008470%	0.0000000%	0.0000000%	0.0003655%	0.0000000%	0.0000000%	0.0000000%
District's proportionate share of the net pension liability (asset)	\$ (6,795)	\$ 43	\$ -	\$ -	\$ 1,601	\$ -	\$ -	\$ -
District's covered payroll	-	-	-	-	9,480	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	16.9%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	108.7%	99.2%	0.0%	0.0%	91.9%	0.0%	0.0%	0.0%
<b>Firefighter System:</b>								
District's proportion of the net pension liability (asset)	0.3727471%	0.3478788%	0.2489233%	0.1923381%	0.1946694%	0.1863098%	0.2242620%	0.3381740%
District's proportionate share of the net pension liability (asset)	\$ (217,392)	\$ (97,276)	\$ (30,871)	\$ 24,975	\$ (12,158)	\$ (1,469)	\$ (4,062)	\$ (19,294)
District's covered payroll	226,281	195,100	160,499	132,745	126,287	120,325	129,723	157,050
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(96.1)%	(49.9)%	(19.2)%	18.8%	(9.6)%	(1.2)%	(3.1)%	(12.3)%
Plan fiduciary net position as a percentage of the total pension liability	120.1%	110.5%	105.0%	94.3%	103.0%	100.4%	101.0%	103.5%
<b>Tier 2 Public Employees Retirement System:</b>								
District's proportion of the net pension liability (asset)	0.0015926%	0.0001482%	0.0000000%	0.0000000%	0.0000000%	0.0000000%	0.0000000%	0.0000000%
District's proportionate share of the net pension liability (asset)	\$ (674)	\$ 21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	29,610	2,352	-	-	-	-	-	-
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(2.3)%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	103.8%	98.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Tier 2 Public Safety and Firefighter System:</b>								
District's proportion of the net pension liability (asset)	0.0827315%	0.0737386%	0.0556115%	0.0826083%	0.0867906%	0.0606067%	0.0809403%	0.1819572%
District's proportionate share of the net pension liability (asset)	\$ (4,181)	\$ 6,614	\$ 5,231	\$ 2,070	\$ (1,004)	\$ (526)	\$ (1,183)	\$ (2,692)
District's covered payroll	197,843	146,265	91,686	110,632	91,589	50,075	48,155	75,000
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(2.1)%	4.5%	5.7%	1.9%	(1.1)%	(1.1)%	(2.5)%	(3.6)%
Plan fiduciary net position as a percentage of the total pension liability	102.8%	93.1%	89.6%	95.6%	103.0%	103.6%	110.7%	120.5%

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**Schedules of District Contributions**  
**Utah Retirement Systems**  
Last Eight Reporting Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Tier 1 Noncontributory System:</b>								
Contractually required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 627	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-	(627)	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,480	\$ -	\$ -
Contributions as a percentage of covered payroll	-	-	-	-	-	6.61%	-	-
<b>Firefighter System:</b>								
Contractually required contribution	\$ 5,309	\$ 5,729	\$ 5,220	\$ 3,674	\$ 2,549	\$ 2,227	\$ 2,062	\$ 3,014
Contributions in relation to the contractually required contribution	(5,309)	(5,729)	(5,220)	(3,674)	(2,549)	(2,227)	(2,062)	(3,014)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 131,187	\$ 226,281	\$ 195,100	\$ 160,499	\$ 132,745	\$ 126,287	\$ 120,325	\$ 157,050
Contributions as a percentage of covered payroll	4.05%	2.53%	2.68%	2.29%	1.92%	1.76%	1.71%	1.92%
<b>Tier 2 Public Employees System:</b>								
Contractually required contribution	\$ -	\$ 4,716	\$ 372	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	(4,716)	(372)	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ -	\$ 29,610	\$ 2,352	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	0.00%	15.93%	15.82%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Tier 2 Public Safety and Firefighter System:</b>								
Contractually required contribution	\$ 57,613	\$ 27,856	\$ 18,687	\$ 10,414	\$ 12,262	\$ 9,882	\$ 5,383	\$ 8,199
Contributions in relation to the contractually required contribution	(57,613)	(27,856)	(18,687)	(10,414)	(12,262)	(9,882)	(5,383)	(8,199)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 409,179	\$ 197,843	\$ 146,652	\$ 91,686	\$ 110,632	\$ 91,589	\$ 50,075	\$ 75,000
Contributions as a percentage of covered payroll	14.08%	14.08%	12.74%	11.36%	11.08%	10.79%	10.75%	10.93%
<b>Tier 2 Public Safety and Firefighter DC Only System:</b>								
Contractually required contribution	\$ 60	\$ 57	\$ 54	\$ 52	\$ 51	\$ 48	\$ 47	\$ -
Contributions in relation to the contractually required contribution	(60)	(57)	(54)	(52)	(51)	(48)	(47)	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 75,668	\$ 71,477	\$ 66,796	\$ 65,157	\$ 63,563	\$ 60,154	\$ 58,402	\$ -
Contributions as a percentage of covered payroll	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.00%
<b>Tier 2 Public Employees DC Only System:</b>								
Contractually required contribution	\$ 2,428	\$ 278	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	(2,428)	(278)	-	-	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 37,892	\$ 4,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	6.41%	6.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**Notes to Required Supplementary Information**

---

**NOTE A – CHANGES IN ASSUMPTIONS – UTAH RETIREMENT SYSTEMS**

Amounts reported in plan year 2021 reflect the following assumption changes adopted from the January 1, 2021 valuation:

- The investment return assumption was decreased from 6.95% to 6.85%.

Amounts reported in plan year 2020 reflect the following assumption changes adopted from the January 1, 2020 valuation:

- The payroll growth assumption decreased from 3.00% to 2.90%.
- Other assumptions that were modified: retirement rates, termination rates, disability rates, rate of salary increase, and pre and post retirement mortality tables.

Assumptions for plan years 2019 and 2018 remain unchanged from the prior years.

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The investment return assumption was decreased from 7.20% to 6.95%.
- The inflation assumption 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 investment return assumption was decreased from 7.50% to 7.20%.
- The inflation assumption decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions were 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 payroll growth assumption was decreased from 3.50% to 3.25%.
- Other assumptions that were modified: rate of salary increases, post retirement mortality, and certain demographics.

**NOTE B – SCHEDULES OF THE DISTRICT'S PROPORTIONATE SHARE OF 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.

**NORTH TOOELE FIRE PROTECTION SERVICE DISTRICT**  
**Notes to Required Supplementary Information**

---

**NOTE C – SCHEDULES OF DISTRICT CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS**

These schedules only present information for the District'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. A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.



Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Trustees  
North Tooele Fire Protection Service District  
Stansbury Park, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of North Tooele Fire Protection Service District as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise North Tooele Fire Protection Service District's basic financial statements, and have issued our report thereon dated May 30, 2023.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered North Tooele Fire Protection Service District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Tooele Fire Protection Service District's internal control. Accordingly, we do not express an opinion on the effectiveness of North Tooele Fire Protection Service District's internal control.

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

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



## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Squire & Company, PC*

Salt Lake City, Utah  
May 30, 2023



Independent Auditor's Report on Compliance and Report on Internal Control  
over Compliance as Required by the *State Compliance Audit Guide*

To the Board of Trustees and Management  
North Tooele Fire Protection Service District

**Report on Compliance**

***Opinion***

We have audited North Tooele Fire Protection Service District's (the District's) compliance with the following applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended December 31, 2022.

