Financial Statements
June 30, 2015 and 2014

Redevelopment Agency of Salt Lake City

(A Component Unit of Salt Lake City Corporation, Utah)

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

The Board of Directors
Redevelopment Agency of Salt Lake City

Report on the Financial Statements
We have audited the accompanying statements of net position of the Redevelopment Agency of Salt Lake City ("the Agency"), a component unit of Salt Lake City Corporation, as of June 30, 2015 and 2014 and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended and the related notes to the financial statements.

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

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Agency as of June 30, 2015 and 2014 and the respective changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle
As discussed in Notes 1 and 11 to the financial statements, the Agency has adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which has resulted in a restatement of the net position as of July 1, 2014. In accordance with GASB Statement No. 68, the 2014 financial statements have not been restated to reflect this change. Our opinion is not modified with respect to this matter.

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Restatement
As discussed in Note 11 to the financial statements, certain understatements of liabilities and expenses related to commissions payable and fulfillment of donor benefits as of June 30, 2014 were discovered by management of the Agency during the current year. Accordingly, the accompanying financial statements as of June 30, 2014, and for the year then ended, have been restated to reflect the liabilities and expenses. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Required Supplementary Information on pages 3 through 7 and page 35 through 37 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 Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary information on pages 38 through 40 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Eide Bailly LLP

Salt Lake City, Utah
November 5, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Unaudited)

Redevelopment Agency of Salt Lake City ("the Agency") management presents to the readers of its financial statements this narrative information. It contains an overview and analysis of the financial position and results of operations as of, and for the years ended, June 30, 2015 and 2014. As management of the Agency, we encourage readers to consider information contained in this discussion.

FINANCIAL HIGHLIGHTS

As of June 30, 2015 and 2014, assets and deferred outflows of the Agency exceeded its liabilities and deferred inflows by $227,377,000 and $209,517,000, respectively (net position). Of the total amounts, $37,184,000 and $69,080,000, as of June 30, 2015 and 2014, respectively, are available to meet ongoing obligations to creditors. The remaining net position amount of $190,193,000 and $140,437,000, as of June 30, 2015 and 2014, respectively, are either restricted or invested in capital assets, net of related debt, and therefore not available to meet the Agency's ongoing obligations.

Net position increased by $18,196,000 and $63,561,000 during the years ending June 30, 2015 and 2014, respectively. As noted in Note 11 of the financial statement footnotes, the Agency adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement* Date¸ which resulted in a restatement of beginning net position as of July 1, 2014 of $335,000. Total increase in net position, including the restatement of beginning net position during the year ended June 30, 2015 was $18,196,000. During the year ended June 30, 2015, the Agency issued tax increment bonds in the amount of $13,275,000 for the construction of the Regent Street Improvements. The Agency continued the construction of the George S. and Dolores Dore Eccles Theater (Eccles Theater) and received promises to give of $11,500,000 to be used for the construction of the project. During 2014, the Agency began construction on a new project, the Eccles Theater and issued Tax Increment Bonds of $64,730,000 to partially fund the project. In addition, Salt Lake City Corporation (the City) issued Sales Tax Revenue Bonds and contributed the proceeds to the Agency, resulting in contribution revenue of $50,309,000. During the year ended June 30, 2014, in support of this construction project, the Agency received private donations of $17,025,000 (including promises to give of $10,500,000). During 2013, the increase in net position is primarily due to higher property taxes received, realizing a gain on asset disposition and lower interest expense on debt. These major increases were partially offset by higher payments to other taxing entities. Total long-term debt decreased by $2,718,000 during fiscal 2013.

A significant portion of total assets, as of June 30, 2015 and 2014, is the unrestricted cash amounting to $57,478,000 and $87,597,000, respectively. Statutorily, the Agency is required to spend the tax increment funds generated in each of its projects area within the boundaries of the project area except for affordable housing projects or infrastructure that benefits a project area. No one project or project area has access to all of the unrestricted cash balance shown above. In addition, the Board of the Agency has a budgetary practice to follow a pay-as-you-go funding mechanism. For most large projects this means budgeting over multiple years then beginning the project. This allows the Agency to accumulate sufficient funds for the project or projects rather than incurring debt for financing. Restricted cash of $80,456,000 and $68,014,000, as of June 30, 2015 and 2014, respectively, reflects remaining bond proceeds for the Eccles Theater and the Regent Street projects.

Another significant portion of assets is the loans and other receivables balance. Loans are awarded to individuals and businesses for the acquisition, rehabilitation, new construction or façade renovation, and continue to be an important aspect of the Agency's blight elimination mission. For fiscal year 2015, the loan amounts originated, but not necessarily funded, and principal received were $1,978,000 and $10,060,000, respectively. For fiscal year 2014, the loan amounts originated, but not necessarily funded, and principal received were $2,065,000 and $8,582,000, respectively. The Agency also recognized promises to give for the Eccles Theater in the amount of $16,700,000 and $10,500,000 as of June 30, 2015 and 2014, respectively, of which $11,200,000 is a current receivable. The Agency's loans receivable balance as of June 30, 2015 and 2014, including accrued interest was $13,432,000 and $21,033,000, respectively, which is a decrease of $7,601,000 and $3,775,000, respectively.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to Redevelopment Agency of Salt Lake City's basic financial statements and the notes to the financial statements. This report also contains information in addition to the basic financial statements that will help the reader to gain a more in-depth understanding of the Agency.

The statement of net position shows the Agency's total assets, deferred outflows, liabilities and deferred inflows with the difference shown as net position. Increases or decreases over time in net position gives an indicator as to whether the financial condition of the Agency is improving or declining.

The statement of revenues, expenses and changes in net position shows the changes to net position that occurred during the two most recent fiscal years. These changes are recorded when the underlying event that causes the change occurs regardless of when the cash transaction takes place. Therefore revenues and expenses are recorded in the statement of activities for some items that the resulting cash flows occur in a future period. Examples are future debt interest payments, when the fiscal year ends between interest payments, and earned, but not yet received, interest on investments.

The statement of cash flows shows the inflows and outflows of cash as a result of transactions in four categories. The categories are operating activities, capital and related financing activities, non-capital and related financing activities and investing activities.

Notes to the financial statements contain additional information important to a complete understanding of the information contained in the financial statements. Notes to the financial statements begin on page 13 of this report.

OTHER INFORMATION

Legislatively required supplemental schedules containing selected information by project area are contained in this report immediately following the notes to the financial statements and can be found on pages 38-40.

FINANCIAL ANALYSIS

As mentioned earlier, net position may over time indicate the Agency's financial position. The Agency's assets and deferred outflows exceeded its liabilities and deferred inflows by $227,377,000 and $209,517,000 at the close of the fiscal years ended June 30, 2015 and 2014, respectively.

A significant portion of the Agency's net position (58.3% in 2015 and 62.3% in 2014) is comprised of its un-restricted amounts and amounts invested in capital assets – net of related debt, and results from the Agency's ongoing purpose of eliminating urban blight. The Agency has issued debt to support several large scale economic development and public infrastructure projects. As an incentive to a developer, the Agency may sell land for less than its cost or market value. Newly developed properties generate increased property taxes, a portion of which the Redevelopment Agency receives to pay debt and finance ongoing activities. The remaining portion (41.8% as of June 30, 2015 and 37.7% as of June 30, 2014) of net position represents resources that have external restrictions on how they can be used.

SUMMARY OF NET POSITION

	June 30, 2015	June 30, 2014 as restated	June 30, 2013
Current and other assets	$ 209,489,967	$ 229,932,025	$ 123,907,490
Capital Assets	107,429,961	61,460,207	38,926,466
Total Assets	316,919,928	291,392,232	162,833,956
Deferred outflows	73,702	-	16,510
Liabilities			
Bonds payable	77,945,807	67,201,319	5,168,696
Other Liabilities	11,628,981	14,673,897	11,725,478
Total Liabilities	89,574,788	81,875,216	16,894,174
Deferred inflows	41,607	-	-
Net Position:			
Invested in capital assets - net of related debt	95,222,515	61,460,206	38,926,466
Restricted for capital construction	94,970,521	78,514,732	210,193
Restricted	-	462,492	
Unrestricted	37,184,199	69,079,586	106,819,633
Total net position, as restated	$ 227,377,235	$ 209,517,016	$ 145,956,292

The amounts for June 30, 2014 and 2013 in the table above have not been restated for GASB 68 and 71.

Agency Activities

As mentioned earlier, the Redevelopment Agency increased its total net position by $18,196,000, not including the restatement to beginning net position of $335,000 (net change of $17,860,000) during the year ended June 30, 2015. As mentioned earlier, the Redevelopment Agency increased its total net position by $63,561,000 during the year ended June 30, 2014.

The Agency's receipt of incremental property taxes, that portion of property taxes generated from higher property values from earlier redevelopment activities, increased by $492,000 (1.5 percent) and $2,267,000 (7.5 percent) during fiscal years 2015 and 2014, respectively. During the years ended June 30, 2015 and 2014, the Agency received contributions of construction in progress and Sales Tax Revenue Bond Proceeds from Salt Lake City Corporation (the City) for $1,010,000 and $50,309,000, respectively (a decrease of $49,300,000), which were issued by the City to fund the construction of the Eccles Theater. Private donations decreased by $5,525,000 and interest income also decreased by $691,000 during the year ended June 30, 2015, due to lower cash balances. Miscellaneous income and contributions from the City increased by $50,534,000 in fiscal 2014 due to the significant contribution of Sales Tax Revenue Bond proceeds issued by Salt Lake City Corporation to fund the construction of the Eccles Theater.

