

UTAH COUNTY, UTAH

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2016



Published: June 26, 2017

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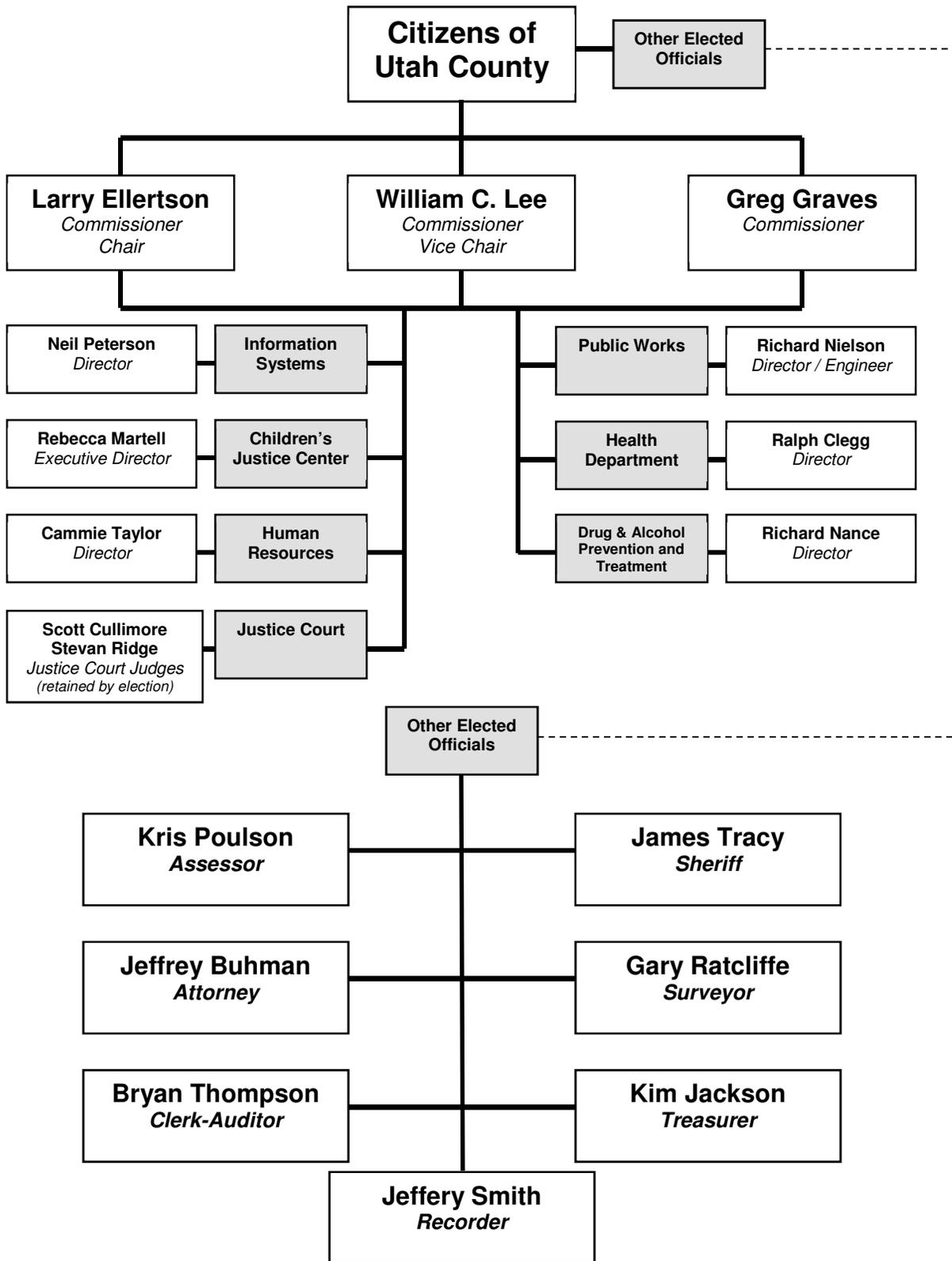
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UTAH COUNTY ORGANIZATIONAL CHART

As of December 31, 2016



FINANCIAL SECTION



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITOR'S REPORT

To Honorable Board of County Commissioners
Utah County
Provo, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, (the County) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 opinions on these financial statements based on our audit. We did not audit the financial statements of Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health or North Fork Special Service District, which are shown as discretely presented component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, is based solely upon the report of the other auditors.

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of December 31, 2016 and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-12 and 65-67, and the County's Road System Ratings and OPEB Schedule of Funding Progress and Pension Disclosures on pages 63-64 and 68-70 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 opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2017, on our consideration of Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Utah County's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC

Provo, Utah 84601

June 26, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

Utah County, Utah
Management's Discussion and Analysis
December 31, 2016

As management of Utah County, Utah, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2016.

Financial Highlights

- At the close of the most recent fiscal year, the assets and deferred outflows of the County exceeded its liabilities by \$338,394,332 (net position). Of this amount, \$46,689,827 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors. The County's total net position increased by \$15,487,148.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$197,239,524, an increase of \$66,083,056 in comparison with the prior year. Approximately 9 percent of this amount (\$16,931,444) is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$24,351,704, or approximately 34 percent of total general fund expenditures.
- The County's total outstanding long-term debt increased by \$54,450,000 during the current fiscal year due to:
 - Paid scheduled principal debt payments of \$7,425,000.
 - Called Series 2005 Sales Tax and Refunding Bonds and paid outstanding principal balance of \$3,125,000.
 - Issued \$65,000,000 in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Utah County's finances, in a manner similar to a private-sector business.

- The Statement of Net Position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Consideration should also be given to other non-financial factors that may affect the net position.
- The Statement of Activities presents information showing how the County's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Accordingly, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type

activities). The governmental activities of the County include general government, public safety, public health and welfare, roads and public improvements, and parks and recreation. The County has no business-type activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. These entities are Timpanogos Special Service District, North Pointe Solid Waste Special Service District, North Fork Special Service District, the Utah Valley Convention and Visitors Bureau, and Wasatch Mental Health Special Service District. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government. Soldier Summit Special Service District, Utah Valley Road Special Service District, and Utah County Service Areas No. 6-9 are also included in the government-wide financial statements as blended component units.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The County maintains 20 individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the general fund, Health Department fund, Transportation Projects fund, Capital Projects fund, and Debt Service fund, all of which are considered to be major funds. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

- **Proprietary funds.** There are two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County has no enterprise funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its fleet of vehicles, Jail food service, building maintenance, communication systems (telephone and radio), and information systems.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the County's rating system for its roads, various budgetary schedules, funding progress for the County's post-employment benefits plan, and various pension-related schedules.

The combining statements for non-major governmental funds and internal service funds are presented in the Supplementary Information section.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the County's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$338,394,332 at the close of the most recent fiscal year.

The largest portion of the County's net position (\$202,325,789 or 60 percent) reflects its investment in capital assets (e.g. land, rights of way, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$89,378,716 or 26 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$46,689,827 is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position. The same situation held true for the prior fiscal year.

The County's overall net position increased by \$15,487,148 (5 percent) from the prior fiscal year. The reasons for this overall increase are discussed in the following section.

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Utah County's Net Position

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	\$236,876,390	\$164,226,283	\$ 0	\$ 0	\$236,876,390	\$164,226,283
Capital assets	412,196,123	413,137,851	0	0	412,196,123	413,137,851
Other noncurrent assets	18,996	31,623	0	0	18,996	31,623
Total assets	649,091,509	577,395,757	0	0	649,091,509	577,395,757
Total deferred outflows of resources	22,403,935	11,348,840	0	0	22,403,935	11,348,840
Current liabilities	29,889,791	22,203,421			29,889,791	22,203,421
Noncurrent liabilities	300,449,132	240,759,882	0	0	300,449,132	240,759,882
Total liabilities	330,338,923	262,963,303	0	0	330,338,923	262,963,303
Total deferred inflows of resources	2,762,189	2,874,110	0	0	2,762,189	2,874,110
Net position:						
Net investment in capital assets	202,325,789	197,175,004	0	0	202,325,789	197,175,004
Restricted	89,378,716	72,021,187	0	0	89,378,716	72,021,187
Unrestricted	46,689,827	53,710,993	0	0	46,689,827	53,710,993
Total net position	\$338,394,332	\$322,907,184	\$ 0	\$ 0	\$338,394,332	\$322,907,184

Governmental activities. As the County has no business-type activities, the overall increase of the County's net position by \$15,487,148 is solely attributed to governmental activities. Key elements of this increase are as follows:

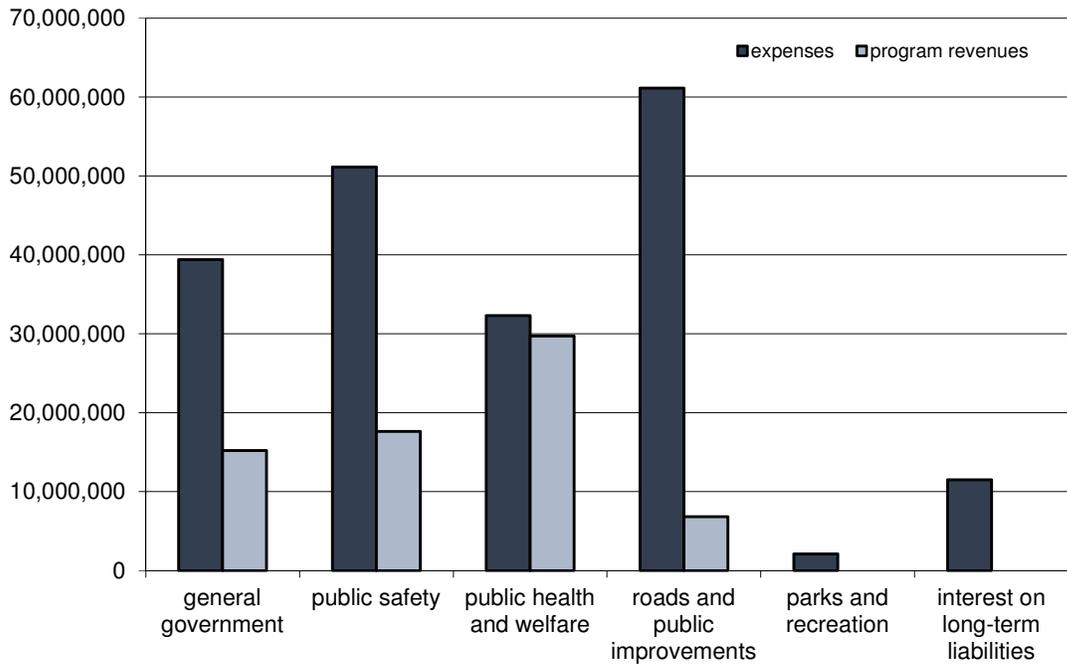
- The issuance of \$65 million in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority.
- Unspent sales tax collections dedicated to specific purposes, such as the Transient Room Tax, Tourism, Recreation, Cultural, and Convention Center (TRCC) Facilities Tax, and road/transit taxes.
- Purchase of capital assets, including \$3.1 million in vehicles/heavy equipment. In comparison, only \$2.1 million of vehicles/heavy equipment was retired. Part of the difference between the amount of the purchases and the amount of the retirements is explained by replacement value versus historical cost. However, the difference is also due to vehicles/equipment that were replaced being retained rather than sold/donated and purchased vehicles having additional features (such as Bluetooth capabilities) or upgrades (for example, a car being replaced by a truck).

Utah County's Changes in Net Position

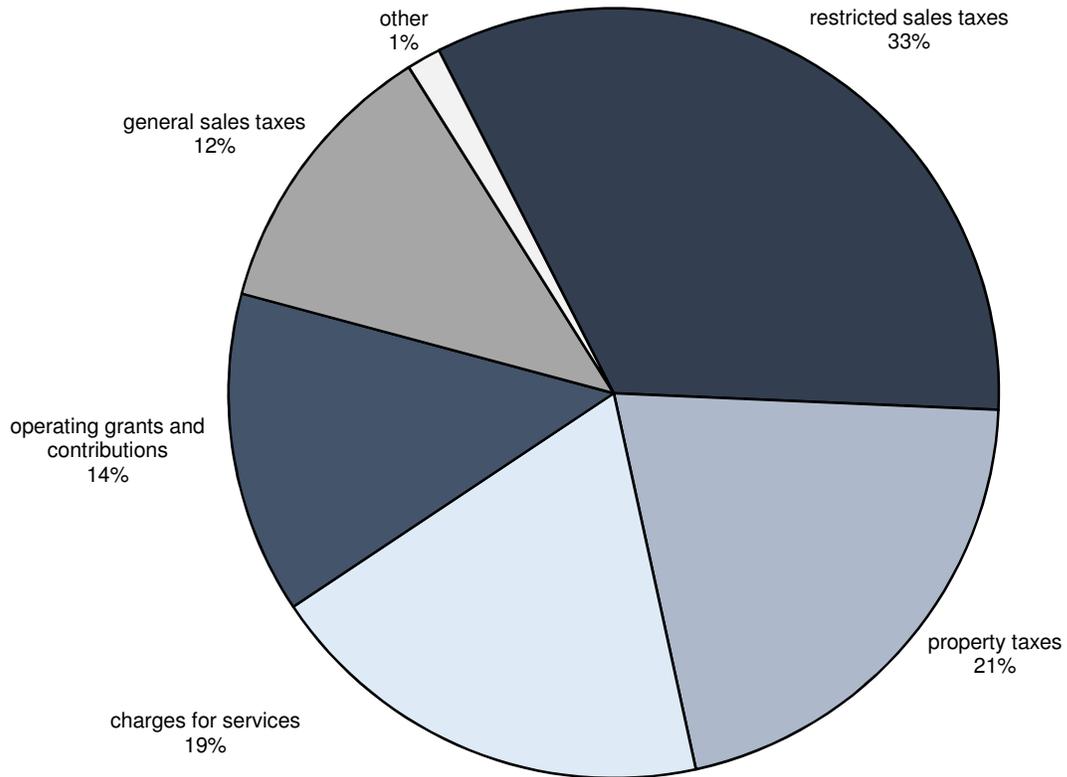
	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$40,600,228	\$38,832,340	\$ 0	\$ 0	\$40,600,228	\$38,832,340
Operating grants and contributions	28,831,844	28,501,325	0	0	28,831,844	28,501,325
Capital grants and contributions	0	0	0	0	0	0
General revenues:						
Property taxes	44,528,176	42,948,851	0	0	44,528,176	42,948,851
Other taxes	96,055,177	90,066,841	0	0	96,055,177	90,066,841
Other	3,040,775	2,382,557	0	0	3,040,775	2,382,557
Total revenues	213,056,200	202,731,914	0	0	213,056,200	202,731,914
Expenses:						
General government	\$39,399,925	\$37,907,519	0	0	\$39,399,925	\$37,907,519
Public safety	51,135,267	48,362,097	0	0	51,135,267	48,362,097
Public health and welfare	32,300,465	32,987,807	0	0	32,300,465	32,987,807
Roads and public improvements	61,128,370	48,452,743	0	0	61,128,370	48,452,743
Parks and recreation	2,100,331	1,759,817	0	0	2,100,331	1,759,817
Interest on long-term debt	11,504,694	11,950,131	0	0	11,504,694	11,950,131
Total expenses	197,569,052	181,420,114	0	0	197,569,052	181,420,114
Increase / (decrease) in net position	15,487,148	21,311,800	0	0	15,487,148	21,311,800
Net position – beginning	322,907,184	301,595,384*	0	0	322,907,184	301,595,384*
Net position – ending	\$338,394,332	\$322,907,184	\$ 0	\$ 0	\$338,394,332	\$322,907,184

*As restated due to implementation of GASB Statement No. 68

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

- **Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County's net resources available for discretionary use for a particular purpose by either an external party, the County itself, or a group or individual that has been delegated authority to assign resources for particular purposes by the Board of Utah County Commissioners.