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Government Fees
- Utah Retirement Systems
- Public Treasurer's Bond
- Open and Public Meetings Act

In our opinion, North Tooele Fire Protection Service District complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2022.

***Basis for Opinion***

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

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the state compliance requirements referred to above.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *State Compliance Audit Guide* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the *State Compliance Audit Guide* as a whole

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

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

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

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

*Squire & Company, PC*

Salt Lake City, Utah  
May 30, 2023



To the Board of Trustees of  
North Tooele Fire Protection Service District

We have audited the financial statements of the governmental activities and each major fund of North Tooele Fire Protection Service District (the District) as of and for the year ended December 31, 2022, and related notes to the basic financial statements, and have issued our report thereon dated May 30, 2023. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated March 24, 2023, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

We assisted in the preparation of the financial statements and the related notes disclosures and supplementary information, which is a nonaudit service. This service was subject to our firm's engagement quality control review. Management designated a qualified individual to oversee this nonaudit service, evaluated the adequacy and results of the service performed, and accepted responsibility for the preparation and fair presentation of the financial statements and related notes and supplementary information in accordance with accounting principles generally accepted in the United States of America.

## **Significant Risks Identified**

We have identified the following significant risks:

- Risk of improper use of restricted cash
- Risk of improper revenue recognition
- Risk of not properly identifying and depreciating capital assets
- Risk of improper accounting for pension expenses and related assets/ liabilities and deferred outflows/inflows

## **Qualitative Aspects of the District's Significant Accounting Practices**

### ***Significant Accounting Policies***

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note 1 to the financial statements. There have been no initial selections of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### ***Significant Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are management's estimate of the depreciation of capital assets.

Management's estimate of the depreciation of capital assets is based on the estimated useful lives of the assets. We evaluated the key factors and assumptions used to develop the accounting estimates and determined that they are reasonable in relation to the financial statements as a whole and in relation to the applicable opinion units.

### ***Financial Statement Disclosures***

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

- The District's retirement systems and pension plans in Note 7 which discloses the District's participation in the Utah Retirement Systems plan, as well as detail of the District's net pension asset, net pension liability, and deferred outflows of resources and deferred inflows of resources related to pensions.

### **Significant Unusual Transactions**

There were no significant unusual transactions identified during the audit.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are clearly inconsequential, and communicate them to the appropriate level of management.

Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. The following list summarizes uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements as a whole and applicable opinion units:

- An overstatement of net position and revenue in the government-wide financial statements in the amount of approximately \$20,000 due to overestimating the amount of wildland reimbursements.

A summary of audit adjustments and reclassifications is attached to this letter. This summary includes misstatements (material or otherwise) that we identified because of our audit procedures; these were brought to the attention of, and corrected by, management.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditor's report. No such disagreements arose during the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated May 30, 2023.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the District, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

This report is intended solely for the information and use of the board of trustees and management of North Tooele Fire Protection Service District and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

A handwritten signature in blue ink that reads "Squire & Company, PC". The signature is written in a cursive, flowing style.

Salt Lake City, Utah  
May 30, 2023

### **Attachments:**

- Adjusted trial balance grouped by financial statement account
- Summary audit adjustments and reclassifications
- Copy of management's written representations



Client: 2579SLC - North Tooele Fire Protection Service District  
 Engagement: 2022 Audit  
 Period Ending: 12/31/2022  
 Trial Balance: TB  
 Workpaper: TB-1 - Fund Financial Statement Grouping Report

Account	Description	1st PP-FINAL 12/31/2021	UNADJ 12/31/2022	JE Ref #	AJE	ADJ 12/31/2022	JE Ref #	RJE	FINAL 12/31/2022
<b>Group : [GEN]</b>	<b>General Fund</b>								
<b>Subgroup : [11000]</b>	<b>Cash and Cash Equivalents</b>								
1-101000	Cash - Combined Fund	1,000.00	1,000.00		0.00	1,000.00		0.00	1,000.00
1-101150	Cash In Bank-General Fund Zion	1,099,185.00	1,071,832.00		0.00	1,071,832.00		0.00	1,071,832.00
<b>Subtotal [11000] Cash and Cash Equivalents</b>		<b>1,100,185.00</b>	<b>1,072,832.00</b>		<b>0.00</b>	<b>1,072,832.00</b>		<b>0.00</b>	<b>1,072,832.00</b>
<b>Subgroup : [13000]</b>	<b>Taxes Receivable, net</b>								
1-1-1350SQ	Property Tax Receivable (Delinquent)	0.00	0.00		165,554.00	165,554.00		0.00	165,554.00
				AJE - 21	165,554.00				
1-101350	Taxes Receivable - Current	120,386.00	214,938.00		0.00	214,938.00		0.00	214,938.00
<b>Subtotal [13000] Taxes Receivable, net</b>		<b>120,386.00</b>	<b>214,938.00</b>		<b>165,554.00</b>	<b>380,492.00</b>		<b>0.00</b>	<b>380,492.00</b>
<b>Subgroup : [14500]</b>	<b>Intergovernmental Receivable</b>								
1-101360	Other Receivable	0.00	8,492.00		0.00	8,492.00		0.00	8,492.00
2000SQ	Due to	(125,795.00)	0.00		0.00	0.00		0.00	0.00
<b>Subtotal [14500] Intergovernmental Receivable</b>		<b>(125,795.00)</b>	<b>8,492.00</b>		<b>0.00</b>	<b>8,492.00</b>		<b>0.00</b>	<b>8,492.00</b>
<b>Subgroup : [16000]</b>	<b>Prepaid Expenses</b>								
1-101400	Prepaid Insurance	16,534.00	18,697.00		0.00	18,697.00		0.00	18,697.00
<b>Subtotal [16000] Prepaid Expenses</b>		<b>16,534.00</b>	<b>18,697.00</b>		<b>0.00</b>	<b>18,697.00</b>		<b>0.00</b>	<b>18,697.00</b>
<b>Subgroup : [21100]</b>	<b>Accounts Payable</b>								
1-202000	Accounts Payable	(22,413.00)	(31,814.00)		(5,581.00)	(37,395.00)		0.00	(37,395.00)
				AJE - 20	(5,581.00)				
1-202200	Accrued Employee Benefits	(7,368.00)	(17,467.00)		8,246.00	(9,221.00)		0.00	(9,221.00)
				AJE - 19	8,354.00				
				AJE - 19	(108.00)				
1-202250	Accrued Retirement Benefits	(3,590.00)	(11,471.00)		5,580.00	(5,891.00)		0.00	(5,891.00)
				AJE - 19	(100.00)				
				AJE - 19	5,680.00				
1-202300	Accrued Wages	(18,156.00)	(71,133.00)		39,603.00	(31,530.00)		0.00	(31,530.00)
				AJE - 19	40,937.00				
				AJE - 19	(1,334.00)				
1-202350	Accrued Payroll Tax	(6,328.00)	(13,831.00)		3,122.00	(10,709.00)		0.00	(10,709.00)
				AJE - 19	(45.00)				
				AJE - 19	3,167.00				
1-29999SQ	Unearned revenue	0.00	0.00		(1,600.00)	(1,600.00)		0.00	(1,600.00)
				AJE - 18	(1,600.00)				
<b>Subtotal [21100] Accounts Payable</b>		<b>(57,855.00)</b>	<b>(145,716.00)</b>		<b>49,370.00</b>	<b>(96,346.00)</b>		<b>0.00</b>	<b>(96,346.00)</b>
<b>Subgroup : [29000]</b>	<b>Deferred Inflow of Resources - Property Tax</b>								
1-29998SQ	Deferred Inflow - Unavailable Property Tax	0.00	0.00		(165,554.00)	(165,554.00)		0.00	(165,554.00)
				AJE - 21	(165,554.00)				
<b>Subtotal [29000] Deferred Inflow of Resources - Property Tax</b>		<b>0.00</b>	<b>0.00</b>		<b>(165,554.00)</b>	<b>(165,554.00)</b>		<b>0.00</b>	<b>(165,554.00)</b>
<b>Subgroup : [32500]</b>	<b>Nonspendable - Prepays</b>								
R1-3-8500	Nonspendable Fund Balance-Prepays	(16,534.00)	0.00		0.00	0.00		(18,697.00)	(18,697.00)
							RJE - 13	(18,697.00)	
<b>Subtotal [32500] Nonspendable - Prepays</b>		<b>(16,534.00)</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>(18,697.00)</b>	<b>(18,697.00)</b>
<b>Subgroup : [36500]</b>	<b>Unassigned</b>								