For the year ended June 30, 2015, total expenses of the Agency decreased by $10,117,000 (25.1%). The most significant decrease is due to a contribution of $5,138,000 to Salt Lake City Corporation during fiscal 2014, which did not occur in 2015. This transfer was to cover debt service for the Sales Tax Revenue Bonds. In addition, interest and fiscal charges decreased by $3,398,000 due to capitalized interest (net of interest income on bond proceeds) of $2,523,000 included in construction in progress. A decrease in public improvements of $2,570,000 (44.1%) resulted from the completion of the Sugar House Streetcar Project, as well as number of public improvements that were capitalized as construction in progress. In addition, the Agency's other activities decreased by $4,357,000 (30.8%), which includes the decrease in the contribution to Salt Lake City, as discussed above, offset by increases in housing initiatives and other projects. For the year ended June 30, 2014, total expenses of the Agency increased by $16,531,000 (69.5%) compared to the year ended June 30, 2013. The most significant increase from Fiscal 2013 to Fiscal 2014 is due to the Agency's contribution to the Sugar House Streetcar Project, constructed by Utah Transit Authority. The increase in incremental property taxes received enabled the Agency to make additional payments to its related taxing entities by 12%. In addition, during the year ended June 30, 2014, the Agency accrued commissions and fulfillment costs relating to the promises to give in the amount of $2,767,000.

Changes in net position

	Fiscal 2015	Fiscal 2014 as restated	Fiscal 2013
Revenues			
Program revenues:			
Rental and other income	$ 1,430,784	$ 1,355,703	$ 1,322,768
General revenues:			
Transfers in from Salt Lake City Corporation	33,105,621	32,613,912	30,347,209
Interest and investment valuation income	1,157,730	1,848,932	987,907
Private Donations	11,500,000	17,025,000	-
Gain on sale of capital assets	12,954	232,608	509,969
Contributions from Salt Lake City Corporation	1,009,750	50,309,305	-
Miscellaneous income	169,735	483,076	257,961
Total revenues	48,386,574	103,868,536	33,425,814
Expenses			
Public Improvements	3,256,610	5,826,989	1,261,926
Grants	20,527	343,372	3,363
Debt service interest and fiscal charges	962,979	4,360,658	1,393,973
Payments to other taxing entities	13,753,851	13,255,160	11,832,462
Depreciation and amortization	2,391,708	2,359,990	2,324,059
All other activities	9,805,034	14,161,643	6,960,717
Total expenses	30,190,708	40,307,812	23,776,500
Increase in net position	18,195,866	63,560,724	9,649,314
Net position, beginning	209,181,369	145,956,292	136,306,978
Net position, ending, as restated	$ 227,377,235	$ 209,517,016	$ 145,956,292

The amounts for the years ended June 30, 2014 and 2013 in the table above have not been restated for GASB 68 and 71.

Capital Asset and Debt Administration

Capital Asset investments by the Redevelopment Agency of Salt Lake City consist of land, land improvements, buildings, construction in process and a small amount of equipment. The investment in capital assets, net of accumulated depreciation, increased by $45,970,000 and $22,534,000 in fiscal 2015 and 2014, respectively. During the year ended June 30, 2015, the Agency continued construction of the Eccles Theater, which began during fiscal 2014 and contributes to the significant increase in construction in progress of $48,338,000.

Capital Assets, net of depreciation

	Fiscal 2015	Fiscal 2014	Fiscal 2013
Land and easement rights	$ 21,456,012	$ 21,456,012	$ 16,515,446
Land improvements	15,944,830	18,275,834	20,112,563
Buildings	918,248	942,147	969,626
Construction in progress	68,926,219	20,587,876	1,217,292
Equipment	184,652	198,338	111,539
Total	$ 107,429,961	$ 61,460,207	$ 38,926,466

Additional information relating to the capital assets of the Agency can be found in Note 5, beginning on page 20 of this report.

Long-term debt of the Agency totaled $77,946,000 and $67,201,000 as of June 30, 2015 and 2014, respectively. The Agency issued $13,275,000 and $64,730,000 in tax increment bonds during 2015 and 2014, respectively. The balance as of June 30, 2013 consisted entirely of revenue bonds which were secured by specified revenue sources. The 1990 Capital Appreciation and 2012A Refunding Bonds were retired during fiscal 2015, while the Tax Increment Bonds require semi-annual interest payments and principal payments beginning in April 2016.

Long term debt

	Fiscal 2015	Fiscal 2014	Fiscal 2013
1990 Capital Appreciation Bonds	$ -	$ 1,283,808	$ 2,663,696
2012A Refunding Bonds	-	1,251,438	2,488,490
2013 Tax increment bonds, net	64,670,807	64,666,073	-
2015A and 2015B Tax increment bonds	13,275,000	-	-
Total	$ 77,945,807	$ 67,201,319	$ 5,152,186

Additional information on the Redevelopment Agency's long-term debt can be found in Note 6, beginning on page 21 of this report.

Requests for information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Redevelopment Agency of Salt Lake City, 451 South State Street, Room 418, P.O. Box 145518 Salt Lake City Utah, 84114-5518.

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	2015	2014 as restated
Assets		
Current Assets		
Unrestricted cash and cash equivalents	$ 57,477,556	$ 87,597,480
Restricted cash and cash equivalents	80,455,977	68,014,732
Loans receivable-current portion, including interest receivable of $126,781 and $258,462, respectively	844,291	2,197,458
Other long-term receivables, current portion	11,200,000	2,000,000
Deposits	436,802	436,802
Prepaid expenses	16,350	14,850
Total current assets	150,430,976	160,261,322
Noncurrent Assets		
Capital assets, at cost		
Land and rights	21,456,012	21,456,012
Parking facilities and plaza	55,022,530	55,022,530
Other buildings	1,020,275	1,020,275
Office furniture and equipment	396,971	373,851
Construction in progress	68,926,219	20,587,876
Accumulated depreciation	(39,392,046)	(37,000,338)
Net capital assets	107,429,961	61,460,206
Loans and other long-term receivables, net of current portion	18,087,303	29,283,950
Pension assets	726	-
Land and buildings held for resale, net	40,970,962	40,386,754
Total noncurrent assets	166,488,952	131,130,910
Total Assets	316,919,928	291,392,232
Deferred Outflows		
Deferred outflows relating to pensions	73,702	-
Total Assets and Deferred Outflows	$ 316,993,630	$ 291,392,232

See Notes to Financial Statements.

	2015	2014 as restated
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 9,600,877	$ 6,732,828
Related party deposits and advance rentals, current portion	30,010	30,010
Accrued compensation, current portion	60,320	51,044
Accrued interest payable, current portion	811,970	6,686,452
Bonds payable, current portion	3,005,000	2,538,808
Total current liabilities	13,508,177	16,039,142
Noncurrent Liabilities		
Accrued compensation, net of current portion	104,249	112,034
Related party deposits and advance rentals, net of current portion	150,493	115,529
Accrued liabilities, net of current portion	550,000	800,000
Other post-employment benefits	3,362	146,000
Net pension liability	317,700	-
Bonds payable, net of discounts and current portion	74,940,807	64,662,511
Total noncurrent liabilities	76,066,611	65,836,074
Total Liabilities	89,574,788	81,875,216
Deferred Inflows		
Deferred inflows relating to pensions	41,607	-
Net Position		
Net investment in capital assets	95,222,515	61,460,206
Restricted for construction	94,970,521	78,977,224
Unrestricted	37,184,199	69,079,586
Total net position, as restated	227,377,235	209,517,016
Total Liabilities, Deferred Inflows and Net Position	$ 316,993,630	$ 291,392,232

	2015	2014 as restated
Operating Revenues		
Rental and other income	$ 1,430,784	$ 1,355,703
Interest income from loans receivable	534,026	526,957
Miscellaneous	169,735	174,884
Total operating revenues	2,134,545	2,057,544
Operating Expenses		
Plaza management	778,973	808,553
Public improvements	3,256,610	5,826,989
Property management	654,045	703,672
Acquisition expenses	48,583	61,059
Other projects	3,385,099	2,595,509
Administration	4,038,431	4,730,923
Depreciation	2,391,708	2,359,990
Payments to other taxing agencies	13,753,851	13,255,160
Housing initiatives	899,902	124,350
Grants	20,527	343,372
Total operating expenses	29,227,729	30,809,577
Operating Loss	(27,093,184)	(28,752,033)
Nonoperating Revenues (Expenses)		
Private donations	11,500,000	17,025,000
Contributions from Salt Lake City Corporation	1,009,750	50,309,305
Transfers in from Salt Lake City Corporation	33,105,621	32,613,912
Other contribution revenue	-	308,192
Gain on sale of capital assets	12,954	232,608
Contributions to Salt Lake City Corporation	-	(5,137,577)
Interest income	623,704	1,321,975
Interest and fiscal charges	(962,979)	(4,360,658)
Total nonoperating revenues (expenses)	45,289,050	92,312,757
Change in Net Position	18,195,866	63,560,724
Net Position, Beginning of Year, as restated	209,181,369	145,956,292
Net Position, End of Year	$ 227,377,235	$ 209,517,016

See Notes to Financial Statements.