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$197,239,524, an increase of \$66,083,056 in comparison with the prior year. Approximately 9 percent of this amount (\$16,931,444) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0), (2) legally required to be maintained intact (\$0), (3) restricted for particular purposes (\$152,309,025), (4) committed for particular purposes (\$20,571,528), or (5) assigned for particular purposes (\$7,427,525).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,924,179 while total fund balance reached \$28,088,506. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 23 percent of total general fund expenditures while total fund balance represents approximately 39 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$601,307 during the current fiscal year. The primary reasons for this increase are as follows: County expenditures were less than budgeted, recording fees collected were higher than anticipated, and interest earnings were higher than anticipated due to investments purchased during the year.

The Health fund, a major fund, had a \$1,256,214 increase in fund balance during the current fiscal year. The increase in fund balance was caused by an increase in the fees collected. Part of this increase is attributable to increases in the fee schedule approved by the Board of Health and part of the increase is attributable to more services being provided.

The Transportation Projects fund, a major fund, had a \$60,022,760 increase in fund balance during the current fiscal year. The increase in fund balance is due to the issuance of \$65 million in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority. These bonds were issued in December 2016 so most of the bond proceeds remained unspent by the end of the fiscal year.

The Capital Projects fund, a major fund, had a \$959,604 increase in fund balance during the current fiscal year. The increase in fund balance can mainly be attributed to a transfer of \$1,064,382 from the general fund for future capital projects.

The Debt Service fund, the remaining major governmental fund, had a decrease in fund balance during the current year of \$2,250,201 to bring the year-end fund balance to \$3,064,139. This decrease was due primarily to the Series 2006 Sales Tax Bonds being called during 2016.

- **Proprietary funds.** The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the internal service funds at the end of the year amounted to \$5,448,004. The total increase in net position was \$1,778,015.

General Fund Budgetary Highlights

During the year there was a \$2,547,165 increase in appropriations between the original and final amended budgets. Appropriations for public safety increased by \$2,475,345, general government appropriations increased by \$701,007, and a transfer to the capital projects fund was added to the budget for \$500,000.

Capital Asset and Debt Administration

Capital assets. The County’s investment in capital assets for its governmental activities as of December 31, 2016 amounts to \$412,196,123 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total decrease in the County’s investment in capital assets for the current fiscal year was 0.23 percent.

Utah County’s Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 46,489,657	\$ 46,489,657	\$ 0	\$ 0	\$ 46,489,657	\$ 46,489,657
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	0	0	0	0	0	0
Buildings	113,716,479	115,881,659	0	0	113,716,479	115,881,659
Improvements other than buildings	3,435,091	3,735,273	0	0	3,435,091	3,735,273
Equipment	10,238,277	9,405,618	0	0	10,238,277	9,405,618
Infrastructure	238,104,879	237,413,904	0	0	238,104,879	237,413,904
Total	\$412,196,123	\$413,137,851	\$ 0	\$ 0	\$412,196,123	\$413,137,851

Major capital asset events occurring during the current fiscal year include purchase of a hangar at the Spanish Fork Airport, improvements to the historic Utah County Courthouse, and construction of bridges on Goosenest Drive and 5600 West.

Additional information on the County’s capital assets can be found in the footnotes to this financial report.

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$267,830,000. The full amount of the bonded debt, \$267,830,000, is debt that is secured solely by specific revenue sources; none of this debt is backed by the full faith and credit of the government (e.g. property taxes).

The County’s total debt increased by \$54,450,000 (26 percent) during the current fiscal year. The key factor in this increase was the issuance of \$65 million in 2016 Subordinated Sales Tax Revenue Bonds.

Utah County's Outstanding Debt

General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Revenue bonds	267,830,000	213,380,000	0	0	267,830,000	213,380,000
Total	\$267,830,000	\$213,380,000	\$ 0	\$ 0	\$267,830,000	\$213,380,000

The State of Utah statutorily limits the amount of general obligation debt a county may issue to two percent of the fair market value of the taxable property in the county. The limit does not need to be calculated by the County as the County has no outstanding general obligation debt.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County at December 2016 was 2.8 percent (seasonally adjusted). This compares favorably to both the State's unemployment rate of 3.2 percent and to the national unemployment rate of 4.7 percent (Source: U.S. Department of Labor, Bureau of Labor Statistics and Utah Department of Workforce Services).
- Utah County's estimated population in 2016 was 592,299. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). New growth generates additional property tax and sales tax revenues.
- The County continues to build a foundation for stronger economic growth. In 2016, Utah was the fastest-growing state in the United States. In Orem, the redevelopment of the University Mall (known as University Place) is taking place at one of the busiest intersections in the state. In Provo, the Provo Towne Centre was sold to a San Diego-based real estate firm that plans to revitalize the enclosed mall. In 2016, Provo City also announced that the Plumtree Plaza on University Parkway will be transformed into a mixed-use development to include both retail shopping and office/residential space. Eagle Mountain and Saratoga Springs both saw growth in their commercial bases. Forbes ranked Utah the best state for business, an accolade the state has received six of the past seven years. The County continued its commitment to quality County health programs with the opening of the Grandview Youth Treatment Center in February 2016 and the groundbreaking of a new mental health facility in Payson in October 2016. The County continued to develop a park at Bridal Veil Falls in Provo Canyon. The County's parks and trails add to the quality of life of its residents (Source: Utah County's State of the County Address, January 2017).
- A decrease in property values does not affect the County's projected property tax revenue. The Utah State Tax Commission uses a property tax formula that generally allows counties to generate the same amount of property tax each year. If property values increase, the property tax rate automatically decreases and vice versa. If the County wishes to adopt a rate in excess of the calculated or certified rate, it must be done through a truth-in-taxation process that involves holding public hearings prior to the adoption of the budget. The Board of Utah County Commissioners did not elect to raise the general property tax rates in either 2016 or 2017.

These factors were considered in preparing the County's budget for 2017.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$16,924,179. The County has appropriated \$7,692,890 of this amount for spending in the 2017 budget. The use of available fund balance is a one-time funding source that will not be available in subsequent years.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Utah County Clerk/Auditor, Attention: Financial Reporting, 100 East Center Street, Suite 3600, Provo, Utah, 84606 or by email to auditor@utahcounty.gov.

BASIC FINANCIAL STATEMENTS

UTAH COUNTY
Statement of Net Position
December 31, 2016

	Primary Government Governmental Activities	Component Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and Investments	\$ 203,590,533	\$ 82,275,080
Receivables:		
Taxes Receivable	21,412,033	169,000
Other	10,606,495	7,678,598
Inventories	381,574	9,943
Other Current Assets	885,755	776,786
Capital Assets (net of depreciation):		
Land	46,489,657	6,665,232
Rights of Way and Water Rights	211,740	437,671
Construction In Progress	-	655,143
Buildings	113,716,479	9,822,123
Improvements Other Than Buildings	3,435,091	132,559,584
Equipment	10,238,277	4,994,250
Infrastructure	238,104,879	-
Net Pension Asset	18,996	1,128
Other Non Current Assets	-	626,880
Total Assets	<u>649,091,509</u>	<u>246,671,418</u>
Deferred Outflow of Resources	<u>22,403,935</u>	<u>5,473,077</u>
Total Assets and Deferred Outflow of Resources	<u>671,495,444</u>	<u>252,144,495</u>
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts Payable and Accruals	\$ 13,803,700	\$ 5,071,368
Accrued Interest	896,811	331,024
Unearned Revenues	6,212,414	8,600
Other Liabilities	-	25,082,368
Revenue Bonds, Notes and Capital Leases - Due Within One Year	8,976,866	371,073
Noncurrent liabilities:		
Revenue Bonds and Notes - Due More Than One Year	260,374,490	55,125,797
Other Noncurrent Liabilities	-	123,340
Net Pension Liability	28,962,503	9,686,675
Compensated Absences and Other Post Employment Benefits	11,112,139	551,393
Total Liabilities	<u>330,338,923</u>	<u>96,351,638</u>
Deferred Inflow of Resources	<u>2,762,189</u>	<u>2,804,140</u>
Total Liabilities and Deferred Inflow of Resources	<u>333,101,112</u>	<u>99,155,778</u>
Net Position:		
Net investment in capital assets	202,325,789	102,329,598
Restricted for:		
Debt Service	3,064,139	250,183
Assessing and Collecting Property Tax	5,208,654	
Transient Room Tax	681,384	
Public Transit Tax	68,789,479	
Restaurant Tax	11,635,060	
Unrestricted	<u>46,689,827</u>	<u>50,408,936</u>
Total Net Position	<u>\$ 338,394,332</u>	<u>\$ 152,988,717</u>

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

UTAH COUNTY
Statement of Activities
Year Ended December 31, 2016

Functions Primary Government	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total Governmental Activities	Total	
Governmental activities:							
General Government	\$ 39,399,925	\$ 15,223,881	\$ -	\$ -	\$ (24,176,044)	\$ (24,176,044)	\$ -
Public Safety	51,135,267	13,543,417	4,112,711	-	(33,479,139)	(33,479,139)	-
Public Health	32,300,465	11,832,930	17,889,334	-	(2,578,201)	(2,578,201)	-
Highways and Streets	61,128,370	-	6,829,799	-	(54,298,571)	(54,298,571)	-
Parks and Recreation	2,100,331	-	-	-	(2,100,331)	(2,100,331)	-
Interest on Long-term Liabilities	11,504,694	-	-	-	(11,504,694)	(11,504,694)	-
Total County	<u>\$ 197,569,052</u>	<u>\$ 40,600,228</u>	<u>\$ 28,831,844</u>	<u>\$ -</u>	<u>(128,136,980)</u>	<u>(128,136,980)</u>	<u>-</u>
Component Units							
Timpanogos Special Service District	\$ 42,190,980	\$ 17,197,277	\$ -	\$ -	\$ -	\$ -	\$ (24,993,703)
North Pointe Solid Waste Special Service District	10,002,724	8,673,917	-	-	-	-	(1,328,807)
North Fork Special Service District	1,542,521	1,436,441	-	-	-	-	(106,080)
Utah Valley Convention and Visitors Bureau	1,871,503	1,920,380	-	-	-	-	48,877
Wasatch Mental Health	32,111,998	32,898,381	-	-	-	-	786,383
	<u>\$ 87,719,726</u>	<u>\$ 62,126,396</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ (25,593,330)</u>
General revenues:							
Property Taxes					44,528,176	44,528,176	161,787
Sales Taxes					84,038,280	84,038,280	-
Restaurant Tax					8,696,787	8,696,787	-
Transient Room Tax					3,320,110	3,320,110	-
Earnings on Investments					1,182,935	1,182,935	600,502
Impact Fees and Other							8,531,898
Miscellaneous					1,857,840	1,857,840	4,876,912
Total general revenues					<u>143,624,128</u>	<u>143,624,128</u>	<u>14,171,099</u>
Change in net position					15,487,148	15,487,148	(11,422,231)
Net position - beginning					<u>322,907,184</u>	<u>322,907,184</u>	<u>164,410,948</u>
Net position - ending					<u>\$ 338,394,332</u>	<u>\$ 338,394,332</u>	<u>\$ 152,988,717</u>