Client: **2579SLC - North Tooele Fire Protection Service District**  
 Engagement: **2022 Audit**  
 Period Ending: **12/31/2022**  
 Trial Balance: **TB**  
 Workpaper: **TB-1 - Fund Financial Statement Grouping Report**

Account	Description	1st PP-FINAL	UNADJ	JE Ref #	AJE	ADJ	JE Ref #	RJE	FINAL
		12/31/2021	12/31/2022			12/31/2022			12/31/2022
1-308000	General Fund Balance	(1,038,007.00)	(1,053,455.00)		0.00	(1,053,455.00)		18,697.00	(1,034,758.00)
	<b>Subtotal [36500] Unassigned</b>	<b>(1,038,007.00)</b>	<b>(1,053,455.00)</b>		<b>0.00</b>	<b>(1,053,455.00)</b>	RJE - 13	<b>18,697.00</b>	<b>(1,034,758.00)</b>
	<b>Subgroup : [41000] Property Taxes</b>							<b>18,697.00</b>	
1-40-3110	Property Taxes	(1,395,138.00)	(1,988,192.00)		0.00	(1,988,192.00)		0.00	(1,988,192.00)
1-40-3115	Property Taxes - Other	(90,201.00)	(63,962.00)		0.00	(63,962.00)		0.00	(63,962.00)
1-40-3125	Property Taxes RDA	(9,281.00)	(29,696.00)		0.00	(29,696.00)		0.00	(29,696.00)
	<b>Subtotal [41000] Property Taxes</b>	<b>(1,494,620.00)</b>	<b>(2,081,850.00)</b>		<b>0.00</b>	<b>(2,081,850.00)</b>		<b>0.00</b>	<b>(2,081,850.00)</b>
	<b>Subgroup : [44000] Intergovernmental</b>								
1-40-3130	Mitigation Fees	(20,000.00)	(20,000.00)		0.00	(20,000.00)		0.00	(20,000.00)
1-40-3620	Grants	(15,426.00)	(38,082.00)		0.00	(38,082.00)		0.00	(38,082.00)
1-40-3630	Wildland Reimbursements	(104,059.00)	(276,475.00)		0.00	(276,475.00)		0.00	(276,475.00)
	<b>Subtotal [44000] Intergovernmental</b>	<b>(139,485.00)</b>	<b>(334,557.00)</b>		<b>0.00</b>	<b>(334,557.00)</b>		<b>0.00</b>	<b>(334,557.00)</b>
	<b>Subgroup : [46500] Investment Earnings</b>								
1-40-3610	Interest Income	(333.00)	(553.00)		0.00	(553.00)		0.00	(553.00)
	<b>Subtotal [46500] Investment Earnings</b>	<b>(333.00)</b>	<b>(553.00)</b>		<b>0.00</b>	<b>(553.00)</b>		<b>0.00</b>	<b>(553.00)</b>
	<b>Subgroup : [47000] Miscellaneous Revenue</b>								
1-40-3680	Other Revenue	(1,534.00)	(12,519.00)		1,600.00	(10,919.00)		0.00	(10,919.00)
				AJE - 18	1,600.00				
1-40-4010	Community Education	(1,704.00)	(400.00)		0.00	(400.00)		0.00	(400.00)
	<b>Subtotal [47000] Miscellaneous Revenue</b>	<b>(3,238.00)</b>	<b>(12,919.00)</b>		<b>1,600.00</b>	<b>(11,319.00)</b>		<b>0.00</b>	<b>(11,319.00)</b>
	<b>Subgroup : [52100] Public Safety - Wages and Payroll Taxes</b>								
1-60-4050	Employee Benefits	177,278.00	197,929.00		(8,246.00)	189,683.00		0.00	189,683.00
				AJE - 19	(8,354.00)				
1-60-4060	Retirement Benefits	96,978.00	131,320.00		108.00	(5,580.00)		0.00	125,740.00
				AJE - 19	(5,580.00)				
1-60-4070	Wages - Full Time	519,410.00	689,525.00		100.00	690,610.00		0.00	690,610.00
				AJE - 19	(5,680.00)				
1-60-4071	Wages - Overtime	83,020.00	67,524.00		1,085.00	67,524.00		0.00	67,524.00
				AJE - 19	(5,680.00)				
1-60-4075	Wages - Part Time	136,720.00	163,320.00		0.00	122,632.00		0.00	122,632.00
				AJE - 19	(40,688.00)				
				AJE - 19	249.00				
				AJE - 19	(33,790.00)				
				AJE - 19	(7,147.00)				
1-60-4079	Wages - Board Member	14,400.00	14,400.00		0.00	14,400.00		0.00	14,400.00
1-60-4220	Service Recognition	14,448.00	12,189.00		2,250.00	14,439.00		0.00	14,439.00
				AJE - 20	2,250.00				
1-60-4350	Payroll Taxes	59,911.00	71,961.00		(3,122.00)	68,839.00		0.00	68,839.00
				AJE - 19	45.00				
				AJE - 19	(3,167.00)				
	<b>Subtotal [52100] Public Safety - Wages and Payroll Taxes</b>	<b>1,102,165.00</b>	<b>1,348,168.00</b>		<b>(54,301.00)</b>	<b>1,293,867.00</b>		<b>0.00</b>	<b>1,293,867.00</b>
	<b>Subgroup : [52300] Public Safety - Insurance</b>								
1-60-4230	Insurance - Personnel	31,336.00	36,555.00		0.00	36,555.00		0.00	36,555.00
1-60-4232	Insurance - Bldg/Grounds	6,239.00	6,584.00		0.00	6,584.00		0.00	6,584.00
1-60-4234	Insurance - Apparatus	11,407.00	13,592.00		0.00	13,592.00		0.00	13,592.00

Client: **2579SLC - North Tooele Fire Protection Service District**  
 Engagement: **2022 Audit**  
 Period Ending: **12/31/2022**  
 Trial Balance: **TB**  
 Workpaper: **TB-1 - Fund Financial Statement Grouping Report**