	2015	2014 as restated
Operating Activities		
Cash received from customers	$ 1,600,519	$ 1,530,587
Cash paid to suppliers	(24,876,923)	(24,074,408)
Cash paid to employees	(1,386,711)	(1,298,420)
Loans disbursed	(642,248)	(4,700,515)
Principal collected on loans receivable	10,060,381	8,477,795
Interest collected on loans receivable	665,707	419,951
Net Cash (used in) Operating Activities	(14,579,275)	(19,645,010)
Capital and Related Financing Activities		
Payments for acquisition of capital assets	(46,179,941)	(9,110,324)
Proceeds from sale of capital assets	109,222	725,803
Cash proceeds from issuance of bond	13,275,000	64,664,149
Cash proceeds from contributions from Salt Lake City	-	34,349,587
Other contributions received	5,300,000	6,833,192
Contributions to Salt Lake City	-	(5,137,577)
Prepayment for construction costs	-	1,618,883
Principal payments on bonds payable	(2,538,808)	(2,616,940)
Interest and fiscal charges paid on bonds payable	(6,829,166)	(6,656,512)
Net Cash provided by (used for) Capital and Related Financing Activities	(36,863,693)	84,670,261
Noncapital and Related Financing Activities		
Transfers in from Salt Lake City Corporation	33,105,621	32,613,912
Cash received on deposit	-	2,589
Cash received on deposit - related party	34,964	47,462
Net Cash from Noncapital and Related Financing Activities	33,140,585	32,663,963
Investing Activities		
Interest received from investments and cash and cash equivalents	623,704	1,321,975
Net Cash from Investing Activities	623,704	1,321,975
Net Change in Cash and Cash Equivalents	(17,678,679)	99,011,189
Cash and Cash Equivalents, Beginning of year	155,612,212	56,601,023
Cash and Cash Equivalents, End of year	$ 137,933,533	$ 155,612,212

	2015	2014 as restated
Balance Sheet Presentation of Cash and Cash Equivalents		
Unrestricted	$ 57,477,556	$ 87,597,480
Restricted	80,455,977	68,014,732
Total Cash and Cash Equivalents	$ 137,933,533	$ 155,612,212

See Notes to Financial Statements.

Reconciliation of Operating Loss to Net Cash Used in Operating Activities		
Operating loss	$ (27,093,184)	$ (28,752,033)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	2,391,708	2,359,990
Accrued interest on notes receivable	131,681	(107,006)
Pension expense	(294,039)	-
Increase (decrease) from changes in:		
Accounts payable and accrued liabilities	765,804	3,035,986
Accrued compensation	1,491	12,623
Other post-employment benefits	(142,638)	28,000
Pension assets	(729)	-
Pension liability	317,700	-
Deferred outflows	(73,702)	
Prepaid expenses	(1,500)	150
Total	(23,997,408)	(23,422,290)
Loans disbursed	(642,248)	(4,700,515)
Principal collected on loans	10,060,381	8,477,795
Net Cash used for Operating Activities	$ (14,579,275)	$ (19,645,010)
Noncash transactions affecting financial position:		
Assets capitalized from work-in-progress for construction completed on projects	$ 1,009,750	$ 14,039,305
Equipment acquired through loan forgiveness, net of loan write off	-	349,173

Note 1 - Summary of Significant Accounting Policies

Organization and History

The Redevelopment Agency of Salt Lake City (the "Agency") was established in 1969 by Salt Lake City Corporation (the "City") pursuant to the provisions of the Community Development and Renewal Agencies Act. The Agency is charged with the responsibility for the elimination of blight through the process of redevelopment in designated project areas. This objective is generally accomplished through: installation of public improvements, grants and loans provided to residents and businesses for improvements, and acquisition and preparation of land sites and sale of such land for development by the private or public sector. As an incentive to a developer, the Agency may sell land for less than its cost or market value.

Basis of Presentation

The Agency, a separate legal entity that operates as an enterprise fund, is a blended component unit of the City and is included in the City's comprehensive annual financial report. The accompanying financial statements include certain funds which were established in accordance with bond requirements. The records of the Agency are maintained on the accrual basis of accounting.

Reclassification

Certain prior year amounts have been reclassified for consistency with the current period presentation. These reclassifications had no effect on the reported results of operations.

Cash and Cash Equivalents

The Agency considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Investments

Investments are shown at fair value, based upon quoted market prices. A portion of the Agency's investments at June 30, 2015 and 2014 are deposited in the pooled cash account of the City. The City's pooled cash account is invested primarily in the Public Treasurer's Investment Fund (the "Treasurer's Fund") which is not registered with the Securities and Exchange Commission. Regulatory oversight of the Treasurer's Fund is provided by the Money Management Council, which is subsequently monitored by the State of Utah. The fair market value of the Agency's position in the fund is the same as the value of the fund shares owned by the Agency.

Allowance for Doubtful Receivables

The Agency has not experienced any significant bad debt expense in the past and management does not believe there are any impairments with the loan portfolio at June 30, 2015 and 2014, therefore, no reserve for bad debt expense has been established.

Capital Assets

Property, equipment, and land are carried at cost. Depreciation of equipment and structures is computed using the straight-line method over the estimated useful lives that range from 5 to 25 years. No depreciation is provided on construction in process until the construction project is complete and the asset is placed into service. When assets are retired or otherwise disposed of, costs and related accumulated depreciation, if any, are removed, and any resulting gain or loss is included in revenues or expenses. The capitalization threshold for capital assets is $5,000.

Capitalization of Interest Costs

The Agency capitalizes, as a cost of capital assets that portion of its interest costs (net of any interest earned on related interest bearing investments acquired with proceeds of related tax-exempt borrowings) which represents interest incurred during the construction period on qualifying capital assets.

Land and Buildings Held for Resale

Land and buildings held for resale, purchased as part of the Agency's redevelopment efforts, are carried at the lower of cost or net realizable value. The cost of buildings and improvements that the Agency determines not to be recoverable are expensed. Gains and losses (including impairment) on land and buildings held for resale are included in revenues and expenses.

Deferred outflows and deferred inflows

Deferred outflows on the statements of net position represent pension contributions made to the plan prior to our fiscal year end, but prior to the measurement date. They will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Deferred inflows on the statements of net position represent inflows of cash relating to a future period and will be recognized as pension expense in related fiscal years.

Transfers in

Transfers in represents property taxes received and collected which represent the portion of the incremental property tax in the designated area attributable to increases over the base year in which the property was designated as a redevelopment area.

Revenue Recognition

Revenue for services is recognized at the time the service is performed. Rental revenue, interest revenue from loans, and miscellaneous revenue are reported as operating revenues. Transactions which are capital, financing or investing related, including transfers in, are reported as non-operating revenues. All expenses related to operating the Agency are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Subsequent Events

The Agency has evaluated subsequent events through November 5, 2015, the date the financial statements were available to be issued.

Use of Estimates

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from the 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.

Implementation of GASB Statement No. 68 and GASB Statement No. 71

As of June 30, 2015, the Agency adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the costs and obligations associated with pensions in their basic financial statements. Employers are required to recognize pension amounts for all benefits provided through the plan which include the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. The effect of the implementation of these standards on beginning net position is disclosed in Note 11 and the additional disclosures required by these standards are included in Note 7.

Newly Issued Accounting Pronouncements

In February 2015, the GASB issued Statement No. 72, *Fair Value Measurement and Application.* This statement provides guidance for determining a fair value measurement for financial reporting purposes and guidance for applying fair value to certain investments and disclosure related to all fair value measurements. The Statement requires a government to use valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. The techniques should be consistent with one or more of the following approaches: the market approach, the cost approach, or the income approach. Statement 72 is effective for financial statements for periods beginning after June 15, 2015 and early application is encouraged. The Agency is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2015, the GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68.* This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68 *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contributions pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities. Statement 73 is effective for fiscal years beginning after June 15, 2016 and early application is encouraged. The Agency has not elected to implement these statements early. The Agency is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2015, the GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. Statement No. 75 establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016. The Agency is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, which supersedes Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, as amended and Statement No. 57 *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. This statement establishes new accounting and financial reporting requirements for OPEB plans and establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, the Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. Statement 75 is effective for fiscal years beginning after June 15, 2017 and early application is encouraged. The Agency is currently evaluating the impact of this statement on the financial statements when implemented.

In June 2015, the GASB issued *Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,* which supersedes *Statement No. 55, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.* This statement reduces the hierarchy of generally accepted accounting principles (GAAP) to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritataive literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. Statement 76 is effective for financial statements for periods beginning after June 15, 2015 and should be applied retroactively. The adoption of this standard is not expected to have a material impact on the financial statements.

Note 2 - Cash and Cash Equivalents

The following is a summary of cash and cash equivalents at June 30:

	2015	2014
Cash and cash equivalents		
Money market accounts	$ 57,477,556	$ 69,298,130
Investments in the pooled investment account of Salt Lake City Corporation	80,455,977	86,314,082
	$ 137,933,533	$ 155,612,212
Financial statement presentation		
Unrestricted cash and cash equivalents	$ 57,477,556	$ 87,597,480
Restricted cash and cash equivalents	80,455,977	68,014,732
	$ 137,933,533	$ 155,612,212

The Agency maintains funds in the City's pooled cash and investment accounts. The Agency pays the City or receives from the City an allocation of interest expense or income based upon its relative balance in the pooled accounts.