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

UTAH COUNTY
Balance Sheet
Governmental Funds
December 31, 2016

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects			
ASSETS							
Cash and investments	\$ 30,968,967	\$ 5,399,116	\$ 126,347,818	\$ 9,626,257	\$ 3,064,116	\$ 22,113,685	\$ 197,519,960
Receivables:							
Tax receivables	12,171,799	-	3,769,912	-	23	5,470,299	21,412,032
Other receivables	839,499	1,441,483	3,192,625	-	-	4,337,759	9,811,365
Due from other funds	1,761,000	-	-	-	-	-	1,761,000
Other assets	91,522	43,677	245,533	-	-	403,381	784,113
Total assets	<u>\$ 45,832,787</u>	<u>\$ 6,884,276</u>	<u>\$ 133,555,888</u>	<u>\$ 9,626,257</u>	<u>\$ 3,064,139</u>	<u>\$ 32,325,124</u>	<u>\$ 231,288,471</u>
LIABILITIES							
Accounts payable and accruals	\$ 3,833,493	\$ 669,966	\$ 4,460,814	\$ 68,569	\$ -	\$ 3,653,250	\$ 12,686,092
Unearned revenues	1,355,723	1,346	3,939,858	-	-	906,860	6,203,787
Due to other funds	-	-	-	-	-	1,761,000	1,761,000
Other liabilities	10,627,041	-	-	-	-	-	10,627,041
Total liabilities	<u>15,816,257</u>	<u>671,311</u>	<u>8,400,673</u>	<u>68,569</u>	<u>-</u>	<u>6,321,110</u>	<u>31,277,919</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,928,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>843,005</u>	<u>2,771,028</u>
FUND BALANCES							
Restricted:							
Transient room tax	-	-	-	-	-	681,384	681,384
Assessing and collecting	-	-	-	-	-	5,208,654	5,208,654
Public transit taxes	-	-	68,789,479	-	-	-	68,789,479
TRCC tax	-	-	-	-	-	11,635,060	11,635,060
Special service areas/districts	-	-	-	-	-	5,796,401	5,796,401
Bond proceeds	-	-	56,365,737	95,508	-	-	56,461,245
Debt service	-	-	-	-	-	-	-
Statutory minimum balance	3,736,802	-	-	-	-	-	3,736,802
Committed:							
Public health and welfare	-	6,212,965	-	-	-	950,104	7,163,069
Public safety	-	-	-	-	-	882,140	882,140
Capital projects	-	-	-	9,462,180	-	-	9,462,180
Debt service	-	-	-	-	3,064,139	-	3,064,139
Assigned:							
Medicaid reserve	600,000	-	-	-	-	-	600,000
Assessing and collecting	3,629,232	-	-	-	-	-	3,629,232
Equipment replacement	3,065,762	-	-	-	-	-	3,065,762
Drug and alcohol treatment	132,531	-	-	-	-	-	132,531
Unassigned	16,924,179	-	-	-	-	7,265	16,931,444
Total fund balances	<u>28,088,506</u>	<u>6,212,965</u>	<u>125,155,216</u>	<u>9,557,688</u>	<u>3,064,139</u>	<u>25,161,009</u>	<u>197,239,524</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 45,832,787</u>	<u>\$ 6,884,276</u>	<u>\$ 133,555,888</u>	<u>\$ 9,626,257</u>	<u>\$ 3,064,139</u>	<u>\$ 32,325,124</u>	<u>\$ 231,288,471</u>

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

UTAH COUNTY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2016

Total fund balances for governmental funds \$ 197,239,524

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

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$ 46,489,657	
Rights of Way	211,740	
Buildings net of accum. depreciation of \$29,676,195	113,716,479	
Improvements other than buildings net of accum. depreciation \$4,340,240	3,435,091	
Equipment net of accum. depreciation of \$17,118,212	10,238,277	
Infrastructure	238,104,879	412,196,123

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (896,811)

The net pension asset is not an available resource and therefore is not reported in the governmental funds 18,996

Unamortized bond premiums originally shown as revenue in the governmental funds (2,564,999)

Some of the County's property taxes will be collected after year-end but are not available soon enough to pay current period expenditures, and are therefore reported as deferred inflows of resources in the funds. 2,771,029

Unamortized deferred outflow of resources - refundings 218,824

Unamortized bond discounts originally shown as expenditures the governmental funds 1,043,643

Internal service funds are used by management to provide a method of charging individual funds and departments for use of facilities, communication systems, fleet, information systems support, and other services. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds unrestricted net position at year-end are: 6,016,665

Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Revenue bonds	(267,830,000)	
Net Pension liability	(28,962,503)	
Deferred outflows of resources related to pensions	22,185,111	
Deferred inflow of resources related to pensions	(2,762,189)	
Compensated absences and OPEB	(279,081)	(277,648,662)

Total net position of governmental activities \$ 338,394,332

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

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects	Debt Service		
REVENUES							
Property taxes	\$ 30,712,289	\$ -	\$ -	\$ -	\$ 2,668	\$ 13,742,657	\$ 44,457,614
Sales taxes	25,359,745	-	58,678,535	-	-	12,016,898	96,055,177
Franchise taxes	4,024	-	-	-	-	-	4,024
Licenses and permits	472,814	-	-	-	-	31,889	504,704
Intergovernmental	903,826	12,626,474	2,692,987	-	3,204,636	10,065,613	29,493,537
Charges for services	14,291,738	10,189,364	4,136,812	-	-	8,620,381	37,238,294
Fines and forfeitures	2,227,427	-	-	-	-	34,690	2,262,117
Interest	255,615	53,492	635,840	80,112	-	157,876	1,182,935
Miscellaneous	537,404	50,765	572,583	-	-	630,509	1,791,261
Total revenues	74,764,881	22,920,095	66,716,757	80,112	3,207,305	45,300,513	212,989,663
EXPENDITURES							
Current:							
General government	24,225,961	-	-	34,108	-	18,978,541	43,238,610
Public safety	46,895,476	-	-	-	-	4,618,182	51,513,658
Public health and welfare	841,909	23,894,684	-	-	-	8,425,889	33,162,482
Roads and public improvements	-	-	60,146,132	-	-	618,139	60,764,271
Parks and recreation	480,147	-	-	-	-	1,349,963	1,830,110
Debt service:							
Principal	-	-	-	-	10,550,000	-	10,550,000
Interest	-	-	-	-	11,644,174	-	11,644,174
Fiscal charges	-	-	-	-	25,200	-	25,200
Capital outlay:							
General government	29,374	-	-	345,473	-	6,930	381,777
Public safety	37,488	-	-	184,890	-	302,119	524,497
Public health and welfare	23,071	6,800	-	-	-	12,836	42,707
Roads and public improvements	-	-	690,975	-	-	-	690,975
Parks and recreation	6,825	-	-	-	-	5,540	12,365
Total expenditures	72,540,250	23,901,484	60,837,106	564,471	22,219,374	34,318,140	214,380,826
Excess (deficiency) of revenues over expenditures	2,224,631	(981,389)	5,879,650	(484,359)	(19,012,070)	10,982,373	(1,391,163)
OTHER FINANCING SOURCES (USES)							
Transfers in	3,452,317	2,237,603	-	1,443,963	16,764,537	1,141,771	25,040,191
Transfers out	(5,075,641)	-	(10,856,890)	-	(2,668)	(6,630,772)	(22,565,972)
Issuance of bonds	-	-	65,000,000	-	-	-	65,000,000
Payments to refunding escrow	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-
Total other financing sources (uses)	(1,623,324)	2,237,603	54,143,110	1,443,963	16,761,869	(5,489,001)	67,474,220
Net change in fund balances	601,307	1,256,214	60,022,760	959,604	(2,250,201)	5,493,372	66,083,056
Fund balances - beginning	27,487,199	4,956,751	65,132,455	8,598,085	5,314,340	19,667,637	131,156,467
Fund balances - ending	\$ 28,088,506	\$ 6,212,965	\$ 125,155,216	\$ 9,557,688	\$ 3,064,139	\$ 25,161,009	\$ 197,239,524

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

UTAH COUNTY
Statement of Net Position
Proprietary Funds
December 31, 2016

	Governmental Activities - Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and investments	\$ 6,070,576
Accounts receivable	795,129
Inventory	381,574
Prepaid expenses	101,642
Total current assets	7,348,921
Noncurrent assets:	
Net pension asset	637
Capital assets:	
Equipment, vehicles, furniture	23,361,225
Accumulated depreciation	(14,137,175)
Net capital assets	9,224,050
Total noncurrent assets	9,224,687
Total assets	16,573,608
Deferred outflows of resources:	
Pension-related deferred outflows	2,215,721
Total assets and deferred outflows of resources	18,789,329
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable and accruals	1,117,615
Unearned revenues	8,626
Due to other funds	-
Total current liabilities	1,126,241
Noncurrent liabilities:	
Net pension liability	2,744,022
Total noncurrent liabilities	2,744,022
Total liabilities	3,870,263
Deferred inflows of resources:	
Pension-related deferred inflows	247,013
Total liabilities and deferred inflows of resources	4,117,276
NET POSITION	
Restricted - invested in capital assets, net of related debt	9,224,050
Unrestricted	5,448,004
Total net position	\$ 14,672,054

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

UTAH COUNTY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2016

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges to other funds	\$ 17,896,327
Charges to outside agencies	1,767,343
Other revenues	57,604
Total operating revenues	19,721,275
Operating expenses:	
Salaries, wages, and benefits	6,081,152
Materials, supplies, and services	8,147,500
Depreciation	2,500,442
Total operating expenses	16,729,094
Operating income (loss)	2,992,181
Non-operating revenues (expenses):	
Interest income	61,304
Intergovernmental income	34,837
Intergovernmental expenses	-
Gain (loss) on sale of fixed assets	1,163,913
Total non-operating income (loss)	1,260,054
Net income (loss) before operating transfers	4,252,235
Transfers:	
Transfers in	-
Transfers out	(2,474,220)
Total transfers	(2,474,220)
Net income (loss)	1,778,015
Net position at beginning of year	12,894,039
Net position at end of year	\$ 14,672,054

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

UTAH COUNTY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from customers and users	\$ 18,947,410
Payments to suppliers	(7,948,814)
Payments to employees	(6,513,409)
Net cash provided (used) by operating activities	4,485,187
Cash flows from non-capital financing activities:	
Transfers in	-
Transfers out	(2,474,220)
Net cash provided (used) by non-capital financing activities	(2,474,220)
Cash flows from capital and related financing activities:	
Payments for acquisitions of capital assets	(3,550,489)
Proceeds from sales of capital assets	1,163,913
Intergovernmental revenue	34,837
Net cash provided (used) by capital and related financing activities	(2,351,739)
Cash flows from investing activities:	
Interest received	61,304
Net change in cash and cash equivalents	(279,467)
Cash and cash equivalents - beginning	6,350,044
Cash and cash equivalents - ending	\$ 6,070,576
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 2,992,181
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	2,500,442
(Increase) decrease in accounts receivable	(486,869)
(Increase) decrease in prepaid expenses	22,111
(Increase) decrease in inventory	115,008
Increase (decrease) in accounts payable	61,568
Increase (decrease) in accrued payroll	29,022
Increase (decrease) in unearned revenue	4
Increase (decrease) in amounts due to other funds	(287,000)
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(461,279)
Total adjustments	1,493,006
Net cash provided (used) by operating activities	\$ 4,485,187
Noncash investing, capital, and financing activities:	none

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

UTAH COUNTY
Statement of Fiduciary Net Position
Agency Funds
December 31, 2016

	Agency Funds
ASSETS	
Cash and investments	\$ 106,924,478
Taxes receivable	714,317
Accounts receivable	124,330
Other assets	449
Total assets	<u><u>\$ 107,763,574</u></u>
LIABILITIES	
Due to other taxing units or entities	\$ 107,371,294
Other liabilities	392,280
Total liabilities	<u><u>\$ 107,763,574</u></u>

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of Utah County have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board.

The accompanying basic financial statements present the financial position of various fund types and account groups and the results of operations of the various fund types. The basic financial statements are presented for the year ended December 31, 2016.

A. Reporting Entity

For financial reporting purposes, Utah County has included all funds and account groups. The County has also considered all potential component units for which it is financially accountable and for which exclusion would cause the County's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include (1) appointing a voting majority of an organization's governing body and (2) the ability of the County to impose its will on that organization or (3) the potential for the County to provide specific financial benefits to or impose specific financial burdens on that organization.

As required by generally accepted accounting principles, these financial statements present information for both Utah County (the primary government) and its component units. The component units are included as part of the County's reporting entity because of the significance of their operational or financial relationships with the County. Complete financial statements of the individual component units can be obtained from either the Utah State Auditor or the Utah County Auditor's Office.

Blended Component Units

The County's financial statements include the following blended component units:

- Municipal Building Authority of Utah County, Utah
- Soldier Summit Special Service District
- Utah County Special Service Area No. 6
- Utah County Special Service Area No. 7
- Utah County Special Service Area No. 8
- Utah County Special Service Area No. 9
- Utah Valley Road Special Service District

"Blended" means that the component units' balances and transactions are combined with the County's balances and transactions. The component units are blended because they have substantially the same governing board as the County and the County's management has control of the operations. These blended component units are presented as nonmajor special revenue funds.

NOTE 1 (Continued)

Discretely Presented Component Units

The 'component units' columns in the combined financial statements include the financial data of the County's other component units. The data are reported in a separate column to emphasize that the component units are legally separate from the County. The criteria for presenting the component units in the combined financial statements include: selection of the governing board, designation of management, ability of the County to exert significant influence, and financial interdependency. Based on these criteria, the following is a brief review of the entities that are included in the accompanying financial statements:

Timpanogos Special Service District - Provides sewage treatment and disposal services for the municipalities of Lehi, American Fork, Alpine, Pleasant Grove, Highland, Cedar Hills, Eagle Mountain and Saratoga Springs.

Administrative Office: 5050 West 6400 North, American Fork, UT 84003
Fiscal Year Ending: December 31, 2016
Report dated May 17, 2017

North Pointe Solid Waste Special Service District - Operates a transfer station for the municipalities of northern Utah County and unincorporated areas of Utah County.

Administrative Office: 2008 West 200 South, Lindon, UT 84042
Fiscal Year Ending: December 31, 2016
Report dated March 20, 2017

Wasatch Mental Health Special Service District - Provides mental health services for the residents of Utah County.

Administrative Office: 750 North 200 West, Provo, UT 84604
Fiscal Year Ending: June 30, 2016
Report dated November 15, 2016

North Fork Special Service District - Provides water service and fire protection to the North Fork area of Provo Canyon, including the Sundance area.

Administrative Office: RR3 Box B1, Provo, UT 84604
Fiscal Year Ending: December 31, 2016
Draft report dated June 7, 2017 (*final report unpublished as of the date of this report*)

Utah Valley Convention and Visitors Bureau – Provides tourism promotion in Utah County and operates the Utah Valley Visitor Information Center.

Administrative Office: 220 West Center Street, Suite 100, Provo, UT 84601
Fiscal Year Ending: December 31, 2016
Report dated April 7, 2017

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 (Continued)

Related Organizations

County officials have oversight responsibilities for other organizations that do not meet the criteria to be included as component units. These organizations include North Utah County Water Conservancy District, Mountainland Association of Governments, and Housing Authority of Utah County.