Account	Description	1st PP-FINAL	UNADJ	JE Ref #	AJE	ADJ	JE Ref #	RJE	FINAL
		12/31/2021	12/31/2022			12/31/2022			12/31/2022
1-60-4236	Insurance - Equipment	2,070.00	2,184.00		0.00	2,184.00		0.00	2,184.00
<b>Subtotal [52300] Public Safety - Insurance</b>		<b>51,052.00</b>	<b>58,915.00</b>		<b>0.00</b>	<b>58,915.00</b>		<b>0.00</b>	<b>58,915.00</b>
<b>Subgroup : [52400] Public Safety - Repairs and Maintenance</b>									
1-60-4290	Repairs & Maint - Apparatus	62,152.00	47,026.00		0.00	47,026.00		0.00	47,026.00
1-60-4292	Repairs & Maint- Bldg/Grounds	22,164.00	11,358.00		0.00	11,358.00		0.00	11,358.00
1-60-4294	Repairs & Maint - Equipment	5,138.00	5,973.00		0.00	5,973.00		0.00	5,973.00
1-60-4296	Repairs & Maint - Technology	19,997.00	26,629.00		0.00	26,629.00		0.00	26,629.00
<b>Subtotal [52400] Public Safety - Repairs and Maintenance</b>		<b>109,451.00</b>	<b>90,986.00</b>		<b>0.00</b>	<b>90,986.00</b>		<b>0.00</b>	<b>90,986.00</b>
<b>Subgroup : [52500] Public Safety - Supplies</b>									
1-60-4240	Office Expense	22,230.00	29,275.00		0.00	29,275.00		0.00	29,275.00
1-60-4310	Station Supplies	2,517.00	3,139.00		0.00	3,139.00		0.00	3,139.00
1-60-4315	Medical	230.00	5,714.00		0.00	5,714.00		0.00	5,714.00
1-60-4330	Training Fire	6,818.00	11,245.00		2,791.00	14,036.00		0.00	14,036.00
				AJE - 20	2,791.00				
1-60-4335	Training Medical	6,885.00	2,067.00		0.00	2,067.00		0.00	2,067.00
1-60-4338	Training Staff	1,121.00	1,126.00		0.00	1,126.00		0.00	1,126.00
1-60-4390	Medical Supplies	7,286.00	5,969.00		0.00	5,969.00		0.00	5,969.00
1-60-4700	COVID19	1,929.00	120.00		0.00	120.00		0.00	120.00
<b>Subtotal [52500] Public Safety - Supplies</b>		<b>49,016.00</b>	<b>58,655.00</b>		<b>2,791.00</b>	<b>61,446.00</b>		<b>0.00</b>	<b>61,446.00</b>
<b>Subgroup : [52600] Public Safety - Utilities and Fuel</b>									
1-60-4300	Fuel	26,301.00	31,502.00		0.00	31,502.00		0.00	31,502.00
1-60-4360	Telephone	2,846.00	5,455.00		0.00	5,455.00		0.00	5,455.00
1-60-4371	Water and Sewage	3,066.00	3,926.00		0.00	3,926.00		0.00	3,926.00
1-60-4372	Natural Gas	9,929.00	12,506.00		0.00	12,506.00		0.00	12,506.00
1-60-4373	Electricity	11,370.00	10,496.00		0.00	10,496.00		0.00	10,496.00
1-60-4376	Waste and Disposal	720.00	768.00		0.00	768.00		0.00	768.00
<b>Subtotal [52600] Public Safety - Utilities and Fuel</b>		<b>54,232.00</b>	<b>64,653.00</b>		<b>0.00</b>	<b>64,653.00</b>		<b>0.00</b>	<b>64,653.00</b>
<b>Subgroup : [52700] Public Safety - Other</b>									
1-60-2102	Fire Prevention Education	2,113.00	577.00		0.00	577.00		0.00	577.00
1-60-3000	Community Outreach	5,068.00	42,469.00		0.00	42,469.00		0.00	42,469.00
1-60-4080	Legal Notice Advertising	4,220.00	4,413.00		0.00	4,413.00		0.00	4,413.00
1-60-4090	Accounting	12,000.00	12,200.00		0.00	12,200.00		0.00	12,200.00
1-60-4110	Bank Charges	20.00	20.00		0.00	20.00		0.00	20.00
1-60-4241	Postage and Shipping	425.00	460.00		0.00	460.00		0.00	460.00
1-60-4242	Printing and Binding	0.00	737.00		0.00	737.00		0.00	737.00
1-60-4250	Dues and Memberships	3,450.00	4,118.00		0.00	4,118.00		0.00	4,118.00
1-60-4251	Books, Publications, Subscript	1,391.00	1,624.00		0.00	1,624.00		0.00	1,624.00
1-60-4260	Building Security	2,693.00	12,058.00		0.00	12,058.00		0.00	12,058.00
1-60-4320	Marketing/PR	1,928.00	2,080.00		0.00	2,080.00		0.00	2,080.00
1-60-4375	Phone Allowance	2,804.00	2,700.00		0.00	2,700.00		0.00	2,700.00
1-60-4377	Uniforms	10,373.00	16,132.00		0.00	16,132.00		0.00	16,132.00
1-60-4383	Rehab Supplies	5,012.00	3,097.00		0.00	3,097.00		0.00	3,097.00
1-60-4384	Professional Fees	3,600.00	65,258.00		0.00	65,258.00		0.00	65,258.00
1-60-4386	Dispatch Fees	17,367.00	19,243.00		0.00	19,243.00		0.00	19,243.00
1-60-4388	HR	4,465.00	5,324.00		0.00	5,324.00		0.00	5,324.00
1-60-4389	Admin Other	4,432.00	2,393.00		0.00	2,393.00		0.00	2,393.00
<b>Subtotal [52700] Public Safety - Other</b>		<b>81,361.00</b>	<b>194,903.00</b>		<b>0.00</b>	<b>194,903.00</b>		<b>0.00</b>	<b>194,903.00</b>

Client: **2579SLC - North Tooele Fire Protection Service District**  
 Engagement: **2022 Audit**  
 Period Ending: **12/31/2022**  
 Trial Balance: **TB**  
 Workpaper: **TB-1 - Fund Financial Statement Grouping Report**

