

# INDEPENDENT AUDITORS' REPORT FOR COST SHARING PLANS



## INDEPENDENT AUDITORS' REPORT

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Utah State Retirement Board:

### REPORT ON THE SCHEDULES

We have audited the employer allocations and the total for all entities of the columns titled employer contributions, net pension liability/(asset), total deferred outflows of resources, total deferred inflows of resources, and total employer net pension expense excluding that attributable to employer-paid member contributions (specified column totals) included in the accompanying schedules of employer allocations and pension amounts of the Noncontributory Retirement System, Contributory Retirement System, Public Safety Retirement System, Firefighters Retirement System, Judges Retirement System, Utah Governors and Legislators Retirement Plan, Tier 2 Public Employees Contributory Retirement System, and Tier 2 Public Safety and Firefighters Contributory Retirement System ("Defined Benefit Pension Plans") of Utah Retirement Systems, a component unit of the State of Utah, administered by the Utah State Retirement Board, as of and for the year ended December 31, 2017, and the related notes.

### *Management's Responsibility for the Schedules*

Management is responsible for the preparation and fair presentation of these schedules 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 the schedules that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on the employer allocations and the specified column totals included in the schedules of employer allocations and pension amounts based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the employer allocations and the specified column totals included in the schedules of employer allocations and pension amounts are free of material misstatement.

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An audit involves performing procedures to obtain audit evidence about the employer allocations and the disclosures and specified column totals included in the schedules of employer allocations and pension amounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the employer allocations and the specified column totals included in the schedules of employer allocations and pension amounts, 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 employer allocations and the specified column totals included in the schedules of employer allocations and pension amounts 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 employer allocations and the specified column totals included in the schedules of employer allocations and pension amounts.

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 schedules referred to above present fairly, in all material respects, the employer allocations and the total employer contributions, net pension liability/(asset), total deferred outflows of resources, total deferred inflows of resources, and total employer net pension expense excluding that attributable to employer-paid member contributions for the total of all participating entities for the Noncontributory Retirement System, Contributory Retirement System, Public Safety Retirement System, Firefighters Retirement System, Judges Retirement System, Utah Governors and

Legislators Retirement Plan, Tier 2 Public Employees Contributory Retirement System, and Tier 2 Public Safety and Firefighters Contributory Retirement System of Utah Retirement Systems, a component unit of the State of Utah, administered by the Utah State Retirement Board, as of and for the year ended December 31, 2017, in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Utah Retirement Systems, a component unit of the State of Utah, administered by the Utah State Retirement Board, which includes the Defined Benefit Pension Plans, as of and for the year ended December 31, 2017, and our report thereon, dated April 26, 2018, expressed an unmodified opinion on those financial statements and included an emphasis-of-matter paragraph regarding the fair value of investments where a publicly listed price is not available.

**Restrictions on Use**

Our report is intended solely for the information and use of Utah Retirement Systems' management, the Utah State Retirement Board, the employers of the Defined Benefit Pension Plans of Utah Retirement Systems and their auditors and is not intended to be and should not be used by anyone other than these specified parties.



April 26, 2018