Deposits

It is the policy of Salt Lake City Corporation to invest public funds in accordance with principles of sound treasury management and in compliance with state and local laws, regulations, and other policies governing the investment of public funds, specifically according to the terms and conditions of the Utah State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (the "Act"), and the City's own written investment policy.

City policy provides that not more than 25 percent of the total City funds or 25 percent of the Qualified Depository's allotment, whichever is less can be invested in any one Qualified Depository. Not more than 20 percent of total City funds may be invested in any one certified out-of-state depository institution. However, there shall be no limitation placed on the amount invested with the Utah State Treasurer's Investment Pool (State Treasurer's Pool) and other money market mutual funds, provided that the overall standards of investments achieve the City's policy objectives. All of the Agency's deposits during the years ended June 30, 2015 and 2014 were made with Qualified Depositories.

Deposit Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The State of Utah does not require collateral on deposits. As of June 30, 2015 and 2014, none of the Agency's cash balance was covered by federal depository insurance. The Agency's cash balances of $137,933,533 and $155,612,212 as of June 30, 2015 and 2014, respectively, were uninsured and uncollateralized and therefore were exposed to some degree of custodial credit risk.

Investments

The Agency's investment balances as of June 30, 2015 and 2014, included in cash and cash equivalents, were $57,440,042 and $86,314,082, respectively.

The City may place public money in investments authorized by the Money Management Act (U.C.A 51-7-11). The Treasurer shall ensure that all purchases and sales of securities are settled within 15 days of the trade date. In general these investments can be any of the following subject to restrictions specified in the Act: Obligations of the U.S. Treasury and most Government-Sponsored Agencies; Commercial paper; Bankers Acceptances; Publicly traded fixed rate corporate obligations; Certain variable rate securities and deposits; Deposits with the State Public Treasurer's Investment Pool; Certain fixed rate negotiable deposits with a qualified depository or through a certified dealer; Qualifying repurchase agreements; Open-end managed money market mutual funds; Utah State Treasurer's Investment Pool; and Investment with deferred compensation plan administrators.

The Agency did not enter into any reverse repurchase agreements during the years ended June 30, 2015 and 2014.

The Agency does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Note 3 - Restricted Cash and Cash Equivalents

Certain cash and cash equivalents and investments are restricted by provisions of the applicable bond resolutions adopted and entered into by the Agency (Note 6) and for bond proceeds to be used for construction.

The following is a summary of restricted cash and cash equivalents and investments at June 30:

	2015	2014
Tax Increment Bond proceeds restricted for debt service under the related bond resolution in the event that no other funds are available	$ -	$ 133,402
Restricted for construction on the Utah Performing Arts Center under the related bond resolution	67,193,094	67,881,330
Restricted for construction on the Regent Street Improvements under the related bond resolution	13,262,883	-
Total restricted cash and cash equivalents	$ 80,455,977	$ 68,014,732

Note 4 - Loans and Other Long-Term Receivables

The following is a summary of loans and other long-term receivables at June 30:

	2015	2014
Tax increment rehabilitation loans bearing interest from 0% to 5%; principal and interest payable in monthly installments, includes accrued interest of $2,132 and $0, respectively	$ 5,951,904	$ 14,341,611
Progam income loans bearing interest at 2.5% to 3%, principal and interest payable in monthly installments, includes accrued interest of $7,633 and $162,445, respectively; collateralized by property and restricted cash accounts	2,956,564	4,038,459
Housing loans bearing interest from 0% to 3%, principal and interest payable in monthly installments; includes accrued interest of $117,017 and $96,017, respectively; collateralized by property	4,523,126	4,601,338
Pledges from private donors	16,700,000	10,500,000
Total	30,131,594	33,481,408
Less current portion	(12,044,291)	(4,197,458)
Total loans and other long-term receivables	$ 18,087,303	$ 29,283,950

As of June 30, 2015 and 2014, the Agency had committed to, and approved funding for, additional loans totaling $1,605,480 and $270,000, which funds have not yet been disbursed.

During the years ended June 30, 2015 and 2014, the Agency received pledges from private donors of $11,500,000 and $17,025,000, respectively. The Agency collected $5,300,000 and $6,525,000, respectively, during the years ended June 30, 2015 and 2014. These pledges were intended for the naming rights to the Eccles Theater that the Agency is constructing.

The remaining balance is due to the Agency in periodic payments through 2018, as follows:

Year Ending June 30	
2016	$ 11,200,000
2017	3,500,000
2018	2,000,000
Total	$ 16,700,000

Note 5 - Capital Assets

The following is a summary of transactions affecting capital assets for the year ended June 30, 2015:

Description	Balance July 1, 2014	Additions	Reclassification of CIP	Retirements	Balance June 30, 2015
Office furniture and equipment	$ 373,851	$ 23,120	$ -	$ -	$ 396,971
Parking facilities	34,485,097	-	-	-	34,485,097
Other buildings	1,020,275	-	-	-	1,020,275
Plaza	20,537,433	-	-	-	20,537,433
Construction in process	20,587,876	48,338,343	-	-	68,926,219
Land and rights	21,456,012	-	-	-	21,456,012
Total	98,460,544	48,361,463	-	-	146,822,007
Accumulated depreciation					
Office furniture and equipment	(168,534)	(43,911)	-	-	(212,445)
Parking facilities	(26,894,818)	(1,639,401)	-	-	(28,534,219)
Other buildings	(102,495)	(74,541)	-	-	(177,036)
Plaza	(9,834,491)	(633,855)	-	-	(10,468,346)
Total accumulated depreciation	(37,000,338)	(2,391,708)	-	-	(39,392,046)
Net capital assets	$ 61,460,206	$ 45,969,755	$ -	$ -	$ 107,429,961

The following is a summary of transactions affecting capital assets for the year ended June 30, 2014:

Description	Balance July 1, 2013	Additions	Reclassification of CIP	Retirements	Balance June 30, 2014
Office furniture and equipment	$ 245,185	$ 128,666	$ -	$ -	$ 373,851
Parking facilities	34,031,183	453,914	-	-	34,485,097
Other buildings	1,020,275	-	-	-	1,020,275
Plaza	20,537,433	-	-	-	20,537,433
Construction in process	1,217,292	24,863,395	(5,308,112)	(184,699)	20,587,876
Land and rights	16,515,446	-	4,940,566	-	21,456,012
Total	73,566,814	25,445,975	(367,546)	(184,699)	98,460,544
Accumulated depreciation					
Office furniture and equipment	(133,646)	(34,888)	-	-	(168,534)
Parking facilities	(25,255,163)	(1,639,655)	-	-	(26,894,818)
Other buildings	(50,649)	(51,846)	-	-	(102,495)
Plaza	(9,200,890)	(633,601)	-	-	(9,834,491)
Total accumulated depreciation	(34,640,348)	(2,359,990)	-	-	(37,000,338)
Net capital assets	$ 38,926,466	$ 23,085,985	$ (367,546)	$ (184,699)	$ 61,460,206

Land and rights includes approximately $10,598,000 for Block 79, site of the Energy Solutions Arena sports complex. Block 79 was leased to Larry H. Miller Arena Corporation for 50 years at $1 per year. The lease will expire on June 7, 2040.

Land, parking facilities, and plaza include approximately $40,708,000 of costs associated with the acquisition and construction of Block 57, site of a parking facility and a public plaza. During the year ended June 30, 2009, the Agency renovated the Block 57 public plaza. Costs for the renovation, including architecture and engineering fees, totaled $8,343,984. Land and parking facilities also include approximately $11,084,000 of costs associated with the acquisition of land and construction of a parking facility and walkway on Blocks 53 and 56.

Note 6 - Bonds Payable

The following is a summary of bonds payable at June 30:

	2015	2014
Bonds collateralized by a first pledge of taxes upon taxable property in the redevelopment project area		
Series December 5, 1990—capital appreciation bonds, 7.20% to 7.35%, due 2006 through 2015	$ -	$ 1,283,808
Series 2012 A, 0.95% refunding bonds, due 2013 through 2015	-	1,255,000
Series 2013 tax increment revenue bonds 3.00% to 6.00%, due 2016 through 2031	64,730,000	64,730,000
Series 2015A tax increment revenue bonds 2.57%, due 2020 through 2029	12,215,000	-
Series 2015B taxable subordinate tax increment revenue bonds; 2.66%, due 2018 through 2020	1,060,000	-
Less unamortized discount	(59,193)	(63,927)
Less deferred defeasance	-	(3,562)
Total bonds payable	77,945,807	67,201,319
Less amount due within one year	(3,005,000)	(2,538,808)
Total bonds payable less amount due within one year	$ 74,940,807	$ 64,662,511

The following is a summary of transactions affecting bonds payable for the year ended June 30, 2015:

	Balance, July 1, 2014	Additions	Principal Payments and Reductions	Balance, June 30, 2015	Due Within One Year
Serial Bonds Series December 5, 1990 Capital Appreciation Bonds	$ 1,283,808	$ -	$ (1,283,808)	$ -	$ -
Refunding Bonds Series 2012A	1,255,000	-	(1,255,000)	-	-
Federally Taxable Tax Increment Revenue Bonds Series 2013	64,730,000	-	-	64,730,000	3,005,000
Subordinate Tax Incremement Revenue Bonds Series 2015A	-	12,215,000	-	12,215,000	-
Federally Taxable Subordinate Tax Increment Revenue Bonds Series 2015B	-	1,060,000	-	1,060,000	-
Less unamortized discounts	(63,927)	-	4,734	(59,193)	-
Less deferred defeasance	(3,562)	-	3,562	-	-
Total Bond Obligations	$ 67,201,319	$ 13,275,000	$ (2,530,512)	$ 77,945,807	$ 3,005,000

The following is a summary of transactions affecting bonds payable for the year ended June 30, 2014:

	Balance, July 1, 2013	Additions	Principal Payments and Reductions	Balance, June 30, 2014	Due Within One Year
Serial Bonds Series December 5, 1990 Capital Appreciation Bonds	$ 2,663,696	$ -	$ (1,379,888)	$ 1,283,808	$ 1,283,808
Refunding Bonds Series 2012A	2,505,000	-	(1,250,000)	1,255,000	1,255,000
Federally Taxable Tax Increment Revenue Bonds Series 2013	-	64,730,000	-	64,730,000	-
Less unamortized discounts		(65,851)	1,924	(63,927)	-
Less deferred defeasance	(16,510)	-	12,948	(3,562)	-
Total Bond Obligations	$ 5,152,186	$ 64,664,149	$ (2,615,016)	$ 67,201,319	$ 2,538,808

The following is a summary of changes in long-term interest payable for the years ended June 30, 2015 and 2014, which includes accreted interest on the 1990 Capital Appreciation Bonds:

	Beginning Balance	Additions	Payments and Reductions	Year End Balance	Due Within One Year
2015	$ 6,686,452	$ -	$ 6,686,452	$ -	$ -
2014	$ 10,932,165	$ -	$ 4,245,713	$ 6,686,452	$ 6,686,452

On April 1, 2002, the Agency issued $16,190,000 in revenue refunding bonds, with an average interest rate of 4.49 percent. The bond proceeds are being used to refund 2002 to 2015 principal payments of Revenue Bonds, Series 1992A and a portion of the 1990A used to finance the Agency activities. The Agency received net proceeds of $16,513,371, including an original issue premium of $407,235 and accrued interest to delivery of $57,164 (after payment of approximately $83,864 in underwriting fees and other issuance costs). These proceeds were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the portion of the 1992A and 1990A Series bonds that were advance refunded.

On June 3, 2002, all the remaining principal 1992A and the serial portion of the 1990A bonds were redeemed.

The remainder of the Series December 5, 1990 bonds are a result of a financing agreement with the Utah Municipal Finance Cooperative ("MFA") in issuing the Utah Municipal Finance Cooperative Local Government Revenue Bonds ("Project Bonds"). The Project Bonds are special limited obligations of the MFA payable solely from amounts derived by the Agency under the financing agreement.

On May 1, 2012, the Agency issued $3,740,000 in revenue refunding bonds, with an interest rate of 0.95% percent. The bond proceeds are being used to refund the remaining principal payments of Refunding Bonds, Series 2002A to take advantage of lower interest rates. The Agency received net proceeds of $3,727,332, and accrued interest to delivery of $32,331 (after payment of approximately $12,668 in underwriting fees and other issuance costs). On May 1, 2012, these proceeds were used to pay principal of $3,695,000 and accrued interest of $32,331. A deferred loss of $67,320 was recognized, which was accreted over the life of the bond using the effective interest method.

On October 30, 2013, the Agency issued $64,730,000 in federally taxable tax increment revenue bonds, with interest rates ranging from 3.0% to 6.0%. The bond proceeds will be used to fund the construction of the Eccles Theater. The Agency received net proceeds of $63,929,046, including accrued interest of $1,377,835 and net of issuance costs of $735,103 (which were expensed on the statement of revenues and expenses and changes in net position), and a discount of $65,851, which will be amortized over the life of the bonds using the effective interest method. In addition, the Agency used private donations of $3,278,351 and contributed $1,395,043 for capitalized interest and will be expensed as incurred.

In May 2015, the Agency issued $12,215,000 in Series 2015A subordinate tax increment revenue bonds and $1,060,000 in Series 2015B taxable subordinate tax increment revenue bonds (total of $13,275,000) for the construction of the Regent Street Improvements. The interest rates on the Series 2015A and 2015B bonds are 2.57% and 2.66%, respectively. The Agency received net proceeds of $12,543,274, including accrued interest of $631,975 and issuance costs of $99,752, which were both expensed as incurred.

Bond principal and interest maturities are as follows:

Year ending June 30	Principal	Interest	Total Obligation
2016	3,005,000	3,442,447	6,447,447
2017	3,055,000	3,404,566	6,459,566
2018	3,450,000	3,312,916	6,762,916
2019	3,750,000	3,210,504	6,960,504
2020	3,850,000	3,085,251	6,935,251
2021-2025	24,650,000	12,876,772	37,526,772
2026-2030	30,490,000	6,593,135	37,083,135
2031	5,755,000	345,300	6,100,300
Less unamortized discount	(59,193)	-	(59,193)
Total	$ 77,945,807	$ 36,270,891	$114,216,698

Note 7 - Pension Plans

Plan Description

Eligible plan participants are provided with pensions through the Utah Retirement Systems (URS). The Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System); Public Employees Contributory Retirement System (Contributory System); multiple employer public employees, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); multiple employer public employees, retirement systems.

The Tier 2 Public Employees System 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 Utah Retirement Systems, are member of the Tier 2 Retirement System.

The systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953, as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board ("Board"), whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit trust funds). URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System and the Local Governmental Noncontributory Retirement System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102 or by visiting the website: www.urs.org.

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service
Noncontributory System	Highest 3 years	30 years any age	2.0% per year all years
		25 years any age*	
		20 years age 60*	
		10 years age 62*	
		4 years age 65	
Tier 2 Public Employees System	Highest 5 years	35 years any age	1.5% per year all years
		20 years any age 60*	
		10 years age 62*	
		4 years age 65	

**with actuarial deductions*

Contributions

As a condition of participation in the systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Employer Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contributions rates are as follows:

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates
Contributory System			
Local Governmental Division Tier 2	N/A	N/A	14.830%
Noncontributory System			
Local Governmental Division Tier 1	N/A	N/A	18.470%

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions

At December 31, 2014, the Agency reported a net pension asset of $726 and a net pension liability of $317,700.

	Proportionate Share	Net Pension Asset	Net Pension Liability
Noncontributory System	0.07%	$ -	$ 317,700
Tier 2 Public Employees System	0.02%	726	-
Total Net Pension Asset/Liability		$ 726	$ 317,700

The net pension asset and liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based on a projection of the long term share of contributions to the pension plan relative to the projected contribution of all participating employers.

For the year ended December 31, 2014, the Agency recognized pension expense of $80,842. At December 31, 2014, the reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 10,410
Changes in assumptions	-	31,197
Net difference between projected and actual earnings on pension plan investments	7,248	-
Contributions subsequent to the measurement date	66,454	-
Total	$ 73,702	$ 41,607

$66,454 was reported as deferred outflows of resources related to pensions results from contributions made prior to our fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Deferred Outflows (inflows) of Resources
2016	($7,498)
2017	($6,885)
2018	($6,634)
2019	($3,707)
2020	($7,852)
Thereafter	($1,784)

Actuarial assumptions: The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 Percent
Salary increases	3.50 – 10.50 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expenses, including inflation.

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below.

Retired Member Mortality
Class of Member
Local Government, Public Employees
Men RP 2000mWC (100%)
Women EDIF (120%)
RP 2000mWC = RP 2000 Combined mortality table for males with white collar adjustments multipled by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period of January 1, 2008 – December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. 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:

	Expected Return Arithmetic Basis		
Asset class	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected porfolio real rate of return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
Inflation			2.75%
Expected arithmetic nominal return			7.98%

The 7.5% assumed investment rate of return in comprised of an inflation rate of 2.75%, a real return of 4.75% that is net of investment expense.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits 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.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of			
Net pension (asset)/liability	$ 693,148	$ 317,700	$ 6,487

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 - Annual OPEB Cost and Net OPEB Obligation

The Agency's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the employer's annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. As part of the budget for Fiscal Year 2016, the Mayor and City Council will discontinue retiree health coverage for employees retiring before June 30, 2015. This significantly reduced the OPEB liability as of June 30, 2015 as the City will no longer be providing these benefits. As a result of this change, for the fiscal year ended June 30, 2015, the Agency recognized a benefit of annual OPEB cost of $136,628, while the expense (cost) recognized during the year ended June 30, 2014 was $35,000, equal to the ARC.