Account	Description	1st PP-FINAL 12/31/2021	UNADJ 12/31/2022	JE Ref #	AJE	ADJ 12/31/2022	JE Ref #	RJE	FINAL 12/31/2022
<b>Subgroup : [52800]</b>	<b>Public Safety - Equipment</b>								
1-60-4378	PPE - Structure	16,220.00	10,071.00		0.00	10,071.00		0.00	10,071.00
1-60-4381	Fire Equipment	3,021.00	25,995.00		540.00	26,535.00		0.00	26,535.00
				AJE - 20	540.00				
1-60-4382	Wildland Urban Interface S/E	677.00	2,674.00		0.00	2,674.00		0.00	2,674.00
1-60-4385	Medical Equipment	1,050.00	3,292.00		0.00	3,292.00		0.00	3,292.00
1-60-4387	Communications Equipment	25,088.00	22,698.00		0.00	22,698.00		0.00	22,698.00
1-60-4391	HazMat Equipment	352.00	0.00		0.00	0.00		0.00	0.00
1-60-4392	PPE - EMS	268.00	0.00		0.00	0.00		0.00	0.00
1-60-4393	PPE - Wildland	1,138.00	15,048.00		0.00	15,048.00		0.00	15,048.00
1-60-4520	Technology Equipment	8,595.00	9,181.00		0.00	9,181.00		0.00	9,181.00
<b>Subtotal [52800] Public Safety - Equipment</b>		<b>56,409.00</b>	<b>88,959.00</b>		<b>540.00</b>	<b>89,499.00</b>		<b>0.00</b>	<b>89,499.00</b>
<b>Subgroup : [53100]</b>	<b>Economic Development - RDA Payments</b>								
1-60-2100	Economic Development	9,281.00	29,696.00		0.00	29,696.00		0.00	29,696.00
<b>Subtotal [53100] Economic Development - RDA Payments</b>		<b>9,281.00</b>	<b>29,696.00</b>		<b>0.00</b>	<b>29,696.00</b>		<b>0.00</b>	<b>29,696.00</b>
<b>Subgroup : [61000]</b>	<b>Transfers</b>								
1-60-4550	CIF Transfer	125,795.00	379,156.00		0.00	379,156.00		0.00	379,156.00
<b>Subtotal [61000] Transfers</b>		<b>125,795.00</b>	<b>379,156.00</b>		<b>0.00</b>	<b>379,156.00</b>		<b>0.00</b>	<b>379,156.00</b>
<b>Total [GEN] General Fund</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Group : [MAJ1]</b>	<b>Capital Projects Fund</b>								
<b>Subgroup : [11000]</b>	<b>Cash and Cash Equivalents</b>								
3-101000	Cash - Combined Fund	(1,000.00)	(1,000.00)		0.00	(1,000.00)		0.00	(1,000.00)
3-101150	Cash In Bank-Capital Acct Zion	209,169.00	470,278.00		0.00	470,278.00		0.00	470,278.00
<b>Subtotal [11000] Cash and Cash Equivalents</b>		<b>208,169.00</b>	<b>469,278.00</b>		<b>0.00</b>	<b>469,278.00</b>		<b>0.00</b>	<b>469,278.00</b>
<b>Subgroup : [14500]</b>	<b>Intergovernmental Receivable</b>								
1000SQ	Due from	125,795.00	0.00		0.00	0.00		0.00	0.00
<b>Subtotal [14500] Intergovernmental Receivable</b>		<b>125,795.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Subgroup : [14950]</b>	<b>Intergovernmental Receivable-Restricted</b>								
2-101360	Impact Fee Receivables	29,675.00	14,092.00		0.00	14,092.00		0.00	14,092.00
<b>Subtotal [14950] Intergovernmental Receivable-Restricted</b>		<b>29,675.00</b>	<b>14,092.00</b>		<b>0.00</b>	<b>14,092.00</b>		<b>0.00</b>	<b>14,092.00</b>
<b>Subgroup : [16500]</b>	<b>Cash and Cash Equivalents-Restricted</b>								
2-101150	Cash In Bank-Impact Acct Zions	767,092.00	241,091.00		0.00	241,091.00		0.00	241,091.00
2-101165	Utah State Treasurers Fund	220,491.00	224,278.00		0.00	224,278.00		0.00	224,278.00
<b>Subtotal [16500] Cash and Cash Equivalents-Restricted</b>		<b>987,583.00</b>	<b>465,369.00</b>		<b>0.00</b>	<b>465,369.00</b>		<b>0.00</b>	<b>465,369.00</b>
<b>Subgroup : [21100]</b>	<b>Accounts Payable</b>								
2-202000	Accounts Payable	(1,578.00)	(66,047.00)		0.00	(66,047.00)		0.00	(66,047.00)
3-202000	Accounts Payable	176.00	(24,482.00)		0.00	(24,482.00)		0.00	(24,482.00)
<b>Subtotal [21100] Accounts Payable</b>		<b>(1,402.00)</b>	<b>(90,529.00)</b>		<b>0.00</b>	<b>(90,529.00)</b>		<b>0.00</b>	<b>(90,529.00)</b>
<b>Subgroup : [34300]</b>	<b>Restricted for Public Safety</b>								
2-308000	Fund Balance Capital Projects	(885,192.00)	(1,015,680.00)		0.00	(1,015,680.00)		0.00	(1,015,680.00)
<b>Subtotal [34300] Restricted for Public Safety</b>		<b>(885,192.00)</b>	<b>(1,015,680.00)</b>		<b>0.00</b>	<b>(1,015,680.00)</b>		<b>0.00</b>	<b>(1,015,680.00)</b>
<b>Subgroup : [34500]</b>	<b>Assigned to Capital Projects</b>								
3-308000	Retained Earnings	(362,451.00)	(334,140.00)		0.00	(334,140.00)		0.00	(334,140.00)

Client: **2579SLC - North Tooele Fire Protection Service District**  
 Engagement: **2022 Audit**  
 Period Ending: **12/31/2022**  
 Trial Balance: **TB**  
 Workpaper: **TB-1 - Fund Financial Statement Grouping Report**