**CONDENSED FINANCIAL STATEMENTS
DISCRETELY PRESENTED COMPONENT UNITS
STATEMENT OF NET POSITION**

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
ASSETS						
Current assets	\$ 64,519,026	\$ 4,322,377	\$ 4,237,484	\$ 351,375	\$ 17,479,145	\$ 90,909,407
Capital assets, net of accumulated depreciation	132,424,723	7,604,350	7,011,401	53,447	8,040,082	155,134,003
Other noncurrent assets	156	73	2	211,227	416,550	628,008
Total assets	<u>196,943,905</u>	<u>11,926,800</u>	<u>11,248,887</u>	<u>616,049</u>	<u>25,935,777</u>	<u>246,671,418</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>946,060</u>	<u>518,882</u>	<u>54,658</u>	<u>-</u>	<u>3,953,477</u>	<u>5,473,077</u>
Total assets and deferred outflows of resources	<u>\$ 197,889,965</u>	<u>\$ 12,445,682</u>	<u>\$ 11,303,545</u>	<u>\$ 616,049</u>	<u>\$ 29,889,254</u>	<u>\$ 252,144,495</u>
LIABILITIES						
Current liabilities	\$ 25,565,404	\$ 974,497	\$ 464,643	\$ 149,256	\$ 3,710,633	\$ 30,864,433
Noncurrent liabilities	51,313,626	670,024	5,260,341	-	8,243,214	65,487,205
Total liabilities	<u>76,879,030</u>	<u>1,644,521</u>	<u>5,724,984</u>	<u>149,256</u>	<u>11,953,847</u>	<u>96,351,638</u>
DEFERRED INFLOWS OF RESOURCES	<u>136,151</u>	<u>73,125</u>	<u>12,374</u>	<u>-</u>	<u>2,582,490</u>	<u>2,804,140</u>
NET POSITION						
Net position	<u>120,874,784</u>	<u>10,728,036</u>	<u>5,566,187</u>	<u>466,793</u>	<u>15,352,917</u>	<u>152,988,717</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 197,889,965</u>	<u>\$ 12,445,682</u>	<u>\$ 11,303,545</u>	<u>\$ 616,049</u>	<u>\$ 29,889,254</u>	<u>\$ 252,144,495</u>

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Operating revenues	\$ 17,197,277	\$ 8,673,917	\$ 1,436,441	\$ 1,920,380	\$ 32,898,381	\$ 62,126,396
Operating expenses:						
Depreciation	4,200,773	654,505	245,065	16,568	535,839	5,652,750
Other operating expenses	7,331,835	7,783,110	939,697	1,854,935	31,576,159	49,485,736
Operating income (loss)	<u>5,664,669</u>	<u>236,302</u>	<u>251,679</u>	<u>48,877</u>	<u>786,383</u>	<u>6,987,910</u>
Non-operating revenues (expenses)	<u>(17,570,438)</u>	<u>(1,392,364)</u>	<u>7,890</u>	<u>19,441</u>	<u>525,330</u>	<u>(18,410,141)</u>
Change in net position	(11,905,769)	(1,156,062)	259,569	68,318	1,311,713	(11,422,231)
Net position - beginning	<u>132,780,553</u>	<u>11,884,098</u>	<u>5,306,618</u>	<u>398,475</u>	<u>14,041,204</u>	<u>164,410,948</u>
Net position - ending	<u>\$ 120,874,784</u>	<u>\$ 10,728,036</u>	<u>\$ 5,566,187</u>	<u>\$ 466,793</u>	<u>\$ 15,352,917</u>	<u>\$ 152,988,717</u>

NOTE 1 (Continued)

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are collected. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, Utah County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1 (Continued)

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

The County reports the following major governmental funds:

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

The *Transportation Projects Special Revenue Fund* accounts for activities associated with the collection and disbursement of taxes and other revenues dedicated to roads, highways, and public transit.

The *Health Special Revenue Fund* accounts for activity associated with the operation of the Utah County Health Department.

The *Capital Projects Fund* accounts for activity related to major capital improvements.

The *Debt Service Fund* accounts for activity associated with debt service.

The County also reports the following nonmajor funds:

Department of Drug and Alcohol Prevention and Treatment ("DDAPT"); Municipal Building Authority of Utah County; Service Area No. 6; Service Area No. 7; Service Area No. 8; Service Area No. 9; Utah Valley Road Special Service District; Soldier Summit Special Service District; Grants/Outside Funding; Children's Justice Center; Inmate Benefit; Contract Law Enforcement; Transient Room Tax; Tourism, Recreation, Cultural and Convention Facilities Tax; and Assessing and Collecting.

The County reports the following internal service (proprietary) funds:

Motor Pool; Jail Food Service; Building Maintenance; Radio Communications; Telephone; and Information Systems.

All internal service fund assets, liabilities, and net position have been consolidated into the government-wide financial statements. Additionally, the County reports the following fiduciary fund types:

The *Treasurer's Tax Collection Agency Fund* is used to account for taxes collected by the County Treasurer but not paid to taxing entities as of December 31.

NOTE 1 (Continued)

The *Auditor's Trust Fund* includes money collected but not yet paid to various other units as of December 31.

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

1. Cash & Cash Equivalents and Investments

The County's cash and cash equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date.

Investments are recorded at fair value in accordance with GASB Statement No. 72—Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

State statutes authorize the government to invest in obligations of the United States Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

The Utah State Treasurer's Public Treasurers' Investment Fund ("PTIF") operates in accordance with appropriate state laws and regulations. The reported value of the County's cash in the PTIF is materially the same as the fair value of the PTIF shares.

2. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset nor materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

NOTE 1 (Continued)

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

	<u>Primary Government</u>	<u>Component Units</u>
Buildings	50 Years	7-40 Years
Improvements Other Than Buildings	20 Years	5-50 Years
Equipment	4-20 Years	2-20 Years

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

3. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. Food commodity inventory is valued at fair market value. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

4. Compensated Absences

At December 31, 2016, the County was liable for accumulated vacation and compensatory pay for all employees and up to 720 hours of sick pay for retirement-eligible employees (employees can accumulate unlimited sick hours but the hours only have cash value upon retirement with 720 hours being the maximum number of hours eligible for payout at 25 percent of the employee’s pay rate at the time of retirement). The liability was computed according to the County’s Human Resources Rules & Regulations, and totaled \$4,269,825.

5. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities section of the Statement of Net Position.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, if any, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether withheld from the actual debt proceeds received, are reported as debt service expenditures.

6. Pension

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 URS’s fiduciary net position have been determined on the same basis as they are reported

NOTE 1 (*Continued*)

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.

7. *Deferred Outflows/Inflows of Resources*

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow or resources (revenue) until that time. In addition to pension-related reporting, the County reports delinquent property taxes as deferred inflows of resources since the taxes have been levied but are not recognized as revenue until they are collected.

8. *Fund Equity*

Beginning with fiscal year 2011, the County implemented GASB Statement No. 54—Fund Balance Reporting in Governmental Fund Types Definitions. The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the County is bound to honor them. The County first determines and reports nonspendable balances, then restricted, then committed, and so forth. Fund balance classifications are summarized as follows:

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they either a) are not in spendable form or b) are legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.
- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:
 - a) Unspent tax revenues for specific purposes (capital projects, debt service, special service areas, TRT and TRCC taxes,)
 - b) Unspent bond proceeds obtained for specific projects—typically capital projects.
 - c) Statutorily required minimum fund balance in the general fund, which is currently set forth as 5 percent of total general fund revenues.

NOTE 1 (Continued)

- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the Board of County Commissioners. Fund balance commitments can only be removed or changed by the same type of action (i.e., resolution) of the Commission. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Commission has approved to commit fund balance amounts for the following purposes:

Public health and welfare, public safety, debt service, and for certain capital projects.

- **Assigned.** This category includes general fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the Board of County Commissioners after advisement by the County Auditor and other finance personnel. Assigned fund balances include reserves related to drug and alcohol treatment, including a Medicaid reserve fund, and equipment replacement.

- **Unassigned.** Residual balances in the general fund are classified as unassigned. When both restricted and unrestricted resources are available for use, it is the County's policy to use committed resources first, followed by assigned resources, then unassigned resources as they are needed.

9. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

E. Property Taxes

The County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including cities, school districts, and special districts, in accordance with state law. Property taxes are collected on two types of assets: 1) personal property, which represents business assets other than real estate, and 2) real estate and improvements. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through a tax sale process that is conducted when property taxes have been delinquent for five years. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes becomes a lien against the property as of January 1 in the year in which taxes are due. Property valuation notices are mailed to property owners in July.

NOTE 1 (Continued)

Property owners can appeal the assessed valuation no later than September 15. Tax notices are mailed to property owners on or before November 1. Payments are due November 30.

Property taxes due in November that are uncollected by the following April are reported as a receivable from property taxes on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are offset by a deferred inflow of resources.

The County Treasurer, acting as a tax collector, must settle and disburse all tax collections to all taxing entities on a routine basis. Tax collections are recorded as funds held in trust until disbursement. The County adheres to the following procedures set forth by the Utah State Tax Commission:

January 1	Lien Date – All property appraised based upon situs and status as of this date (real and personal).
May 22	County Assessor completes assessment roll and delivers roll to County Auditor with required signed statement.
June 22	All taxing entities with fiscal years ending in June to adopt tentative budgets and proposed tax rates and report them to the County Auditor.
July 22	County Auditor prepares and mails Notice of Valuation and Tax Changes to all real property owners, including centrally assessed property owners. Notice is to include date, time, and place of public budget hearings.
August 1	Taxing entities proposing judgment levies and tax increases are to advertise the tax increase and/or judgment levy, hold public hearings, adopt by resolution final budgets and tax rates, and report this information to the County Auditor.
September 15	Applications for appeal of locally assessed real property are due to the County’s Board of Equalization. (Hearings are held and decisions made through October 1.)
September 30	Utah State Tax Commission approves certified and proposed tax rates for each taxing entity.
October 1	Calendar-year taxing entities notify County governing body of intent to increase property taxes for the next calendar year. Calendar-year taxing entities must meet statutory noticing requirements which include a public meeting fourteen or more days before the November election, mailings to property owners seven or more days before the November election, and a twice-advertised public hearing.
November 1	County Auditor delivers the equalized assessment roll to the County Treasurer with affidavit and charges the County Treasurer to account for all taxes levied. County Treasurer mails tax notices.
December 1	Taxes on real property become delinquent.

F. Use of Estimates

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

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are prepared and adopted in accordance with the Uniform Fiscal Procedures Act enacted by the State of Utah. Once a budget has been adopted, it remains in effect until it has been formally revised. Furthermore, in accordance with state law, all appropriations lapse at the end of the budget year. If any obligations are contracted for and are in excess of the adopted budget, they are neither a valid nor enforceable claim against the County. Budgets are adopted on a basis consistent with generally accepted accounting principles. All funds of the County have legally adopted budgets.

The County adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

1. On or before November 1, the County Auditor prepares a tentative budget for the next budget year. The tentative budget is made available to the public for inspection for a number of days, as provided by law, prior to adoption of the budget.
2. The Board of County Commissioners establishes the time and place of a public hearing to consider adoption of the budget and publishes notice of the hearing at least seven days prior to the hearing in at least one issue of a newspaper of general circulation published within the County.
3. After the public notice has been published, a public hearing is held regarding the budget.
4. After the public hearing, the Board of County Commissioners makes final adjustments to the tentative budget.
5. On or before December 31, the Board of County Commissioners adopts a final balanced budget by resolution.
6. Control of budgeted expenditures is exercised, under state law, at the departmental level. The County Auditor, however, acting as budget officer, has authority to transfer unexpended budgeted amounts within departments.
7. By resolution, the Board of County Commissioners may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund.
8. By resolution, the Board of County Commissioners may reduce the budget appropriation for any department provided that both five days' notice of the proposed action is given to all Commissioners and to the director of the department affected and also that such director is permitted to be heard on the proposed reduction. Notice may be waived in writing by the affected department or by any member of the Board of County Commissioners.

NOTE 2 (Continued)

9. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and a public notice of that hearing has been posted for a certain number of days as set forth by state law and the amended budget is adopted by resolution of the Board of County Commissioners.
10. Encumbrances lapse at year end. Therefore, no encumbrances are presented in the financial statements.

During the budget year, the County modified the budget using the above procedures.

The appropriated budget is prepared by fund, function, and department. The legal level of budgetary control is the departmental level.

The Uniform Fiscal Procedures Act requires the County to restrict expenditures to authorized budget balances. The various Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Budgetary Basis identify departments and funds, if any, which have over-expended budgeted amounts and, therefore, do not comply with state law.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the County’s deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2016, the County’s custodial credit risk for deposits was as follows:

Custodial Credit Risk	Balance December 31, 2016
Insured	\$ 500,000
Uninsured	17,859,686
Total	\$ 18,359,686

The County’s bank balance is \$18,359,686, of which \$500,000 is covered by federal depository insurance. Uninsured deposits are not collateralized. As of December 31, 2016, \$17,859,686 of the County’s bank balances was uninsured and uncollateralized.

Investments

The State of Utah Money Management Council (“Council”) has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the

NOTE 3 (Continued)

banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

The County follows the requirements of the Utah Money Management Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Utah Money Management Act (“Act”) requires the depositing of County funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Council.

Statutes authorize the County to invest in: negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by United States government-sponsored enterprises (United States Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed-rate corporate obligations and variable-rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurers’ Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (“PTIF”). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act. The Act established the Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

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

NOTE 3 (Continued)

At December 31, 2016, the County had the following recurring fair value measurements:

	12/31/2016	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Utah Public Treasurers' Investment Fund	\$ 279,123,974	\$ 0	\$ 279,123,974	\$ 0
United States Agencies	9,540,950	9,540,950	0	0
Corporate Bonds	10,220,120	10,220,120	0	0
Municipal/Public Bonds	143,629	0	143,629	0
Commercial Paper	979,223	979,223	0	0
Money Market Mutual Funds	124,062	0	124,062	0
Total debt securities	300,131,958	20,740,293	279,391,665	0
Equity securities:				
None	0	0	0	0
Other:				
None	0	0	0	0
Total investments by fair value level	\$ 300,131,958	\$ 20,740,293	\$ 279,391,665	\$ 0
Investments measured at the net asset value (NAV)				
None	0			
Total investments measured at fair value	\$ 300,131,958			

Debt securities classified in Level 2 are valued using the following approach:

- **Municipal Bonds.** Quoted prices for similar securities in active markets.
- **Money Market Mutual Funds.** Published fair value per share (unit) for each fund.
- **Utah Public Treasurers' Investment Fund.** Application of the December 31, 2016 fair value factor, as calculated by the Utah State Treasurer, to the County's average daily balance in the Fund. The fair value factor at December 31, 2016 is 1.00419600. The fair value of the PTIF investment is approximately equal to the value of the pool shares with a difference of \$771,850, which is immaterial.