The following table shows the components of the Agency's annual OPEB (benefit) cost for the years ended June 30, 2015 and 2014, the amounts contributed to the plan, and changes in the Agency's net OPEB obligation:

	2015	2014	2013
OPEB			
Annual required contribution	$ 9,372	$ 35,000	$ 30,000
Interest on net OPEB obligation	-	-	-
Adjustments to annual required contribution	(146,000)	-	-
Annual OPEB (benefit) cost	$ (136,628)	$ 35,000	$ 30,000
Contributions made	$ (6,010)	$ (7,000)	$ (8,000)
Increase (decrease) in net OPEB obligation	(142,638)	28,000	22,000
Net OPEB Obligations, Beginning of Year	146,000	118,000	96,000
Net OPEB Obligations, End of Year	$ 3,362	$ 146,000	$ 118,000

The Agency's annual OPEB (benefit) cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2014 and 2015 is as follows:

Fiscal Year Ended	Annual OPEB (Benefit) Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2014	$ 35,000	$ 7,000	20.0%	$ 146,000
June 30, 2015	(136,628)	6,010	-4.4%	3,362

Funded Status and Funding Progress

The funded status of the Agency's portion of the plan as of June 30, 2014 and 2015 was as follows:

Year Ended	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Liability UAAL (a-b)	Funded Ratio (a) / (b)	Annualized Covered Payroll	UAAL as percent of covered payroll
June 30, 2014	$ -	$ 278,000	$ 278,000	0.00%	$ 615,720	45.15%
June 30, 2015	$ -	$ 9,056	$ 9,056	0.00%	$ 815,990	1.11%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, shown as required supplementary information following the notes to the financial statements, presents the results of OPEB valuations as of June 30, 2014 and 2015 and looking forward; the schedule will eventually provide multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuations for fiscal years 2015 and 2014, the unit credit method was used. The actuarial assumptions included a 3.5% investment rate of return (net of administrative expenses) in 2015 and 2014. Due to the retiree health benefits expiring during Fiscal 2016, there is only one year of projection, therefore, the assumed medical trend increases were based on the known premium increases for Fiscal 2016. Covered payroll included a 3.5% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of payroll over an open thirty year period.

Note 9 - Related Party Deposits

As discussed in Note 5, the Agency owns parking facilities and a public plaza on Block 57, also known as The John W. Gallivan Utah Center (the Plaza). The Agency, along with other Block 57 property owners, is a member of the Gallivan Utah Center Owners Association, in which all members contribute funds to cover the maintenance costs of the Plaza. As of June 30, 2015 and 2014, funds held by the Agency for use in maintenance costs of the Plaza amounted to $180,503 and $145,539, respectively. These funds are reported as related party deposits and advance rentals.

Note 10 - Commitments and Contingencies

During the year ended June 30, 2013, Salt Lake City Corporation issued $15,000,000 of Bond Anticipation Notes (BANS) to begin construction on the Eccles Theater. These bonds were issued in expectation of the issuance of the Tax Increment Bonds (as discussed in Note 6) and the Sales Tax Revenue Bonds issued by Salt Lake City Corporation (as discussed below). The City received the proceeds of the BANS and paid design and pre-construction costs. During the years ended June 30, 2015 and 2014, the City contributed $1,009,750 (includes interest earned of $49,055) and $14,039,306, respectively, in construction in progress to the Agency. These contributions are shown as non-operating revenue in the accompanying statements of revenues, expenses and changes in net position.

During the year ended June 30, 2014, Salt Lake City Corporation issued Sales Tax Revenue Bonds in the amount of $51,270,000 to aid in the financing of the construction of the Eccles Theater. With the proceeds of these bonds, the City paid off the BANS and the remaining net proceeds of $34,349,587 were transferred to the Agency as a contribution from the City. Bond issuance costs and accrued interest of $1,920,413 were recognized by the Agency as expense. In addition, upon issuance of the bonds, the Agency used private donations of $2,596,649 and contributed $1,104,957 of its own funds into an escrow account for capitalized interest on the bonds. This interest will be expensed as accrued.

Semi-annually, the Agency will transfer funds to the City as a contribution (expense to the Agency). Total anticipated payments are as follows:

	Annual Obligation
2016	$ 2,636,303
2017	2,636,303
2018	2,636,303
2019	2,636,303
2020	2,636,303
2021-2025	13,181,517
2026-2030	13,181,517
2031-2035	29,351,549
2036-2038	35,628,825
	$ 104,524,923

The Agency has pledged future tax increment revenues to repay $116,000,000 in Tax Increment and Sales Tax Revenue Bonds issued during the year ended June 30, 2014. As discussed previously, proceeds from the bonds provided financing for the construction of the Eccles Theater on Block 70 within the Central Business District (CBD). The Tax Increment Bonds are payable through fiscal year 2031. The Sales Tax Revenue Bonds were issued by Salt Lake City Corporation and the Agency will contribute tax increment revenue to the City on an annual basis to cover the principal and interest payments, due through 2038. The annual debt service will be funded by the incremental property taxes generated from the CBD Project area, Block 70 Community Development Area (CDA), as estimated based on projected future taxable values of the Block 70 construction project and private donations. Annual principal and interest payments on the Bonds are expected to require approximately 30% of tax increment revenues generated from the CBD and Block 70, beginning in fiscal year 2016. The total principal and interest remaining to be paid on all bonds for the Eccles Theater project is $202,222,956.

Through inter-local agreements entered into with Salt Lake County, Salt Lake City and Salt Lake City School District, tax increment revenue that would have been remitted to these agencies has been pledged to the Agency through tax year 2040. In December 2011, the Agency entered into an agreement with the City in which the Agency will retain a portion of the City's Taxing Entity Committee (TEC) allocation, in order to pay principal and interest on the Sales Tax Revenue Bond obligations and the Tax Increment Bond obligations. Each year, beginning in tax year 2015 through 2040, the City will continue to receive from the Agency a dollar amount equal to the 2014 TEC allocation. The original interlocal agreement specified that the Agency will retain 80% of the remaining TEC allocation. This interlocal agreement was subsequently amended in May 2013 to provide that the Agency will retain up to 100% of the remaining TEC allocation, as is necessary to fund debt service payments. The Agency is required to reimburse the City for any portion of this additional TEC allocation that is utilized for debt service on the Eccles Theater, with the balance accruing interest at the City's general funds rate. In addition, the Agency entered into an interlocal agreement with the City and Salt Lake City School District wherein the Agency is entitled to receive 70% of the City's and School District's portion of the tax increment from the Block 70 Project Area for 25 years, beginning in tax year 2016, for the purposes of funding debt service on the Eccles Theater project.

In addition, in September 2012, the Agency entered into an agreement with Salt Lake County (the County) wherein the Agency is entitled to receive 70% of the County's portion of the Tax Increment from the Block 70 (Eccles Theater) Project Area for 25 years, beginning in tax year 2016, up to a maximum of $7,000,000 for the purposes of funding debt service on the Eccles Theater. Similarly, in October 2012, the Agency entered into an interlocal agreement with the County wherein the County will continue to receive from the Agency a dollar amount equal to the 2014 TEC allocation each year beginning in tax year 2015 through 2040, and the Agency will retain the remaining TEC allocation to fund debt service on the Eccles Theater project, up to a maximum of $43,000,000.

During the year ended June 30, 2002, the Agency entered into a reimbursement agreement with Gateway Associates, a developer of a project located within the Agency's Depot District Project Area. Under the agreement, the Agency is obligated to repay to the developers, from the tax increment revenues received from the respective projects, up to $16,500,000 plus accrued interest, but not in excess of the tax increment revenues received from the individual projects. These obligations are also subject to the developers paying property taxes on a timely basis and the receipts of certificates of project completion. For the years ended June 30, 2015 and 2014, the Agency recorded expenses of $1,349,096 and $1,659,956, respectively.

During the year ended June 30, 2007, the Agency entered into a reimbursement agreement with Rio Grande Development, LLC, a developer of a project within the Agency's Depot District Project Area. Under this agreement, the Agency is obligated to repay to the developers, from the tax increment revenues received from the respective project, at the lesser of $2,020,000 or 37.5% of the Project Tax Increment over the reimbursement term, plus accrued interest, but not in excess of the tax increment revenues received from the individual projects. These obligations are also subject to the developers paying property taxes on a timely basis and the receipts of certificates of project completion. For the years ended June 30, 2015 and 2014, the Agency recorded expenses of $113,760 and $125,176, respectively.

In September 2009, the Agency a entered into a reimbursement agreement with Scrap, LLC ("Developer") for a mixed-use housing project located at 850 South 400 West, in the Agency's Granary District Project Area. The agreement provides a tax increment reimbursement to the Developer for architectural and engineering fees associated with LEED Gold Standard design improvements incorporated into the project. Under the agreement, the Agency is required to pay the Developer a reimbursement cap that is the lesser of (i) a principal amount equal to 50% of the project architectural and engineering expenses; or (ii) $450,000. These obligations are subject to the Developer paying property taxes on a timely basis, receipts of certificates of project completion, and other annual reporting duties as defined in the reimbursement agreement. For the years ended June 30, 2015 and 2014, the Agency recorded expenses of $44,595 and $36,237, respectively.

During the year ended June 30, 2010, the Agency entered into a reimbursement agreement with 222 S. Main Investments, LLC, a developer of a project within the Agency's Central Business District Project Area. Under this agreement, the Agency is obligated to repay to the developers 85% of the tax increment revenues received by the RDA from the respective project up to the lesser of: (i) total developer costs less $127,300,000 or (ii) $6,000,000, plus accrued interest of 5.9%, over the reimbursement term, which expires in January 2031. These obligations are also subject to the developers paying property taxes on a timely basis, the receipt of certificates of project completion, and annual certificates of compliance with the other terms of the reimbursement agreement. For the years ended June 30, 2015 and 2014, the Agency recorded expenses of $515,955 and $428,641, respectively.