Account	Description	1st PP-FINAL	UNADJ	JE Ref #	AJE	ADJ	JE Ref #	RJE	FINAL
		12/31/2021	12/31/2022			12/31/2022			12/31/2022
<b>Subtotal [34500] Assigned to Capital Projects</b>		<b>(362,451.00)</b>	<b>(334,140.00)</b>		<b>0.00</b>	<b>(334,140.00)</b>		<b>0.00</b>	<b>(334,140.00)</b>
<b>Subgroup : [46500] Investment Earnings</b>									
2-40-3620	Impact Fee Interest	(1,211.00)	(4,257.00)		0.00	(4,257.00)		0.00	(4,257.00)
3-40-2000	Interest Earned	(180.00)	(125.00)		0.00	(125.00)		0.00	(125.00)
<b>Subtotal [46500] Investment Earnings</b>		<b>(1,391.00)</b>	<b>(4,382.00)</b>		<b>0.00</b>	<b>(4,382.00)</b>		<b>0.00</b>	<b>(4,382.00)</b>
<b>Subgroup : [48100] Impact Fees</b>									
2-40-4131	Impact Fees	(144,900.00)	(158,122.00)		0.00	(158,122.00)		0.00	(158,122.00)
<b>Subtotal [48100] Impact Fees</b>		<b>(144,900.00)</b>	<b>(158,122.00)</b>		<b>0.00</b>	<b>(158,122.00)</b>		<b>0.00</b>	<b>(158,122.00)</b>
<b>Subgroup : [52000] Public Safety</b>									
2-60-4515	Impact Fee Study	11,865.00	0.00		0.00	0.00		0.00	0.00
2-60-4520	Impact Fee Refund	938.00	0.00		0.00	0.00		0.00	0.00
2-60-5300	Bank Charges	20.00	20.00		0.00	20.00		0.00	20.00
2-60-6500	Other Expense	2,800.00	2,333.00		0.00	2,333.00		0.00	2,333.00
3-60-4110	Office/Account Fees	20.00	20.00		0.00	20.00		0.00	20.00
<b>Subtotal [52000] Public Safety</b>		<b>15,643.00</b>	<b>2,373.00</b>		<b>0.00</b>	<b>2,373.00</b>		<b>0.00</b>	<b>2,373.00</b>
<b>Subgroup : [58500] Capital Outlay</b>									
2-60-4500	Capital Outlay	0.00	762,293.00		0.00	762,293.00		0.00	762,293.00
3-60-1150	Capital Projects	154,266.00	268,604.00		0.00	268,604.00		0.00	268,604.00
<b>Subtotal [58500] Capital Outlay</b>		<b>154,266.00</b>	<b>1,030,897.00</b>		<b>0.00</b>	<b>1,030,897.00</b>		<b>0.00</b>	<b>1,030,897.00</b>
<b>Subgroup : [61000] Transfers</b>									
3-40-1050	Capital Project Funds	(125,795.00)	(379,156.00)		0.00	(379,156.00)		0.00	(379,156.00)
<b>Subtotal [61000] Transfers</b>		<b>(125,795.00)</b>	<b>(379,156.00)</b>		<b>0.00</b>	<b>(379,156.00)</b>		<b>0.00</b>	<b>(379,156.00)</b>
<b>Total [MAJ1] Capital Projects Fund</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Group : [GFAAG] General Fixed Asset Account Group</b>									
<b>Subgroup : None</b>									
4-101610	Land	240,778.00	240,778.00		0.00	240,778.00		0.00	240,778.00
4-101615	Water Rights	10,300.00	8,500.00		0.00	8,500.00		0.00	8,500.00
4-101620	Buildings and Improvements	3,238,598.00	3,238,598.00		0.00	3,238,598.00		0.00	3,238,598.00
4-101630	Fire Station Improvements	0.00	50,433.00		0.00	50,433.00		0.00	50,433.00
4-101645	CIP-Arrowhead Fire Station	1,400.00	1,700.00		0.00	1,700.00		0.00	1,700.00
4-101646	CIP-LP Expansion	5,125.00	87,526.00		0.00	87,526.00		0.00	87,526.00
4-101647	CIP - West Erda Water Line	5,341.00	0.00		0.00	0.00		0.00	0.00
4-101648	CIP - SP Remodel	0.00	37,897.00		0.00	37,897.00		0.00	37,897.00
4-101650	Machinery & Equipment	524,424.00	574,472.00		0.00	574,472.00		0.00	574,472.00
4-101660	Vehicles	1,872,305.00	1,798,151.00		0.00	1,798,151.00		0.00	1,798,151.00
4-101665	CIP Vehicles	99,585.00	797,884.00		0.00	797,884.00		0.00	797,884.00
4-308000	Invstmnt in Genrl Fixed Assets	(5,997,856.00)	(6,835,939.00)		0.00	(6,835,939.00)		0.00	(6,835,939.00)
<b>Subtotal : None</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Total [GFAAG] General Fixed Asset Account Group</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Sum of Account Groups</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00</b>
<b>Net (Income) Loss</b>		<b>(101,091.00)</b>	<b>375,822.00</b>		<b>(49,370.00)</b>	<b>326,452.00</b>		<b>0.00</b>	<b>326,452.00</b>

Client: **2579SLC - North Tooele Fire Protection Service District**  
 Engagement: **2022 Audit**  
 Period Ending: **12/31/2022**  
 Trial Balance: **TB**  
 Workpaper: **JE - Combined Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
<b>Adjusting Journal Entries JE # 18</b>				
To reclassify Erda rent as unearned for portion related to 2023				
1-40-3680	Other Revenue	D-3	1,600.00	
1-29999SQ	Unearned revenue			1,600.00
<b>Total</b>			<b>1,600.00</b>	<b>1,600.00</b>
<b>Adjusting Journal Entries JE # 19</b>				
To remove payroll accrual journal entry that was double counting and to record the correct payroll accrual journal entry				
1-202200	Accrued Employee Benefits	M-2	8,354.00	
1-202250	Accrued Retirement Benefits		5,680.00	
1-202300	Accrued Wages		40,937.00	
1-202350	Accrued Payroll Tax		3,167.00	
1-60-4050	Employee Benefits		108.00	
1-60-4060	Retirement Benefits		100.00	
1-60-4070	Wages - Full Time		1,085.00	
1-60-4075	Wages - Part Time		249.00	
1-60-4350	Payroll Taxes		45.00	
1-202200	Accrued Employee Benefits			108.00
1-202250	Accrued Retirement Benefits			100.00
1-202300	Accrued Wages			1,334.00
1-202350	Accrued Payroll Tax			45.00
1-60-4050	Employee Benefits			8,354.00
1-60-4060	Retirement Benefits			5,680.00
1-60-4075	Wages - Part Time			33,790.00
1-60-4075	Wages - Part Time			7,147.00
1-60-4350	Payroll Taxes			3,167.00
<b>Total</b>			<b>59,725.00</b>	<b>59,725.00</b>
<b>Adjusting Journal Entries JE # 20</b>				
To record additional AP found by Cassandra after we received the TB				
1-60-4220	Service Recognition	CTB-4	2,250.00	
1-60-4330	Training Fire		2,791.00	
1-60-4381	Fire Equipment		540.00	
1-202000	Accounts Payable			5,581.00
<b>Total</b>			<b>5,581.00</b>	<b>5,581.00</b>
<b>Adjusting Journal Entries JE # 21</b>				
To record delinquent property tax receivable				
1-1-1350SQ	Property Tax Receivable (Delinquent)	D-6	165,554.00	
1-29998SQ	Deferred Inflow - Unavailable Property Tax			165,554.00
<b>Total</b>			<b>165,554.00</b>	<b>165,554.00</b>
<b>Total Adjusting Journal Entries</b>			<b>232,460.00</b>	<b>232,460.00</b>
<b>Reclassifying Journal Entries</b>				
<b>Reclassifying Journal Entries JE # 13</b>				
To reclassify nonspendable fund balance in the general fund (prepaids) at 12/31/2021				
1-308000	General Fund Balance	Q-1	18,697.00	
R1-3-8500	Nonspendable Fund Balance-Prepaids			18,697.00
<b>Total</b>			<b>18,697.00</b>	<b>18,697.00</b>
<b>Total Reclassifying Journal Entries</b>			<b>18,697.00</b>	<b>18,697.00</b>
<b>GASB 34 Entries</b>				
<b>GASB 34 Entries JE # 1</b>				
To record beginning balances of capital assets (including accumulated depreciation).				
G17100	Land	G-1	240,778.00	
G17150	Water Rights		10,300.00	
G17200	Buildings		3,238,597.00	
G17300	Machinery and Equipment		524,424.00	
G17400	Vehicles		1,872,305.00	
G17500	Construction in Progress		111,451.00	
G17920	Accum. Depreciation - Buildings			1,354,221.00
G17930	Accum. Depreciation - Machinery and Equipment			345,652.00
G17940	Accum. Depreciation - Vehicles			1,276,657.00
G37950	Beginning Net Position - Governmental Activities			3,021,325.00