NOTE 3 (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County’s policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State’s Money Management Act (“Act”). Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers’ acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270 days—15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by United States government-sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the state to five years. In addition, variable-rate negotiable deposits and variable-rate securities may not have a remaining term to final maturity exceeding three years.

As of December 31, 2016, the County’s investments had the following maturities:

Investment Types	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
State of Utah Public Treasurers' Investment Fund	\$ 279,123,974	\$ 279,123,974	-	-	-
United States Agencies (Debt Securities)	9,540,950	-	9,540,950	-	-
Corporate Bonds (Debt Securities)	10,220,120	3,272,171	6,947,949	-	-
Municipal/Public Bonds (Debt Securities)	143,629	-	143,629	-	-
Commercial Paper (Debt Securities)	979,223	979,223	-	-	-
Money Market Mutual Funds (Debt Securities)	124,062	124,062	-	-	-
Total	<u>\$ 300,131,958</u>	<u>\$ 283,499,430</u>	<u>\$ 16,632,528</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County’s policy for reducing its exposure to credit risk is to comply with the State’s Money Management Act, as previously discussed.

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 (Continued)

At December 31, 2016, the County's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
State of Utah Public Treasurers' Investment Fund	\$ 279,123,974	\$ -	-	-	279,123,974
United States Agencies (Debt Securities)	9,540,950	6,336,580	3,204,370	-	-
Corporate Bonds (Debt Securities)	10,220,120	-	1,146,712	9,073,408	-
Municipal/Public Bonds (Debt Securities)	143,629	-	143,629	-	-
Commercial Paper (Debt Securities)	979,223	-	-	979,223	-
Money Market Mutual Funds (Debt Securities)	124,062	-	-	-	124,062
Total	\$ 300,131,958	\$ 6,336,580	\$ 4,494,711	\$ 10,052,631	\$ 279,248,036

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy for reducing this risk of loss is to comply with the rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10 percent, depending upon the total dollar amount held in the portfolio.

The deposits and investments described above are included on the Statement of Net Position as per the following reconciliation:

Deposits	\$ 18,359,686
Fair value of investments	300,131,958
Cash on hand	19,900
Total cash	<u>\$ 318,511,544</u>
Primary government cash and investments	\$ 203,590,536
Deposits in transit/(outstanding checks)	8,066,330
Investment accrual	(69,800)
Fiduciary restricted cash and investments	106,924,478
Total cash and investments	<u>\$ 318,511,544</u>

NOTE 4 - INTERFUND LOANS, BALANCES, AND TRANSFERS

At December 31, 2016, the County had the following interfund balances:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$1,761,000	\$ -
DDAPT Special Revenue Fund	-	170,000
Grants/Outside Funding Special Revenue Fund	-	946,000
Children's Justice Center Special Revenue Fund	-	135,000
Contract Law Enforcement Special Revenue Fund	-	510,000
Totals	<u>\$1,761,000</u>	<u>\$1,761,000</u>

These balances have been eliminated at the entity-wide statement level.

The following schedule reports transfers and payments with the reporting entity:

	<u>Transfers TO:</u>					Totals
	General Fund	Health Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	
Transfers FROM:						
Major governmental funds:						
General fund	\$ -	\$ 2,237,603	\$ 1,064,382	\$ 881,885	\$ 891,771	\$ 5,075,641
Transportation projects fund	-	-	-	10,856,890	-	10,856,890
Debt service fund	-	-	-	2,668	-	2,668
Other governmental funds	3,452,317	-	379,581	2,548,874	250,000	6,630,772
Internal service (proprietary) funds	-	-	-	2,474,220	-	2,474,220
Totals	<u>\$ 3,452,317</u>	<u>\$ 2,237,603</u>	<u>\$ 1,443,963</u>	<u>\$ 16,764,537</u>	<u>\$ 1,141,771</u>	<u>\$ 25,040,191</u>

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
PRIMARY GOVERNMENT				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 46,489,657	\$ -	\$ -	\$ 46,489,657
Rights of way	211,740	-	-	211,740
Construction in progress	-	-	-	-
Infrastructure	237,413,904	690,975	-	238,104,879
Total capital assets not being depreciated	<u>284,115,301</u>	<u>690,975</u>	<u>-</u>	<u>284,806,276</u>
Capital assets being depreciated:				
Buildings	145,557,854	557,573	-	146,115,427
Improvements other than buildings	8,075,513	-	-	8,075,513
Machinery and equipment	26,523,831	4,086,652	(2,553,899)	28,056,584
Total capital assets being depreciated	<u>180,157,198</u>	<u>4,644,225</u>	<u>(2,553,899)</u>	<u>182,247,524</u>
Less accumulated depreciation for:				
Buildings	29,676,195	2,722,753	-	32,398,948
Improvements other than buildings	4,340,240	300,182	-	4,640,422
Machinery and equipment	17,118,212	2,838,252	(2,138,157)	17,818,307
Total accumulated depreciation	<u>51,134,647</u>	<u>5,861,187</u>	<u>(2,138,157)</u>	<u>54,857,677</u>
Total capital assets, being depreciated, net	<u>129,022,551</u>	<u>(1,216,962)</u>	<u>(415,742)</u>	<u>127,389,847</u>
Governmental activities, capital assets, net	<u>\$ 413,137,852</u>	<u>\$ (525,987)</u>	<u>\$ (415,742)</u>	<u>\$ 412,196,123</u>

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

Governmental activities:	
General government	\$ 1,593,875
Public health	365,546
Public safety	1,095,577
Highways and public improvements	78,550
Parks and recreation	300,182
Internal service funds (charged to individual funds based on usage)	2,427,457
Total depreciation expense, governmental activities	<u>\$ 5,861,187</u>

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NOTE 6 – LONG-TERM OBLIGATIONS

Bonds

2006 Sales Tax Bonds

On August 1, 2006, the County issued \$7.615 million of Utah County, Utah Series 2006 Sales Tax Revenue Bonds to finance the costs of expansion and improvements related to the Security Center. On November 1, 2016, the remaining portion of the Series 2006 bonds was called and the outstanding principal balance was paid in full.

2009A Transportation Sales Tax Revenue Bonds

On August 27, 2009, the County issued \$17.24 million of Series 2009A Transportation Sales Tax Revenue Bonds for use in construction of certain transportation projects in the County. On December 1, 2016, the bonds were retired in accordance with the maturity schedule.

2009B Transportation Sales Tax Revenue Bonds

On August 27, 2009, the County issued \$85.49 million of Series 2009B Transportation Sales Tax Revenue Bonds for use in construction of certain transportation projects in the County. Principal payments are not due until the year 2017. The Series 2009B Transportation Sales Tax Revenue Bonds were issued as Build America Bonds and are, therefore, eligible for a 35-percent interest subsidy from the United States Treasury. Maturities of the Series 2009B Transportation Sales Tax Revenue Bonds are as follows:

Due Date	Principal	Interest Rate
December 1 2017	\$ 2,875,000	4.62%
2018	3,000,000	4.72%
2019	3,150,000	4.92%
2020	3,300,000	5.17%
2021	3,475,000	5.42%
2022	3,650,000	5.57%
2023	3,860,000	5.77%
2024	4,080,000	5.87%
2025	4,335,000	6.36%
2026	4,610,000	6.36%
2027	4,905,000	6.36%
2028	5,215,000	6.36%
2029	5,550,000	6.36%
2030	5,880,000	6.51%
2031	6,265,000	6.51%
2032	6,670,000	6.51%
2033	7,100,000	6.51%
2034	7,570,000	6.51%
	\$ 85,490,000	

NOTE 6 (Continued)

2009B Vehicle Registration Fee Revenue Bonds

On September 3, 2009, the County issued \$23.775 million of Series 2009B Vehicle Registration Fee Revenue Bonds for use in construction of certain transportation projects in the County. The Series 2009B Vehicle Registration Fee Revenue Bonds were issued as Build America Bonds and are, therefore, eligible for a 35-percent interest subsidy from the United States Treasury. Maturities of the Series 2009B Vehicle Registration Fee Revenue Bonds are as follows:

Due Date	Principal	Interest Rate
December 1 2017	\$ 780,000	4.45%
2018	815,000	4.60%
2019	850,000	4.80%
2020	890,000	5.10%
2021	940,000	5.35%
2022	990,000	5.50%
2023	1,045,000	5.70%
2024	1,100,000	5.80%
2025	1,165,000	6.29%
2026	1,240,000	6.29%
2027	1,320,000	6.29%
2028	1,400,000	6.29%
2029	1,490,000	6.29%
2030	1,580,000	6.44%
2031	1,685,000	6.44%
2032	1,795,000	6.44%
2033	1,910,000	6.44%
2034	2,030,000	6.44%
	\$ 23,025,000	

2010A Excise Tax Revenue Bonds

On January 20, 2010, the County issued \$6.95 million of Series 2010A Excise Tax Revenue Bonds for financing the costs of constructing a Convention Center in downtown Provo. Maturities of the Series 2010A Excise Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 2017	\$ 825,000	5.125%
2018	860,000	5.125%
	<u>\$ 1,685,000</u>	

2010B Excise Tax Revenue Bonds

On January 20, 2010, the County issued \$5 million of Series 2010B Excise Tax Revenue Bonds for financing the costs of constructing a Convention Center in downtown Provo. Principal payments are not due until the year 2019. The Series 2010B Excise Tax Revenue Bonds were issued as Build America Bonds and are, therefore, eligible for a 35-percent interest subsidy from the United States Treasury. Maturities of the Series 2010B Excise Tax Revenue Bonds are as follows:

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 2019	\$ 900,000	5.42%
2020	950,000	6.12%
2021	1,000,000	6.12%
2022	1,050,000	6.12%
2023	1,100,000	6.12%
	<u>\$ 5,000,000</u>	

2010C Excise Tax Revenue Bonds

On January 20, 2010, the County issued \$28.2 million of Series 2010C Excise Tax Revenue Bonds for financing the costs of constructing a Convention Center in downtown Provo. Principal payments are not due until the year 2024. The Series 2010C Excise Tax Revenue Bonds were issued as Recovery Zone Economic Development Bonds and are, therefore, eligible for a 45-percent interest subsidy from the United States Treasury. Maturities of the Series 2010C Excise Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2024	\$ 1,150,000	6.88%
2025	1,215,000	6.88%
2026	1,280,000	6.88%
2027	1,345,000	6.88%
2028	1,420,000	6.88%
2029	1,500,000	6.88%
2030	1,575,000	7.13%
2031	1,660,000	7.13%
2032	1,755,000	7.13%
2033	1,855,000	7.13%
2034	1,955,000	7.13%
2035	2,060,000	7.13%
2036	2,175,000	7.13%
2037	2,290,000	7.13%
2038	2,420,000	7.13%
2039	2,545,000	7.13%
	\$ 28,200,000	

2010 Taxable Sales Tax Revenue Bonds (Qualified Energy Conservation Bonds)

On October 22, 2010, the County issued \$4.94 million in Taxable Sales Tax Revenue Bonds to finance the costs of energy improvements to County facilities. The Series 2010 Taxable Sales Tax Revenue Bonds were issued as Qualified Energy Conservation Bonds and are, therefore, eligible for a 70-percent interest subsidy from the United States Treasury. Maturities of the Series 2010 Taxable Sales Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
February 1 2017	\$ 280,000	5.39%
2018	300,000	5.39%
2019	315,000	5.39%
2020	335,000	5.39%
2021	355,000	5.39%
2022	375,000	5.39%
2023	395,000	5.39%
2024	410,000	5.39%
2025	415,000	5.39%
2026	415,000	5.39%
2027	420,000	5.39%
	\$ 4,015,000	

2012 Sales Tax Revenue Bonds

On February 14, 2012, the County issued \$51.675 million in Series 2012 Sales Tax Revenue Bonds for the purpose of financing transportation projects within the County. Previous to the issuance of these bonds, the County entered into an interlocal agreement with Utah Transit Authority (“UTA”) whereby the County borrowed \$55.2 million from UTA’s portion of the fixed guideway (or Section 2216) sales tax to fund transportation projects such as Pioneer Crossing and North County Boulevard. The interlocal agreement stipulated that the County would repay interest to UTA at a rate of 5 percent. The issuance of these bonds not only reduced the interest payments due to UTA, but also provided immediate operational funding for FrontRunner South, which began service in Utah County in December 2012. Maturities of the Series 2012 Sales Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2017	\$ 930,000	4.00%
2018	945,000	4.00%
2019	945,000	4.00%
2020	950,000	4.00%
2021	945,000	5.00%
2022	950,000	5.00%
2023	950,000	3.00%
2024	925,000	3.00%
2025	890,000	3.00%
2026	850,000	3.00%
2027	800,000	3.00%
2028	755,000	4.00%
2029	675,000	4.00%
2030	640,000	4.00%
2031	585,000	4.00%
2032	430,000	4.00%
2033	410,000	4.00%
2034	315,000	4.00%
2035	6,070,000	4.00%
2036	6,315,000	4.00%
2037	6,570,000	4.00%
2038	6,830,000	4.00%
2039	7,100,000	4.00%
	\$ 46,775,000	