During the year ended June 30, 2015, the Agency entered into a reimbursement agreement with Liberty Gateway Properties, L.C. ("Developer") for a mixed-use housing project located on 500 West between South Temple and 100 South, in the Agency's Depot District Project Area. The agreement provides a tax increment reimbursement to the Developer for costs incurred in connection with the associated parking garage component of the project from the tax increment created from the property. Under the agreement, the Agency will pay the Developer a reimbursement amount equal to the sum of (i) $3,000 multiplied by the actual number of eligible At-Grade Structured Parking Stalls (up to a maximum of 48 stalls), plus (ii) $6,000 multiplied by the actual number of Below-Grade Structured Parking Stalls (up to a maximum of 112), together with simple interest accrued thereon a

Applicable Interest Rate. The maximum that will be reimbursed is $816,000. The reimbursement term is for the tax years 2015 through 2022. The Agency will make an annual payment to the Developer during the reimbursement term in an amount equal to 72% of the tax increment for such year actually received by the Agency until the earlier to occur of (i) Developer has received an amount equal to the reimbursement amount or (ii) the expiration of the Reimbursement Term. These obligations are subject to the Developer paying property taxes on a timely basis, receipts of certificates of project completion, and other annual reporting duties as defined in the reimbursement agreement. For the years ended June 30, 2015 and 2014, the Agency recorded expenses of $55,156 and $0, respectively.

In March, 2008, the Agency and the State of Utah entered into a lease agreement for the rental by the State of Utah of 250 parking stalls in a parking structure owned by the Agency. The lease requires monthly payments of $20 per stall, for a total of $5,000 per month. The lease term is 20 years. In addition, the lease includes a provision for the repayment of a portion of the construction costs to be paid by the State of Utah of $350,000 over the term of the parking rental agreement. The repayment terms requires interest of 3% and monthly payments of $2,077, in addition to the monthly rent payments. The balance of the unpaid amount as of June 30, 2015 and 2014 was $231,816 and $249,501, respectively, which has been recorded as a note receivable.

Note 11 - Prior Period Adjustment

Correction of an Error

During the year ended June 30, 2014, the Agency received promises to give in the amount of $17,025,000 from private donors. In order to obtain these promises to give, the Agency hired a fundraiser, which required commissions to be paid in the amount of 10% of the promise, payable upon cash receipt of the promise. However, none of the commissions had been paid during the year ended June 30, 2014 or accrued as of June 30, 2014. The Agency has recorded a prior period adjustment in the amount of $1,702,500 to account for commission payable as of June 30, 2014. In addition, future costs estimated to fulfill benefits to the donors are estimated at 6.25% of the promise, based on industry standards. The Agency also recorded accrued fulfillment costs in the amount of $1,064,063 as a prior period adjustment.

The effects on the components of the financial statements are as follows:

	FY2014, as originally reported	FY2014, as restated
Accounts payable and accrued liabilities	$ 4,766,265	$ 6,732,828
Total current liabilities	$ 14,072,579	$ 16,039,142
Accrued liabilities, net of current portion	$ -	$ 800,000
Total long term liabilities	$ 65,036,074	$ 65,836,074
Total Liabilities	$ 79,108,653	$ 86,641,481
Administration expenses	$ 1,964,360	$ 4,730,923
Total operating expenses	$ 28,043,014	$ 30,809,577
Operating loss	$ (25,985,470)	$ (28,752,033)
Change in Net Position	$ 66,327,287	$ 63,560,724
Net Position	$ 212,283,579	$ 209,517,016

Adoption of Accounting Standards

As of July 1, 2014, the Agency adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of these standards requires governments calculate and report the cost and obligations associated with pensions in their financial statements, including additional note disclosures and required supplementary information. Beginning net position was restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date as follows:

Net position as of June 30, 2014 as restated above	$ 209,517,016
Net Pension Liability at June 30, 2014	(394,981)
Deferred outflows of resources related to contributions made during the year ended June 30, 2014	59,334
Net Position as of June 30, 2014 as restated	$ 209,181,369

Required Supplementary Information
June 30, 2015 and 2014

Redevelopment Agency of Salt Lake City

Schedule of Funding Progress – Retiree Healthcare and Life Insurance Plan

Plan Description

In addition to pension benefits provided, the Redevelopment Agency, as a component unit of Salt Lake City Corporation, provides postemployment health care to all current and future retirees. A life insurance benefit has not been provided for new retirees for several years and therefore is a small and shrinking factor in the plan. The continuing benefits are provided through a single employer defined benefit plan through Salt Lake City Corporation to all employees who retire and qualify to retire from the Utah Retirement Systems. The benefits, benefit levels and employee contributions are governed by Salt Lake City policy, and can be amended at any time. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the City's Risk Management Fund, an internal service fund. As part of the budget for Fiscal Year 2016, the Mayor and City Council will discontinue retiree health coverage for employees retiring before June 30, 2015. This significantly reduced the OPEB liability as of June 30, 2015 as the City will no longer be providing these benefits.

Funding Policy

The Redevelopment Agency currently pays for postemployment benefits on a "pay-as-you-go" basis and these financial statements assume that "pay-as-you-go" funding will continue.

Schedule of Funding Progress for the Agency's Portion of the plan

Year Ended	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actualial Liability UAAL (a-b)	Funded Ratio (a) / (b)	Annualized Covered payroll	UAAL as percent of covered payroll
June 30, 2014	$ -	$ 278,000	$ 278,000	0.00%	$ 615,720	45.15%
June 30, 2015	-	9,056	9,056	0.00%	815,990	1.11%

Actuarial Assumptions

In the Fiscal 2015 actuarial valuation, the unit credit cost method was used. The actuarial assumptions included a 3.5% investment rate of return (net of administrative expenses). Due to the retiree health benefits expiring during Fiscal 2016, there is only one year of projection, therefore, the assumed medical trend increases were based on the known premium increases for Fiscal 2016. Payroll costs have an assumed aggregate 3.5% increase per year. Because of the "pay as you go" funding policy, no actuarial value of assets was determined. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of payroll over a closed thirty year period.

	Noncontributory System	Tier 2 Public Employees System
Proportion of the net pension liability (asset)	10.3049442%	2.4971198%
Proportionate share of the net pension liability (asset)	$ 317,700	$ (726)
Covered employee payroll	$ 611,285	$ 117,554
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	52.0%	-0.6%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	103.5%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Agency will present information for those years for which information is available.

	Noncontributory System		Tier 2 Public Employees System	
Contractually required contribution	$	175,299	$	16,040
Contributions in relation to the contractually required contribution		(175,299)		(16,040)
Contribution deficiency	$	-	$	-
Covered employee payroll	$	637,982	$	122,688
Contributions as a percentage of covered-employee payroll*		27.48%		13.07%

*Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Agency will present information for those years for which information is available.