<b>Total</b>		<u><u>5,997,855.00</u></u>	<u><u>5,997,855.00</u></u>
<b>GASB 34 Entries JE # 2</b>	<b>Q-2</b>		
To record beginning balances of long-term debt payable.			
G25000	Long-Term Debt Payable - Noncurrent		
G37950	Beginning Net Position - Governmental Activities		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 3</b>	<b>N-1</b>		
To record beginning balance of accrued interest payable.			
G21520	Accrued Interest Payable		
G37950	Beginning Net Position - Governmental Activities		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 4</b>	<b>G-1</b>		
To reclassify current year capital asset additions from expenditures to assets.			
G17200	Buildings	50,434.00	
G17300	Machinery and Equipment	50,048.00	
G17500	Construction in Progress	918,483.00	
G17150	Water Rights		1,800.00
G17400	Vehicles		74,154.00
G17500	Construction in Progress		104,926.00
G4950PS	Less: Capital Asset Additions - Public Safety		838,085.00
G17100	Land		
<b>Total</b>		<u><u>1,018,965.00</u></u>	<u><u>1,018,965.00</u></u>
<b>GASB 34 Entries JE # 5</b>	<b>G-1</b>		
To record depreciation expense.			
G17940	Accum. Depreciation - Vehicles	24,073.00	
G4900PS	Depreciation - Public Safety	198,016.00	
G17920	Accum. Depreciation - Buildings		86,076.00
G17930	Accum. Depreciation - Machinery and Equipment		24,557.00
G4980PS	Loss on disposal of assets		111,456.00
<b>Total</b>		<u><u>222,089.00</u></u>	<u><u>222,089.00</u></u>
<b>GASB 34 Entries JE # 6</b>	<b>N-1</b>		
To reclassify long-term debt principal payments from expenditure to liability.			
G25000	Long-Term Debt Payable - Noncurrent		
G4610	Reclass Debt Principal to Liability		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 7</b>	<b>N-1</b>		
To reclassify current portion of long-term debt payable.			
G21510	Current Portion of Long-Term Debt Payable		
G25010	Less: Current Portion of Long-Term Debt		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 8</b>	<b>Q-2</b>		
To reclassify net position to net investment in capital assets and restricted.			
G38250	Less: Net Investment in Capital Assets	3,772,850.00	
G38710	Less: Restricted for Capital Projects	413,413.00	
G32500	Net Investment in Capital Assets		3,772,850.00
G37100	Restricted for Capital Projects		413,413.00
<b>Total</b>		<u><u>4,186,263.00</u></u>	<u><u>4,186,263.00</u></u>
<b>GASB 34 Entries JE # 9</b>	<b>N-1</b>		
To reverse prior year accrued interest payable.			
G21520	Accrued Interest Payable		
G5390	Interest Expense		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 10</b>	<b>N-1</b>		
To record current year accrued interest payable.			
G21520	Accrued Interest Payable		
G5390	Interest Expense		
<b>Total</b>		<u><u>0.00</u></u>	<u><u>0.00</u></u>
<b>GASB 34 Entries JE # 11</b>	<b>M-2</b>		
To reverse prior year accrued vacation and record current year accrued vacation balance.			
G1-2-2400	Accrued Vacation	48,369.00	
G2400PS	Accrued Vacation Expense	58,718.00	
G1-2-2400	Accrued Vacation		58,718.00
G2400PS	Accrued Vacation Expense		48,369.00
<b>Total</b>		<u><u>107,087.00</u></u>	<u><u>107,087.00</u></u>

**GASB 34 Entries JE # 12**

To record beginning balance of compensated absences payable.

Q-2

G37950	Beginning Net Position - Governmental Activities	48,369.00	
G1-2-2400	Accrued Vacation		48,369.00
<b>Total</b>		<u><b>48,369.00</b></u>	<u><b>48,369.00</b></u>

**GASB 34 Entries JE # 14**

To record beginning balance of net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources relating to pensions in governmental activities.

M-3

G19000	Net Pension Asset	97,276.00	
G19500	Deferred Outflow of Resources - Pensions	79,201.00	
G29000	Net Pension Liability		6,678.00
G29500	Deferred Inflows of Resources - Pensions		77,477.00
G37950	Beginning Net Position - Governmental Activities		92,322.00
<b>Total</b>		<u><b>176,477.00</b></u>	<u><b>176,477.00</b></u>

**GASB 34 Entries JE # 15**

To record GASB 68 net pension entries.

M-3

1-60-4060	Retirement Benefits	23,265.00	
1-60-4060	Retirement Benefits	15.00	
1-60-4060	Retirement Benefits	38,637.00	
G19000	Net Pension Asset	99,347.00	
G19000	Net Pension Asset	57,461.00	
G19500	Deferred Outflow of Resources - Pensions	65,411.00	
G19500	Deferred Outflow of Resources - Pensions	25,042.00	
G19500	Deferred Outflow of Resources - Pensions	442.00	
G29000	Net Pension Liability	2,847.00	
G29000	Net Pension Liability	9,803.00	
G29500	Deferred Inflows of Resources - Pensions	5,972.00	
1-60-4060	Retirement Benefits		35,722.00
1-60-4060	Retirement Benefits		65,411.00
1-60-4060	Retirement Benefits		2,847.00
G19000	Net Pension Asset		25,042.00
G19500	Deferred Outflow of Resources - Pensions		9,803.00
G19500	Deferred Outflow of Resources - Pensions		38,637.00
G29000	Net Pension Liability		5,972.00
G29500	Deferred Inflows of Resources - Pensions		99,347.00
G29500	Deferred Inflows of Resources - Pensions		457.00
G4000	Nonemployer Pension Revenue-Pub. Safety		23,265.00
G5000	Actuarial Calculated Pension Expense		21,739.00
<b>Total</b>		<u><b>328,242.00</b></u>	<u><b>328,242.00</b></u>

**GASB 34 Entries JE # 16**

To record beginning balance of Wildland receivable

PY

1-101360	Other Receivable	275,311.00	
G37950	Beginning Net Position - Governmental Activities		275,311.00
<b>Total</b>		<u><b>275,311.00</b></u>	<u><b>275,311.00</b></u>

**GASB 34 Entries JE # 17**

To reverse Wildland receivable from the prior year

D-3

1-40-3630	Wildland Reimbursements	275,311.00	
1-101360	Other Receivable		275,311.00
<b>Total</b>		<u><b>275,311.00</b></u>	<u><b>275,311.00</b></u>

**GASB 34 Entries JE # 22**

To adjust beginning net position for PY delinquent taxes

D-6

1-40-3110	Property Taxes	193,495.00	
G37950	Beginning Net Position - Governmental Activities		193,495.00
<b>Total</b>		<u><b>193,495.00</b></u>	<u><b>193,495.00</b></u>

**GASB 34 Entries JE # 23**

To adjust the delinquent property tax revenue for the change from prior year

D-6

1-29998SQ	Deferred Inflow - Unavailable Property Tax	165,554.00	
1-40-3110	Property Taxes		165,554.00
<b>Total</b>		<u><b>165,554.00</b></u>	<u><b>165,554.00</b></u>

**Total GASB 34 Entries**

**12,995,018.00**      **12,995,018.00**

**Total All Journal Entries**

**13,246,175.00**      **13,246,175.00**



May 30, 2023

Squire & Company, PC  
1329 South 800 East  
Orem, Utah 84097

This representation letter is provided in connection with your audit of the statements of net position and each major fund of North Tooele Fire Protection Service District (the District) as of December 31, 2022 and the statement net position, activities and cash flows for the year then ended, and the related notes to the basic financial statements, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, and results of operations of the District in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of May 30, 2023:

### **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 24, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. As part of the audit, you assisted with the preparation of our financial statements and the related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions relating to the financial statements and the related notes. We have reviewed, approved, and accepted responsibility for those financial statements and the related notes prior to their issuance.
2. We have reviewed, approved, and taken responsibility for adjusting, reclassifying, eliminating, and converting journal entries that were proposed by you for recording in our books and records and reflected in the financial statements.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.