2013 Excise Tax Revenue Bonds

On September 4, 2013, the County issued \$3.8 million in Series 2013 Excise Tax Revenue Bonds for the purpose of financing all, or a portion of, the costs of acquiring, constructing, equipping, and furnishing a museum and related improvements and facilities to be located at Thanksgiving Point in Lehi. The Museum of Natural Curiosity had its grand opening in May 2014. The \$28.5 million project was funded largely through private donations, but also received \$2 million from the State of Utah, \$1 million from Lehi City, and \$4.1 million from the County. The County's portion was mainly funded by the issuance of these bonds. Maturities of the Series 2013 Excise Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2017	\$ 140,000	3.00%
2018	145,000	3.00%
2019	150,000	4.00%
2020	155,000	4.00%
2021	160,000	4.00%
2022	165,000	4.00%
2023	175,000	4.00%
2024	180,000	4.00%
2025	190,000	4.25%
2026	195,000	4.25%
2027	205,000	4.25%
2028	215,000	4.50%
2029	225,000	4.50%
2030	235,000	4.50%
2031	245,000	4.50%
2032	255,000	5.00%
2033	265,000	5.00%
	\$ 3,300,000	

2014 Sales Tax Revenue Refunding Bonds

On May 21, 2014, the County issued \$6.755 million in Series 2014 Sales Tax Revenue Refunding Bonds to defease the portion of the outstanding Series 2005 Sales Tax Revenue and Refunding Bonds issued to finance the costs of expansion and improvements related to the Security Center. Maturities of the Series 2014 Sales Tax Revenue Refunding Bonds are as follows:

Due Date	Principal	Interest Rate
December 1 2017	\$ 1,300,000	1.83%
2018	1,325,000	1.83%
2019	1,345,000	1.83%
2020	1,370,000	1.83%
	\$ 5,340,000	

NOTE 6 (Continued)

The following table shows the difference between the cash flow requirements to service the Series 2005 Sales Tax Revenue and Refunding Bonds and the 2014 Sales Tax Revenue Refunding Bonds:

Date	New (2014) Debt Service	Old (2005) Debt Service	Savings	Fiscal Total
11/1/2014	\$ 54,941	\$ 151,794	\$ 96,853	\$ 96,853
5/1/2015	61,808	151,794	89,986	-
11/1/2015	201,808	151,794	(50,014)	39,972
5/1/2016	60,527	151,794	91,267	-
11/1/2016	1,335,527	1,286,794	(48,733)	42,534
5/1/2017	48,861	123,419	74,558	-
11/1/2017	1,348,861	1,318,419	(30,442)	44,116
5/1/2018	36,966	93,544	56,578	-
11/1/2018	1,361,966	1,348,544	(13,422)	43,156
5/1/2019	24,842	66,875	42,033	-
11/1/2019	1,369,842	1,371,875	2,033	44,066
5/1/2020	12,536	34,250	21,714	-
11/1/2020	1,382,535	1,404,250	21,715	43,429
Totals	\$ 7,301,020	\$ 7,655,146	\$ 354,126	\$ 354,126

The net present value of the benefit (economic gain) resulting from the advance refunding is \$341,933.

2016 Subordinated Transportation Sales Tax Revenue Bonds

On December 22, 2016, the County issued \$65 million in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority. The project is estimated to be completed in approximately two years. Pursuant to an interlocal agreement with UTA, the County expects to be fully reimbursed for the total principal and interest of the financing. Maturities of the Series 2016 Subordinated Transportation Sales Tax Revenue Bonds are as follows:

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2016

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
November 1 2017	\$ 1,605,000	3.17%
2018	1,365,000	3.17%
2019	1,410,000	3.17%
2020	1,450,000	3.17%
2021	1,500,000	3.17%
2022	1,545,000	3.17%
2023	1,595,000	3.17%
2024	1,645,000	3.17%
2025	1,700,000	3.17%
2026	1,750,000	3.17%
2027	1,805,000	3.17%
2028	1,865,000	3.17%
2029	45,765,000	3.17%
	<u>\$ 65,000,000</u>	

The following table summarizes the changes in long-term debt for 2016:

	January 1 2016	Additions	Retirements	December 31 2016	Due in One Year
Governmental Activities:					
<i>General Obligation Bonds</i>					
<none>	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Obligation Bonds	-	-	-	-	-
<i>Revenue Bonds</i>					
2006 Sales Tax Bonds	3,675,000	-	(3,675,000)	-	-
2009A Transportation Sales Tax Revenue Bonds	2,710,000	-	(2,710,000)	-	-
2009B Transportation Sales Tax Revenue Bonds	85,490,000	-	-	85,490,000	2,875,000
2009B Vehicle Registration Fee Revenue Bonds	23,775,000	-	(750,000)	23,025,000	780,000
2010A Excise Tax Revenue Bonds	2,465,000	-	(780,000)	1,685,000	825,000
2010B Excise Tax Revenue Bonds	5,000,000	-	-	5,000,000	-
2010C Excise Tax Revenue Bonds	28,200,000	-	-	28,200,000	-
2010 Taxable Sales Tax Revenue Bonds (QECCB)	4,280,000	-	(265,000)	4,015,000	280,000
2012 Sales Tax Revenue Bonds	47,735,000	-	(960,000)	46,775,000	930,000
2013 Excise Tax Revenue Bonds	3,435,000	-	(135,000)	3,300,000	140,000
2014 Sales Tax Revenue Refunding Bonds	6,615,000	-	(1,275,000)	5,340,000	1,300,000
2016 Subordinated Sales Tax Revenue Bonds	-	65,000,000	-	65,000,000	1,605,000
Unamortized Bond Discounts	(1,102,518)	-	58,875	(1,043,643)	(58,875)
Unamortized Bond Premiums	2,865,740	-	(300,741)	2,564,999	300,741
Total Revenue Bonds	<u>215,143,222</u>	<u>65,000,000</u>	<u>(10,791,866)</u>	<u>269,351,356</u>	<u>8,976,866</u>
Total Bonds Payable	215,143,222	65,000,000	(10,791,866)	269,351,356	8,976,866
Compensated Absences	3,971,519	298,306	-	4,269,825	-
OPEB Liability	7,128,053	2,155,126	-	9,283,179	-
	<u>\$ 226,242,794</u>	<u>\$ 67,453,432</u>	<u>\$ (10,791,866)</u>	<u>\$ 282,904,360</u>	<u>\$ 8,976,866</u>

NOTE 6 (Continued)

The debt service requirements of the General Obligation and Revenue Bonds for the next five years and to maturity are as follows:

Fiscal Year	All Bonds		
	Principal	Interest	Total
2017	\$ 8,735,000	\$ 13,020,911	\$ 21,755,911
2018	8,755,000	12,971,452	21,726,452
2019	9,065,000	12,622,017	21,687,017
2020	9,400,000	12,246,801	21,646,801
2021	8,375,000	11,838,801	20,213,801
2022-2026	47,585,000	52,407,427	99,992,427
2027-2031	97,225,000	35,626,549	132,851,549
2032-2036	50,935,000	14,809,246	65,744,246
2037-2039	27,755,000	2,713,945	30,468,945
Totals	<u>\$ 267,830,000</u>	<u>\$ 168,257,149</u>	<u>\$ 436,087,149</u>

Compensated Absences and Other Postemployment Benefits

Employees are granted vacation and sick leave in amounts varying with tenure and hire date. An employee may accrue up to 240 hours of vacation and unlimited hours of sick leave. Active employees may convert sick leave to vacation or cash under certain options available under the plan. Upon retirement, up to 720 hours of sick leave may be paid as cash at 25 percent of the employee’s pay rate at time of retirement. As of December 31, 2016, the liability for accrued compensated absences amounted to \$4,269,825. As of December 31, 2016, the accrued liability for other postemployment benefits (“OPEB”) was \$9,283,179.

NOTE 7 - RETIREMENT PLANS

Utah Retirement Systems

Plan Description. Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems are comprised of the following pension trust funds:

- Public Employees Noncontributory Retirement System (“Noncontributory System”) and the Public Employees Contributory Retirement System (“Contributory System”) are multiple-employer, cost-sharing, public-employees retirement systems.
- The Public Safety Retirement System (“Public Safety System”) is a mixed-agent and cost-sharing, multiple-employer retirement system.

NOTE 7 (Continued)

- Tier 2 Public Employees Contributory Retirement System (“Tier 2 Public Employees System”) and the Tier 2 Public Safety and Firefighter Contributory Retirement System (“Tier 2 Public Safety and Firefighters System”) are multiple-employer, cost-sharing, 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 members of the Tier 2 Retirement System.

The Utah Retirement Systems (“Systems”) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems’ defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. Utah Retirement Systems 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.

Utah Retirement Systems issues a publicly available financial report that can be obtained either by writing 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:

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NOTE 7 (Continued)

Summary of Benefits by System

System	Final average salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4%, depending upon employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

* with actuarial reductions

** All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounding benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index ("CPI") increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

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 Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2016 are as follows:

NOTE 7 (Continued)

	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rates</u>	<u>Employer Rate for 401(k) Plan</u>
Contributory System:			
11 - Local Government Division Tier 1	6.0%	14.46%	N/A
111 - Local Government Division Tier 2	N/A	14.91%	1.78%
Noncontributory System:			
15 - Local Government Division Tier 1	N/A	18.47%	N/A
Public Safety System:			
Contributory			
29 - Other Division B with 2.5% COLA	10.5%	22.29%	N/A
122 - Tier 2 DB Hybrid Public Safety	N/A	20.39%	1.33%
Noncontributory			
49 - Other Division B with 2.5% COLA	N/A	32.20%	N/A
Tier 2 Defined Contribution Only:			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	9.72%	12.00%

Tier 2 rates include a statutorily required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For fiscal year ended December 31, 2016, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 5,109,445	N/A
Contributory System	99,061	\$ -
Public Safety System	4,279,058	-
Tier 2 Public Employees System	874,279	-
Tier 2 Public Safety and Firefighter	214,472	-
Tier 2 DC Only System	65,847	N/A
Tier 2 Public Safety and Firefighter System	9,921	N/A
Total Contributions	\$ 10,652,082	\$ -

Contributions reported are the URS Board-approved, required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

NOTE 7 (Continued)

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

At December 31, 2016, the County reported a net pension asset of \$18,996 and a net pension liability of \$28,962,503.

	<u>Measurement Date: December 31, 2015</u>				
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share 31 Dec 2014</u>	<u>Change (Decrease)</u>
Noncontributory System	\$ -	\$ 18,120,296	3.2023221%	3.1789053%	0.0234168%
Contributory System	-	1,125,829	1.6017960%	1.3635599%	0.2382361%
Public Safety System	-	9,716,378	19.9125957%	19.5867048%	0.3258909%
Tier 2 Public Employees System	1,362	-	0.6239731%	0.5119697%	0.1120034%
Tier 2 Public Safety and Firefighter	17,634	-	1.2069467%	1.0888488%	0.1180979%
	<u>\$ 18,996</u>	<u>\$ 28,962,503</u>			

The net pension asset and liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2015 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2016, the County recognized pension expense of \$6,445,165.

At December 31, 2016, the County reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,700,275	\$ 909,501
Changes in assumptions	0	1,852,688
Net difference between projected and actual earnings on pension plan investments	9,634,550	0
Changes in proportion and differences between contributions and proportionate share of contributions	198,204	0
Contributions subsequent to the measurement date	10,652,082	0
Total	<u>\$ 22,185,111</u>	<u>\$ 2,762,189</u>

NOTE 7 (Continued)

\$10,652,082 was reported as deferred outflows of resources related to pensions resulting from contributions made by the County prior to the County’s fiscal year end, but subsequent to the measurement date of December 31, 2015.

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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2016	\$ 2,032,483
2017	2,055,640
2018	2,073,469
2019	2,428,375
2020	195,068
Thereafter	(14,197)

Actuarial assumptions. The total pension liability in the December 31, 2015 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 expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the five-year period ending 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 and are applied consistently to each defined-benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 7 (Continued)

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio 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 7.50% assumed investment rate of return is 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 benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate. The following table 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:

System	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
Noncontributory System	\$38,286,385	\$18,120,296	\$ 1,285,652
Contributory System	1,982,692	1,125,829	406,453
Public Safety System	21,197,483	9,716,378	310,191
Tier 2 Public Employees System	249,791	(1,362)	(191,713)
Tier 2 Public Safety and Firefighter	29,976	(17,634)	(54,194)
Total	\$61,746,327	\$28,943,507	\$ 1,756,389

NOTE 7 (Continued)

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

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under Sections 401(k), 457(b), and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Utah County participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans were as follows:

	Year Ended December 31,		
	2016	2015	2014
<i>401(k) Plan</i>			
Employer Contributions	\$229,881	\$ 147,100	\$ 103,054
Employee Contributions	0	808	731

Deferred Compensation Plans

Utah County participates in a 401(k) plan administered by Prudential Financial, Inc. The County matches contributions to the plan, up to 6.2 percent of base wages. Contributions during the year were \$5,673,049, which is comprised of \$2,921,198 in employee deductions and \$2,751,851 in matching County contributions.

Utah County participates in a 457 Deferred Compensation Plan administered by Prudential Financial, Inc. Prudential Financial, Inc. has adopted GASB Statement No. 32–Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. Accordingly, assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than being held by the County as the employer. Consequently, plan assets are not included in the County’s financial statements.

Effective January 1, 2015, contributions to 401(a) plans for elected officials were discontinued.

NOTE 8 - CONTINGENT LIABILITIES - LITIGATION

Utah County has been named as a defendant in various actions. Many of these appear to be without merit; however, the outcome and amount of claims is unknown at this time.

NOTE 9 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, errors and omissions, violation of civil rights, theft of, damage to, and destruction of assets, and natural disasters. These risks are covered by the County's payment to Utah Local Governments Trust for insurance coverage. Property physical damage is insured to replacement value, automobile physical damage is insured to actual value with a \$500 deductible, and other liability is insured up to \$1 million, or the statutory limit. The County also provides workers' compensation coverage through Utah Local Governments Trust. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

NOTE 10 – JOINT VENTURE

The Provo City/Utah County Ice Sheet Authority ("Ice Sheet Authority") was created March 19, 1996 as a joint venture between Utah County and Provo City for the purpose of financing, constructing, maintaining, and operating an Olympic ice sheet to be constructed at the Seven Peaks property in Provo, Utah. The Ice Sheet Authority entered into a development agreement with Seven Peaks under which Seven Peaks designed and constructed the ice sheet under the direction and control of the Ice Sheet Authority. Provo City and Utah County each own 50 percent of the ice sheet.