Supplementary Information
June 30, 2015

Redevelopment Agency of Salt Lake City

Redevelopment Agency of Salt Lake City

Combining Statement of Net Position Information by Project Area

Year Ended June 30, 2015

	Central Business District	Program Income & Revolving Loan	Sugarhouse Project	West Temple Gateway	West Capitol Hill	Depot District	Citywide Housing	Projct Area Housng	SARR	Retail Rebate	Granary District	North Temple	Block 70	Total
Assets														
Cash and cash equiv. (unrestricted)	$ 8,038,390	$ 32,989,192	$ 1,681,874	$ 1,888,780	$ 904,485	$ 7,003,492	$ 2,583,868	$ 1,840,408	$ 5,494,926	$ -	$ 1,560,872	$ 141,219	$ (6,649,950)	$ 57,477,556
Loans and other receivable	-	8,908,469	-	-	-	-	4,523,125	-	-	-	-	-	16,700,000	30,131,594
Cash and cash equivalent (restricted)	2,500,000	-	-	-	-	-	-	-	-	-	-	-	77,955,977	80,455,977
Land and water rights	16,515,446	-	-	-	-	-	-	-	-	-	-	-	4,940,566	21,456,012
Improvements other than buildings	55,022,530	-	-	-	-	-	-	-	-	-	-	-	-	55,022,530
Buildings	443,533	-	-	-	-	-	-	576,742	-	-	-	-	-	1,020,275
Machinery and equipment	382,904	14,067	-	-	-	-	-	-	-	-	-	-	-	396,971
Construction in progress	1,220,510	489,508	2,734,183	-	178,628	-	-	-	-	-	-	-	64,303,390	68,926,219
Accumulated depreciation	(39,334,372)	-	-	-	-	-	-	(57,674)	-	-	-	-	-	(39,392,046)
Land and buildings held for sale	8,522,587	8,591,109	836,423	2,537,998	88,989	16,302,176	367,546	3,529,679	-	-	194,455	-	-	40,970,962
Other assets	17,076	-	-	-	-	-	-	-	-	-	-	-	436,802	453,878
Total Assets	53,328,604	50,992,345	5,252,480	4,426,778	1,172,102	23,305,668	7,474,539	5,889,155	5,494,926	-	1,755,327	141,219	157,686,785	316,919,928
Deferred Outflows	73,702	-	-	-	-	-	-	-	-	-	-	-	-	73,702
Total Assets and Deferred Outflows	$ 53,402,306	$ 50,992,345	$ 5,252,480	$ 4,426,778	$ 1,172,102	$ 23,305,668	$ 7,474,539	$ 5,889,155	$ 5,494,926	$ -	$ 1,755,327	$ 141,219	$ 157,686,785	$ 316,993,630
Liabilities														
Accounts payable and accrued liabilities	$ 217,276	$ 105,045	$ 133,893	$ 31,744	$ 21,603	$ 435,599	$ 1,440	$ 5,100	$ -	$ -	$ 2,022	$ -	$ 8,647,155	$ 9,600,877
Current deposits and advance rentals	30,010	-	-	-	-	-	-	-	-	-	-	-	-	30,010
Accrued compensation - current	60,320	-	-	-	-	-	-	-	-	-	-	-	-	60,320
Long term deposits and advance rentals	150,493	-	-	-	-	-	-	-	-	-	-	-	-	150,493
Accrued interest payble - current	-	-	-	-	-	-	-	-	-	-	-	-	811,970	811,970
Bonds payable - current portion	-	-	-	-	-	-	-	-	-	-	-	-	3,005,000	3,005,000
Pension liability	317,700	-	-	-	-	-	-	-	-	-	-	-	-	317,700
Accrued liabilities, net of current portion	-	-	-	-	-	-	-	-	-	-	-	-	550,000	550,000
Long term compensation liability	104,249	-	-	-	-	-	-	-	-	-	-	-	-	104,249
Other post employment benefits	3,362	-	-	-	-	-	-	-	-	-	-	-	-	3,362
Advances from (to) other funds	(886,053)	(1,613,947)	-	-	-	-	-	-	-	-	-	-	2,500,000	-
Bonds payable, net	-	-	-	-	-	-	-	-	-	-	-	-	74,940,807	74,940,807
Total Liabilities	(2,643)	(1,508,902)	133,893	31,744	21,603	435,599	1,440	5,100	-	-	2,022	-	90,454,932	89,574,788
Deferred Inflows	41,607	-	-	-	-	-	-	-	-	-	-	-	-	41,607
Fund Balance														
Net position - Beginning, as restated	52,293,696	53,691,978	5,018,006	4,229,754	1,737,177	22,036,248	7,510,884	5,886,538	(2,719,086)	-	1,543,687	40,853	57,911,634	209,181,369
Revenues	9,739,854	1,952,637	1,648,175	550,052	311,973	3,940,782	43,933	22,995	16,424,388	167,725	328,437	252,238	13,003,385	48,386,574
Expenses	10,119,107	2,127,808	1,384,160	323,683	1,199,127	2,716,802	1,111,050	25,478	8,209,625	167,725	86,747	140,337	2,579,059	30,190,708
Net transfers in (out)	1,448,899	(1,015,560)	(163,434)	(61,089)	300,476	(390,159)	1,029,332	-	(751)	-	(32,072)	(11,535)	(1,104,107)	-
Total Net position - Ending, as restated	53,363,342	52,501,247	5,118,587	4,395,034	1,150,499	22,870,069	7,473,099	5,884,055	5,494,926	-	1,753,305	141,219	67,231,853	227,377,235
Total Net Position, Liabilities and Deferred Inflo	$ 53,402,306	$ 50,992,345	$ 5,252,480	$ 4,426,778	$ 1,172,102	$ 23,305,668	$ 7,474,539	$ 5,889,155	$ 5,494,926	$ -	$ 1,755,327	$ 141,219	$ 157,686,785	$ 316,993,630

Redevelopment Agency of Salt Lake City
Combining Statement of Revenues and Expenses by Project Area
Year Ended June 30, 2015

	Central Business District	Program Income and Revolving Loan	Sugarhouse Project	West Temple Gateway	West Capitol Hill	Depot District	Citywide Housing	Projct Area Housng	SARR	Retail Rebate	Granary District	North Temple	Block 70	Total
Revenue														
Transfers in from SLC Corp	$ 9,796,073	$ -	$ 1,634,332	$ 540,158	$ 305,779	$ 3,901,575	$ -	$ -	$ 16,355,321	$ -	$ 320,706	$ 251,677	$ -	$ 33,105,621
Interest income	(57,795)	521,419	13,843	9,894	6,194	39,207	43,933	10,041	69,067	-	7,731	561	493,635	1,157,730
Rental & other income	-	1,430,784	-	-	-	-	-	-	-	-	-	-	-	1,430,784
Private donations	-	-	-	-	-	-	-	-	-	-	-	-	11,500,000	11,500,000
Miscellaneous revenue	1,576	434	-	-	-	-	-	-	-	167,725	-	-	-	169,735
Contribution from SLC Corp	-	-	-	-	-	-	-	-	-	-	-	-	1,009,750	1,009,750
Gain (loss) on sale of capital assets	-	-	-	-	-	-	-	12,954	-	-	-	-	-	12,954
Total Revenue	9,739,854	1,952,637	1,648,175	550,052	311,973	3,940,782	43,933	22,995	16,424,388	167,725	328,437	252,238	13,003,385	48,386,574
Expense														
Administration	227,388	479,425	450,000	175,000	4,635	400,000	167,400	9,000	110,000	1,296	36,365	6,045	1,971,877	4,038,431
Plaza Management	760,495	18,478	-	-	-	-	-	-	-	-	-	-	-	778,973
Acquistion expenses	-	-	-	46,386	475	-	-	-	-	-	1,722	-	-	48,583
Public Improvements	184,442	827,737	379,194	42,575	1,166,705	625,192	27,244	-	-	-	1,610	-	1,911	3,256,610
Property Management	-	400,827	52,659	54,034	17,524	110,040	16,504	-	-	-	2,457	-	-	654,045
Housing initiatives	-	-	-	-	-	-	899,902	-	-	-	-	-	-	899,902
Grants and loans	(959)	21,486	-	-	-	-	-	-	-	-	-	-	-	20,527
Interest and fiscal charges	-	-	-	-	-	-	-	-	357,708	-	-	-	605,271	962,979
Payments to other taxing agencies	5,877,642	-	-	-	-	-	-	-	7,741,917	-	-	134,292	-	13,753,851
Depreciation	2,375,230	-	-	-	-	-	-	16,478	-	-	-	-	-	2,391,708
Other Projects	694,869	379,855	502,307	5,688	9,788	1,581,570	-	-	-	166,429	44,593	-	-	3,385,099
Total Expense	10,119,107	2,127,808	1,384,160	323,683	1,199,127	2,716,802	1,111,050	25,478	8,209,625	167,725	86,747	140,337	2,579,059	30,190,708
Net transfers in (out)	1,448,899	(1,015,560)	(163,434)	(61,089)	300,476	(390,159)	1,029,332	-	(751)	-	(32,072)	(11,535)	(1,104,107)	-
Change in net position	$ 1,069,646	$ (1,190,731)	$ 100,581	$ 165,280	$ (586,678)	$ 833,821	$ (37,785)	$ (2,483)	$ 8,214,012	$ -	$ 209,618	$ 100,366	$ 9,320,219	$ 18,195,866

	Central Business District	Program Income and Revolving Loan	Sugarhouse Project	West Temple Gateway	West Capitol Hill	Depot District	Citywide Housing	Projct Area Housing	SARR	Retail Rebate	Granary District	North Temple	Block 70	Total
Tax increment collected	$ 9,796,073	$ -	$ 1,634,332	$ 540,158	$ 305,779	$ 3,901,575	$ -	$ -	$ 16,355,321	$ -	$ 320,706	$ 251,677	$ -	$ 33,105,621
Loans receivable principal received	-	9,961,169	-	-	-	-	99,212	-	-	-	-	-	-	10,060,381
Bond procceds received	-	-	-	-	-	-	-	-	-	-	-	-	13,275,000	13,275,000
Bonds payable	-	-	-	-	-	-	-	-	-	-	-	-	77,945,807	77,945,807
Interest and fiscal charges	-	-	-	-	-	-	-	-	357,708	-	-	-	605,271	962,979
Debt principal paid	-	-	-	-	-	-	-	-	2,538,808	-	-	-	-	2,538,808
Origination of loans	-	372,247	-	-	-	-	-	-	-	-	-	-	-	372,247
Payments to other taxing entities	5,877,642	-	-	-	-	-	-	-	7,741,917	-	-	134,292	-	13,753,851
Public improvements	184,442	827,737	379,194	42,575	1,166,705	625,192	27,244	-	-	-	1,610	-	1,911	3,256,610
Plaza management	760,495	18,478	-	-	-	-	-	-	-	-	-	-	-	778,973
Property management	-	400,827	52,659	54,034	17,524	110,040	16,504	-	-	-	2,457	-	-	654,045
Budgetary transfers in (out)	1,448,899	(1,015,560)	(163,434)	(61,089)	300,476	(390,159)	1,029,332	-	(751)	-	(32,072)	(11,535)	(1,104,107)	-
Administration expense	227,388	479,425	450,000	175,000	4,635	400,000	167,400	9,000	110,000	1,296	36,365	6,045	1,971,877	4,038,431
Other redevelopment costs	693,910	401,341	502,307	52,074	10,263	1,581,570	899,902	-	-	166,429	46,315	-	-	4,354,111
Depreciation	2,375,230	-	-	-	-	-	-	16,478	-	-	-	-	-	2,391,708