6. We have a process to track the status of audit findings and recommendations.
7. We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
8. We have provided views on your reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
9. With regards to nonattest services performed by you, we acknowledge our responsibility to:
  - Assume all management responsibilities;
  - Designate an individual who possesses suitable skill, knowledge, or experience to oversee the services;
  - Evaluate the adequacy and results of the services performed; and
  - Accept responsibility for the results of the services.
10. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
11. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
12. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
13. The effects of uncorrected misstatements summarized and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the financial statements as a whole. A summary of uncorrected misstatements is as follows:
  - An overstatement of fund balance and revenue in the amount of approximately \$20,000 due to overestimating the amount of wildland reimbursements.
14. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
15. Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available is appropriately disclosed and net position is properly recognized under the policy.
16. Special items and extraordinary items have been properly classified and reported.
17. Deposit and investment risks have been properly and fully disclosed.
18. Capital assets are properly capitalized, reported, and if applicable, depreciated.
19. All required supplementary information is measured and presented within the prescribed guidelines.
20. Regarding investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable, and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.

- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
21. With respect to the required supplementary information (RSI) accompanying the financial statements:
- We acknowledge our responsibility for the presentation of the RSI in accordance with the Governmental Accounting Standards Board.
  - We believe the RSI, including its form and content, is measured and fairly presented in accordance with prescribed guidelines.
  - The methods of measurement or presentation have not changed from those used in the prior period.
  - We believe the significant assumptions or interpretations underlying the measurement or presentation of the RSI, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

### **Information Provided**

22. We have provided you with:
- Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, minutes of the meetings of the Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared, communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices, and other matters;
  - Additional information that you have requested from us for the purpose of the audit; and
  - Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
23. All transactions have been recorded in the accounting records and are reflected in the financial statements.
24. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
25. We have provided to you our analysis of the District's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
26. We have disclosed to you all information that we are aware of regarding fraud or suspected fraud that affects the District and involves:
- Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
27. We have disclosed to you all information that we are aware of regarding allegations of fraud, or suspected fraud, affecting the District's financial statements communicated by employees, former employees, vendors, regulators, or others.
28. We have identified and disclosed to you all known instances of noncompliance or suspected noncompliance with laws, regulations, contracts, and grant agreements whose effects should be considered when preparing financial statements.

29. We have identified and disclosed to you all information that we are aware of regarding instances that have occurred or are likely to have occurred of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
30. We have disclosed to you all known litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
31. We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.
32. We have disclosed to you all communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
33. The District has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
34. We have disclosed to you all guarantees, whether written or oral, under which the District is contingently liable.
35. We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with U.S. GAAP. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
36. We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts.
37. There are no:
  - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with U.S. GAAP.
  - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by U.S. GAAP.
38. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
39. We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
40. We believe the actuarial assumptions and methods used to measure pension and other postemployment benefit liabilities and costs for financial reporting purposes are appropriate in the circumstances.

### **State Compliance Audit**

41. With respect to state compliance requirements:

- We are responsible for understanding and complying with and have complied with state compliance requirements.
- We are responsible for establishing and maintaining controls that provide reasonable assurance that we are administering our state compliance requirements in accordance with Office of the Utah State Auditor requirements and state grantor agency guidelines.
- We have identified and disclosed to you all our activities subject to state compliance requirements.
- We have made available to you all contracts and agreements, including amendments, if any, and any other correspondence relevant to activities subject to state compliance requirements.
- We are not aware of any instances of noncompliance with state compliance requirements.
- We believe the District has complied with state compliance requirements.
- We have made available to you all documentation related to state compliance requirements, including information related to state program financial reports and claims for reimbursements.
- We have provided to you our interpretations of any compliance requirements that have varying interpretations.
- Claims for reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with state grantor agency guidelines).
- We have properly classified amounts claimed or used for matching in accordance with state grantor agency guidelines.
- We have charged costs to programs in accordance with applicable cost principles.
- We have disclosed to you any communications from the Office of the Utah State Auditor, state grantor agencies, and pass-through entities concerning possible noncompliance with state compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of our report.
- We have disclosed to you the findings received and related corrective actions taken from previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- We are not aware of any known noncompliance with state compliance requirements after the period covered by your report on state compliance.
- We are responsible for taking corrective action on audit findings of the compliance audit.

Signature: \_\_\_\_\_  
Kevin Nunn, Fire Chief

*Cassandra Ray*  
Signature: [Cassandra Ray \(May 30, 2023 14:43 MDT\)](#)  
Cassandra Ray, District Administrator

- We are responsible for understanding and complying with and have complied with state compliance requirements.
- We are responsible for establishing and maintaining controls that provide reasonable assurance that we are administering our state compliance requirements in accordance with Office of the Utah State Auditor requirements and state grantor agency guidelines.
- We have identified and disclosed to you all our activities subject to state compliance requirements.
- We have made available to you all contracts and agreements, including amendments, if any, and any other correspondence relevant to activities subject to state compliance requirements.
- We are not aware of any instances of noncompliance with state compliance requirements.
- We believe the District has complied with state compliance requirements.
- We have made available to you all documentation related to state compliance requirements, including information related to state program financial reports and claims for reimbursements.
- We have provided to you our interpretations of any compliance requirements that have varying interpretations.
- Claims for reimbursements are supported by the books and records from which the basic financial statements have been prepared (and are prepared on a basis consistent with state grantor agency guidelines).
- We have properly classified amounts claimed or used for matching in accordance with state grantor agency guidelines.
- We have charged costs to programs in accordance with applicable cost principles.
- We have disclosed to you any communications from the Office of the Utah State Auditor, state grantor agencies, and pass-through entities concerning possible noncompliance with state compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of our report.
- We have disclosed to you the findings received and related corrective actions taken from previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- We are not aware of any known noncompliance with state compliance requirements after the period covered by your report on state compliance.
- We are responsible for taking corrective action on audit findings of the compliance audit.

Signature: \_\_\_\_\_

Kevin Nunn, Fire Chief

6/1/23

Signature: \_\_\_\_\_

Cassandra Ray, District Administrator

**RESOLUTION No. 2023-07**

**A RESOLUTION TO APPROVE THE 2022 FINANCIAL AUDIT AS PRESENTED BY SQUIRE & COMPANY**

**WHEREAS**, the North Tooele Fire Protection Service District (NTFD or the District) is required per Utah Code 51-2a-201 to have an annual audit of the district finances and fiscal procedures completed by an independent certified public accountant; and

**WHEREAS**, the accounting firm of Squire & Company has completed the 2022 Financial Audit and presented the audit findings to the Board of Trustees;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Trustees of the North Tooele Fire Protection Service District, to approve the 2022 Financial Audit as presented.

This resolution shall take immediate effect upon its adoption and approval.

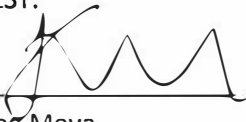
**ADOPTED AND APPROVED** this 21<sup>th</sup> day of June, 2023.

AYES: Rick Pollock, Scott Bissegger, Steve Manzione, Mark Herrera

NAYES:

ABSENT: Ken Aldridge

ATTEST:



Kaylee Moya  
~~Administrative Assistant~~  
North Tooele Fire District



Rick Pollock  
Board Chair  
NTFD Board of Trustees