Following is a summary of the financial position of the Ice Sheet Authority:

	As of June 30, 2016	
Total assets		\$ 12,156,392
Total liabilities		(64,039)
Total net position		<u>\$ 12,092,353</u>

	For the year ended June 30, 2016	
Total operating revenues		\$ 1,102,832
Total operating expenses		(1,562,283)
Contributions		349,804
Non-operating revenues (expenses)		1,669
Net income (loss)		<u>\$ (107,978)</u>

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

In addition to pension benefits described in Note 7, the County provides other post-employment benefits (“OPEB”) to all eligible employees in accordance with County policy. The other post-employment benefits currently provided by the County include healthcare benefits and post-employment income benefits for surviving spouses.

Eligibility

General employees are eligible for retiree healthcare coverage once they have 30 years of service with the County. Retiree healthcare coverage ends when the retiree turns 65.

Public safety employees are eligible for retiree healthcare coverage once they have 20 years of service with the County. Retiree healthcare coverage ends when the retiree turns 65.

All employees can retire according to the Utah Retirement Systems’ eligibility requirements, but they have to meet the years of service requirements (i.e., 30 years of service for general employees and 20 years of service for public safety employees) to be eligible for retiree healthcare coverage through the County.

If the spouse is older than the employee (i.e., the spouse will turn 65 first before the employee), he/she is allowed to stay on the plan and continue to receive the same explicit subsidy.

Spouse Benefit

Surviving spouses of either retirees or active employees are eligible for coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”) upon the member’s death.

If active employees die prior to retirement (regardless of whether they are eligible for retirement), the surviving spouse is eligible for a post-employment income benefit. The plan will pay the employee’s surviving spouse 30 percent of the employee’s monthly income at the time of death to age 65 or re-marriage. If both a spouse and unmarried children under the age of 21 survive, the spouse will receive 40 percent of the employee’s monthly income. If only unmarried children under the age of 21 survive, the children will divide 20 percent of the employee’s monthly income.

In addition, surviving spouses of public safety employees who die in the line of duty are eligible to join an employer plan with premium payments and health savings account contributions made by the County until the first of either (a) the surviving spouse’s 65th birthday, (b) the surviving spouse’s remarriage, or (c) a dependent child’s 26th birthday.

NOTE 11 (Continued)

Health Reimbursement Account Benefit

The County provides a retiree Health Reimbursement Account (“HRA”) benefit of \$800 annually for public safety employees who were hired prior to July 1, 2011 and retired on or after December 1, 2012. The HRA will reimburse out-of-pocket medical, prescription, dental, or vision expenses; however, insurance premiums are not reimbursable. This benefit terminates upon the retiree reaching age 65. Surviving spouses can request reimbursement for expenses incurred prior to the death of the retiree if there is a balance remaining. It has been assumed this benefit begins as of the valuation date.

Explicit Subsidy

The County’s explicit subsidy depends on the years of service an active employee has as of January 2, 2004.

Tier 1 – Employees who have completed 100 percent of the required years of service for retiree healthcare coverage will receive the same subsidy as active employees. The monthly contribution requirement for active employees effective January 1, 2017 are as follows:

Plan	Full-Time		3/4-Time		1/2-Time	
	Employee Only	Employee + 1	Employee Only	Employee + 1	Employee Only	Employee + 1
SelectHealth HDHP	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$262.50	\$531.65
SelectHealth PPO	\$84.80	\$171.60	\$84.80	\$171.60	\$347.30	\$703.25

Tier 2 – For employees who have completed at least 80 percent but less than 100 percent of the required years of service for retiree healthcare coverage, the County will pay up to \$885.44 per month for healthcare coverage. The County subsidy will increase annually according to the premium increase, but not more than 8 percent.

Tier 3 – For employees who have completed at least 50 percent but less than 80 percent of the required years of service for retiree healthcare coverage, the County will pay up to \$365 per month for healthcare coverage. The County subsidy will remain the same in the future.

Tier 4 – For employees who have completed less than 50 percent of the required years of service for retiree healthcare coverage, the County will pay up to \$178.40 per month for healthcare coverage. The County subsidy will remain the same in the future.

There is no explicit subsidy for active employees hired on or after July 1, 2003. These employees are in Tier 5.

Retiree Cost Sharing

Retirees are required to contribute the portion of insurance premiums not covered by the County’s explicit subsidy.

NOTE 11 (Continued)

Medical Benefit

The same medical benefits are available to retirees as active employees. All health plans are fully-insured and experience-rated. The monthly premiums by plan are as follows:

Plan	Effective 1 January 2017		Effective 1 January 2016	
	Employee Only	Employee + 1	Employee Only	Employee + 1
SelectHealth HDHP	\$525.00	\$1,063.30	\$504.80	\$1,022.40
SelectHealth PPO	\$609.80	\$1,234.90	\$586.30	\$1,187.40

Tier 1 retirees enrolled in the high-deductible health plans (“HDHP”) receive annual HSA contributions of \$800 for single coverage and \$1,600 for non-single coverage. The HSA contribution is assumed to increase with HSA trend rates.

Annual OPEB Cost and Net OPEB Obligation

	2015	2016
Annual Required Contribution (“ARC”) as of the end of the year	\$874,698	\$1,075,249
Interest on Net OPEB Obligation (“NOO”) to end of the year	114,279	131,737
NOO amortization adjustment to the ARC	(155,906)	(179,722)
Annual OPEB cost	\$833,071	\$1,027,264
Total annual employer contribution for pay-as-you-go	(445,125)	(476,887)
Total annual employer contribution for pre-funding	0	0
Change in NOO	\$387,946	\$550,377
NOO as of beginning of year	2,539,535	2,927,481
NOO as of end of year	\$2,927,481	\$3,477,858

For purposes of determining whether the County has contributed the full amount of the ARC, contributions are limited to amounts paid to outside parties or placed in trust or an equivalent arrangement. Amounts that are simply “earmarked” by the County or otherwise set apart (e.g. designations, separate funds) do not qualify as contributions for accounting purposes. Therefore, while the County has earmarked \$7,804,103 for its OPEB obligations through a balance sheet accrual, because the County has not placed the funding in an outside trust arrangement, the County is considered to finance its OPEB obligations on a pay-as-you-go basis.

The annual covered payroll for the current year is \$48,482,324. The unfunded actuarial accrued liability (“UAAL”) of \$9,283,179 is equal to the actuarial accrued liability. The ratio of the UAAL to annual covered payroll is 19 percent.

NOTE 11 (Continued)

There has been a substantive plan provision change since the last full valuation calculated for the fiscal year ending December 31, 2014. Surviving spouses of public safety employees qualifying under the State of Utah's Public Safety Officer and Firefighter Line-of-Duty Death Act are now entitled to remain on an employer plan at no cost. This benefit was originally adopted by the Utah State Legislature in its 2015 general session and the benefit is set forth in Utah Code Annotated 53-17-201, as amended.

In addition, two actuarial assumptions have been updated since the last full valuation:

1. The mortality assumption has been updated from the SOA RPH-2014 Total Dataset Mortality Table fully generational with Scale MP-2014 to the SOA RPH-2015 Total Dataset Mortality Table fully generational with Scale MP-2015. This change resulted in a decrease in liabilities.
2. Health care trend rates have been reset to an initial rate of 9.0% decreasing by 0.5% annually to an ultimate rate of 5.0% while subsidy trend rates have been reset to an initial rate of 7.5% decreasing by 0.5% annually to 5.0%. This change resulted in an increase in liabilities.

Finally, provided data has changed since the last valuation. Six spouses receiving the survivor income benefit are known and valued. This change resulted in an increase in liabilities.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revisions and actual results are compared with past expectations and new estimates are made about the future. For the actuarial valuation for the year ending December 31, 2016, an inflation rate of 3.0 percent was used and an amortization period of 30 years.

NOTE 12 – LEGAL COMPLIANCE

The Utah County Fair exceeded its budget by \$2,198.

The Soldier Summit Special Service District Special Revenue Fund had a deficit fund balance at year end in the amount of \$11,092. The District's Board adopted a fee increase at the end of 2016 to correct this deficit in fiscal year 2017. The Soldier Summit Special Service District Special Revenue Fund also had a deficit cash balance at year end in the amount of \$32,205.

The fund balances of Utah County Service Area No. 6, Utah County Service Area No. 7, Utah County Service Area No. 8, and Utah County Service Area No. 9 exceed the statutory limit.

**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

UTAH COUNTY
Ratings for Utah County's Roads System
For the year ended December 31, 2016

As allowed by Governmental Accounting Standards Board Statement No. 34, Utah County ("the County") has adopted the modified approach for reporting infrastructure assets. Under the modified approach, infrastructure assets are not depreciated and maintenance and preservation costs are expensed. Furthermore, the County capitalizes costs related to new construction or major replacements.

To utilize the modified approach for reporting infrastructure assets, the County is required to:

1. Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
2. Perform and document replicable condition assessments of the eligible infrastructure assets at the condition level disclosed by the County.
3. Estimate each year the annual amount needed to maintain and preserve the eligible infrastructure assets at the condition level disclosed by the County.
4. Document that the infrastructure assets are being approximately preserved at, or above, the condition level established by the County.

For several years the County has used an inventory system that evaluates the condition and safety of its roads. This system rates good roads with a high value and poor roads with a low value by road type. Roads are re-inventoried each year to determine current condition and safety needs. Roads in each road type with low values are then targeted for maintenance in the coming budget year.

The rating system includes the following variables:

- a. **Surface Type:** Rated from 2 points for dirt roads to 10 points for concrete roads.
- b. **Surface Condition:** Rated with 2 points for surface failure to 15 points for no cracking,
- c. **Ride-ability:** Rated from 2 points for very poor to 10 points for excellent.
- d. **Base Conditions:** Rated from 5 points for very poor to 25 points for excellent.
- e. **Alignment:** Rated at 2 points for serious problems to 10 points for straight alignment.
- f. **Grade:** Rated at 2 points for extensive grade problems to 10 points for no grade problems.
- g. **Safety Issues:** Rated at 2 points for obstacles to 10 points for no issues.
- h. **Average Daily Traffic:** Rated at 2 points for 2000 vehicles per day to 10 points for 100 vehicles per day.
- i. **Drainage:** Rated at 2 points for very poor to 10 points for excellent.
- j. **Clear Zone:** Rated at 2 points for ditches too close to 10 points for ten feet of clear zone.

On December 31, 2016 the County had 47.77 miles of dirt roads, 140.09 miles of gravel roads, 262.05 miles of chip-seal roads, and 91.64 miles of asphalt roads.

It is the County's policy to maintain its roads at or above the average rating for each class of roads. It is also the policy that 50 percent of the roads in each class will be maintained above the average rating and that no more than 10 percent of the roads in each class will be in very poor condition.

Over the last five reporting years, the estimated amounts needed and actual expenditures incurred to maintain and preserve the County's roads system are as follows (capital expenditures are not included):

<u>YEAR</u>	<u>BUDGET</u>	<u>EXPENDITURES</u>
2012	\$4,710,828	\$4,522,143
2013	\$5,269,770	\$4,247,527
2014	\$3,718,187	\$3,444,633
2015	\$3,913,834	\$3,802,299
2016	\$3,463,668	\$2,812,869

Because of annexations, the total value of the County's roads system decreased from \$63,721,630 on December 31, 2015 to \$63,692,792 on December 31, 2016.

Report prepared by the Utah County Public Works Department.

UTAH COUNTY
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 30,367,000	\$ 30,367,000	\$ 30,712,289	\$ 345,289
Sales taxes	25,345,000	25,352,953	25,359,745	6,792
Franchise taxes	4,000	4,000	4,024	24
Licenses and permits	337,000	466,839	472,814	5,975
Intergovernmental	805,855	768,284	903,826	135,542
Charges for services	13,405,885	14,097,510	14,291,738	194,228
Fines and forfeitures	2,478,550	2,225,691	2,227,427	1,736
Miscellaneous revenue	836,962	650,182	793,019	142,837
Total revenues	<u>73,580,252</u>	<u>73,932,459</u>	<u>74,764,881</u>	<u>832,422</u>
Expenditures:				
Current:				
General government	27,545,284	26,056,257	24,255,335	1,800,922
Public safety	47,489,658	50,048,607	46,932,963	3,115,644
Public health and welfare	941,929	1,046,669	864,980	181,689
Parks and recreation	442,362	491,865	486,972	4,893
Total expenditures	<u>76,419,233</u>	<u>77,643,398</u>	<u>72,540,250</u>	<u>5,103,148</u>
Excess (deficiency) of revenues over expenditures	<u>(2,838,981)</u>	<u>(3,710,939)</u>	<u>2,224,631</u>	<u>5,935,570</u>
Other financing sources (uses):				
Transfers in	3,677,783	4,113,433	3,452,317	(661,116)
Transfers out	(3,752,641)	(5,075,641)	(5,075,641)	-
Total other financing sources (uses)	<u>(74,858)</u>	<u>(962,208)</u>	<u>(1,623,324)</u>	<u>(661,116)</u>
Net change in fund balance	(2,913,839)	(4,673,147)	601,307	5,274,454
Fund balance - beginning	27,487,199	27,487,199	27,487,199	-
Fund balance - ending	<u>\$ 24,573,360</u>	<u>\$ 22,814,052</u>	<u>\$ 28,088,506</u>	<u>\$ 5,274,454</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Fund
Major Special Revenue Fund
Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 14,558,150	\$ 14,507,350	\$ 12,626,474	\$ (1,880,876)
Charges for services	8,990,146	9,010,146	10,189,364	1,179,218
Miscellaneous revenue	148,992	153,792	104,257	(49,535)
Total revenues	<u>23,697,288</u>	<u>23,671,288</u>	<u>22,920,095</u>	<u>(751,193)</u>
Expenditures:				
Salaries, wages, and benefits	13,935,762	13,934,262	12,950,098	984,164
Materials, supplies, and services	14,133,548	14,128,993	10,944,586	3,184,407
Capital outlay	9,000	15,055	6,800	8,255
Total expenditures	<u>28,078,310</u>	<u>28,078,310</u>	<u>23,901,484</u>	<u>4,176,826</u>
Excess (deficiency) of revenues over expenditures	<u>(4,381,022)</u>	<u>(4,407,022)</u>	<u>(981,389)</u>	<u>3,425,633</u>
Other financing sources (uses):				
Transfers in	2,249,223	2,249,223	2,237,603	(11,620)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,249,223</u>	<u>2,249,223</u>	<u>2,237,603</u>	<u>(11,620)</u>
Net change in fund balance	(2,131,799)	(2,157,799)	1,256,214	3,414,013
Fund balance - beginning	4,956,751	4,956,751	4,956,751	-
Fund balance - ending	<u>\$ 2,824,952</u>	<u>\$ 2,798,952</u>	<u>\$ 6,212,965</u>	<u>\$ 3,414,013</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Projects Fund
Major Special Revenue Fund
Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales taxes	\$ 56,354,000	\$ 57,860,566	\$ 58,678,535	\$ 817,969
Intergovernmental revenue	6,635,000	6,635,000	2,692,987	(3,942,013)
Charges for services	4,022,000	4,022,000	4,136,812	114,812
Miscellaneous revenue	349,000	349,000	1,208,424	859,424
Total revenues	<u>67,360,000</u>	<u>68,866,566</u>	<u>66,716,757</u>	<u>(2,149,809)</u>
Expenditures:				
Salaries, wages, and benefits	1,193,865	1,261,864	1,246,930	14,934
Materials, supplies, and services	136,727,140	127,545,356	1,766,480	125,778,876
Capital outlay	588,435	697,320	690,975	6,345
Contributions to other governmental agencies	36,995,000	47,372,900	57,132,722	(9,759,822)
Total expenditures	<u>175,504,440</u>	<u>176,877,440</u>	<u>60,837,106</u>	<u>116,040,334</u>
Excess (deficiency) of revenues over expenditures	<u>(108,144,440)</u>	<u>(108,010,874)</u>	<u>5,879,650</u>	<u>113,890,524</u>
Other financing sources (uses):				
Transfers in	-	573,000	-	(573,000)
Transfers out	(14,936,352)	(14,936,352)	(10,856,890)	4,079,462
Issuance of bonds	65,000,000	65,000,000	65,000,000	-
Bond premiums (discounts)	-	-	-	-
Total other financing sources (uses)	<u>50,063,648</u>	<u>50,636,648</u>	<u>54,143,110</u>	<u>3,506,462</u>
Net change in fund balance	(58,080,792)	(57,374,226)	60,022,760	117,396,986
Fund balance - beginning	65,132,455	65,132,455	65,132,455	-
Fund balance - ending	<u>\$ 7,051,663</u>	<u>\$ 7,758,229</u>	<u>\$ 125,155,216</u>	<u>\$ 117,396,986</u>

UTAH COUNTY
Required Supplementary Information
December 31, 2016

County Retiree Health Care Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/2009	\$ -	\$ 7,999,689	\$ 7,999,689	0.00%	\$ 41,016,801	19.50%
1/1/2010	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2011	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2012	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%
1/1/2013	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%
1/1/2014	\$ -	\$ 7,413,792	\$ 7,413,792	0.00%	\$ 46,678,034	15.88%
1/1/2015	\$ -	\$ 7,413,792	\$ 7,413,792	0.00%	\$ 46,678,034	15.88%
1/1/2016	\$ -	\$ 9,283,179	\$ 9,283,179	0.00%	\$ 48,482,324	19.15%

UTAH COUNTY
Required Supplementary Information
December 31, 2016

Schedule of the Proportionate Share of the Net Pension Liability (Asset)
Utah Retirement Systems
Last Ten Fiscal Years*

	As of Fiscal Year Ended December 31,	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement System
Proportion of the net pension liability (asset)	2015	3.1789053%	1.3635599%	19.5867048%	0.5119697%	1.0888488%
	2016	3.2023221%	1.6017960%	19.9125957%	62.3973100%	1.2069467%
Proportionate share of the net pension liability (asset)	2015	\$ 13,803,555	\$ 393,310	\$ 7,745,223	\$ (15,515)	\$ (16,108)
	2016	\$ 18,120,296	\$ 1,125,829	\$ 9,716,378	\$ (1,362)	\$ (17,634)
Covered employee payroll	2015	\$ 27,061,127	\$ 730,686	\$ 12,246,827	\$ 2,511,911	\$ 450,257
	2016	\$ 26,949,576	\$ 682,507	\$ 12,731,406	\$ 4,031,816	\$ 718,350
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2015	51.0%	53.8%	63.2%	-0.6%	-3.6%
	2016	67.24%	164.95%	76.32%	-3.00%	-2.45%
Plan fiduciary net position as a percentage of the total pension liability	2015	90.2%	94.0%	89.0%	103.5%	120.5%
	2016	87.8%	85.7%	87.6%	100.2%	110.7%

* In accordance with paragraph 81.a of GASB Statement No. 68, the County is required to disclose a 10-year history of its proportionate share of the Net Pension Liability (Asset) on this schedule. However, this 10-year schedule will need to be created prospectively. Therefore, the schedule above is only for the current and previous years.

UTAH COUNTY
Required Supplementary Information
December 31, 2016

Schedule of Contributions
Utah Retirement Systems
Last Ten Fiscal Years*

	As of Fiscal Year Ended December 31,	Actuarial determined calculations	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered- employee payroll**
Noncontributory System	2014	\$ 4,812,841	\$ 4,812,841	\$ -	\$ 27,064,751	17.78%
	2015	4,961,885	4,961,885	-	26,948,474	18.41%
	2016	5,109,445	5,109,445	-	30,953,891	16.51%
Contributory System	2014	101,179	101,179	-	730,686	13.85%
	2015	98,690	98,690	-	682,507	14.46%
	2016	99,061	99,061	-	685,070	14.46%
Public Safety System	2014	3,917,564	3,917,564	-	12,246,827	31.99%
	2015	4,068,717	4,068,717	-	12,731,406	31.96%
	2016	4,279,058	4,279,058	-	14,370,641	29.78%
Tier 2 Public Employees System***	2014	364,776	364,776	-	2,518,467	14.48%
	2015	605,017	605,017	-	4,061,598	14.90%
	2016	874,279	874,279	-	5,864,519	14.91%
Tier 2 Public Safety and Firefighter System***	2014	92,171	92,171	-	450,257	20.47%
	2015	146,795	146,795	-	719,203	20.41%
	2016	214,472	214,472	-	1,073,819	19.97%
Tier 2 Public Employees DC Only System***	2014	31,110	31,110	-	506,931	6.14%
	2015	38,653	38,653	-	576,630	6.70%
	2016	65,847	65,847	-	1,425,622	4.62%
Tier 2 Public Safety and Firefighter DC Only System***	2014	3,236	3,236	-	33,457	9.67%
	2015	5,437	5,437	-	55,938	9.72%
	2016	9,921	9,921	-	104,447	9.50%

* The County is required to disclose a 10-year history of its contributions on this schedule. However, this 10-year schedule will need to be created prospectively. Therefore, the schedule above is only for the current and previous years.

** Contributions as a percentage of covered payroll may differ from the Board-certified rate due to rounding or other administrative issues.

*** Contributions in Tier 2 include an amortization rate to help fund the underfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

**OTHER SUPPLEMENTARY
INFORMATION**

**Utah County Government
Legal Compliance Audit Guide
For the Year Ended December 31, 2016**

TRANSIENT ROOM TAX

Establishing and promoting:		
Recreation	\$	-
Tourism		1,791,926
Film production		-
Conventions		-
Acquiring, leasing, constructing, furnishing, or operating:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Acquiring or leasing land required for or related to:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Mitigation costs		
Payment of principal, interest, premiums, and reserves on bonds		1,220,969
Total expenditures	<u>\$</u>	<u>3,012,895</u>

TOURISM, RECREATION, CULTURAL, CONVENTION, AND AIRPORT FACILITIES TAX

Financing tourism promotion	\$	50,312
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		2,302,663
Cultural facilities		1,004,589
Convention facilities		1,508,585
Airport facilities		
Pledges as security for evidence of indebtedness		
Reserves and Pledges		
Reserves on bonds related to TRT funds		
Pledges as security for evidences of indebtedness related to TRCC		
Total expenditures	<u>\$</u>	<u>4,866,149</u>

**COMBINING FINANCIAL STATEMENTS
AND
SUPPLEMENTARY SCHEDULES**

UTAH COUNTY
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2016

	Special Revenue Funds														Total	
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax		Assessing & Collecting
Assets:																
Cash and investments	\$ 383	\$ -	\$ 1,600,325	\$ 1,225,168	\$ 1,555,630	\$ 460,874	\$ 757,758	\$ (32,205)	\$ 587	\$ 395	\$ 903,805	\$ 149	\$ 244,553	\$ 11,754,295	\$ 3,641,967	\$ 22,113,685
Receivables:																
Tax receivables	-	-	767,328	195,995	172,145	44,399	-	5,060	-	-	-	-	447,832	1,503,500	2,334,040	5,470,299
Other receivables	1,730,093	-	-	5,210	-	-	31,454	16,322	1,585,218	264,218	675	621,008	-	70,878	12,683	4,337,759
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	226,888	-	-	129,282	-	-	-	-	100	-	-	6,446	-	31,230	9,434	403,381
Total assets	<u>\$ 1,957,364</u>	<u>\$ -</u>	<u>\$ 2,367,653</u>	<u>\$ 1,555,655</u>	<u>\$ 1,727,775</u>	<u>\$ 505,273</u>	<u>\$ 789,211</u>	<u>\$ (10,823)</u>	<u>\$ 1,585,906</u>	<u>\$ 264,613</u>	<u>\$ 904,480</u>	<u>\$ 627,603</u>	<u>\$ 692,384</u>	<u>\$ 13,359,904</u>	<u>\$ 5,998,124</u>	<u>\$ 32,325,124</u>
Liabilities and fund balances:																
Accounts payable and accruals	\$ 904,475	\$ -	\$ -	\$ 7,220	\$ -	\$ -	\$ -	\$ 163	\$ 516,704	\$ 62,398	\$ 22,340	\$ 117,603	\$ 11,000	\$ 1,718,120	\$ 293,225	\$ 3,653,250
Unearned revenues	-	-	492	282	110	2	780,948	10	115,936	-	-	-	-	6,724	2,355	906,860
Due to other funds	170,000	-	-	-	-	-	-	-	946,000	135,000	-	510,000	-	-	-	1,761,000
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,074,475</u>	<u>-</u>	<u>492</u>	<u>7,502</u>	<u>110</u>	<u>2</u>	<u>780,948</u>	<u>173</u>	<u>1,578,641</u>	<u>197,398</u>	<u>22,340</u>	<u>627,603</u>	<u>11,000</u>	<u>1,724,844</u>	<u>295,581</u>	<u>6,321,110</u>
Deferred inflows of resources	-	-	220,500	67,994	49,638	10,886	-	96	-	-	-	-	-	-	493,890	843,005
Fund balances:																
Restricted for:																
Transient room tax	-	-	-	-	-	-	-	-	-	-	-	681,384	-	-	-	681,384
Assessing and collecting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,208,654	5,208,654
Public transit taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRCC tax	-	-	-	-	-	-	-	-	-	-	-	-	-	11,635,060	-	11,635,060
Special service areas/districts	-	-	2,146,662	1,480,159	1,678,026	494,384	8,263	(11,092)	-	-	-	-	-	-	-	5,796,401
Bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Committed for:																
Public health and welfare	882,889	-	-	-	-	-	-	-	-	67,215	-	-	-	-	-	950,104
Public safety	-	-	-	-	-	-	-	-	-	-	882,140	-	-	-	-	882,140
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assigned for:																
Medicaid reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	7,265	-	-	-	-	-	-	7,265
Total fund balances	<u>882,889</u>	<u>-</u>	<u>2,146,662</u>	<u>1,480,159</u>	<u>1,678,026</u>	<u>494,384</u>	<u>8,263</u>	<u>(11,092)</u>	<u>7,265</u>	<u>67,215</u>	<u>882,140</u>	<u>-</u>	<u>681,384</u>	<u>11,635,060</u>	<u>5,208,654</u>	<u>25,161,009</u>
Total liabilities and fund balance	<u>\$ 1,957,364</u>	<u>\$ -</u>	<u>\$ 2,367,653</u>	<u>\$ 1,555,655</u>	<u>\$ 1,727,775</u>	<u>\$ 505,273</u>	<u>\$ 789,211</u>	<u>\$ (10,823)</u>	<u>\$ 1,585,906</u>	<u>\$ 264,613</u>	<u>\$ 904,480</u>	<u>\$ 627,603</u>	<u>\$ 692,384</u>	<u>\$ 13,359,904</u>	<u>\$ 5,998,124</u>	<u>\$ 32,325,124</u>

UTAH COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue Funds															Total
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax	Assessing & Collecting	
Revenues:																
Property taxes	\$ -	\$ -	\$ 2,045,261	\$ 648,613	\$ 458,443	\$ 97,326	\$ -	\$ 22,690	\$ 2,258,094	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,212,231	\$ 13,742,657
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,016,898
Licenses and permits	-	-	-	31,889	-	-	-	-	-	-	-	-	3,320,110	8,696,787	-	31,889
Intergovernmental	5,262,860	-	830,754	-	186,152	83,738	-	-	2,760,161	812,425	-	-	-	-	129,523	10,065,613
Charges for services	1,643,566	-	-	33,451	-	-	-	31,273	1,957,888	63,513	298,172	2,326,877	-	238,051	2,027,591	8,620,381
Fines and forfeitures	-	-	-	-	-	-	-	-	34,690	-	-	-	-	-	-	34,690
Interest	-	-	12,697	9,692	13,205	4,510	5,827	-	-	-	7,693	-	1,038	83,072	20,142	157,876
Miscellaneous revenue	2,721	335,831	-	8,268	-	-	-	(7,265)	167,082	118,682	-	-	-	4,114	1,075	630,509
Total revenues	6,909,146	335,831	2,888,712	731,914	657,800	185,573	5,827	46,697	7,177,916	994,620	305,864	2,326,877	3,321,148	9,022,024	10,390,563	45,300,513
Expenditures:																
Current:																
General government	-	335,887	-	-	42	-	-	-	5,367,121	-	-	-	1,791,926	1,803,160	9,680,405	18,978,541
Public safety	-	-	42	819,435	-	42	-	-	909,050	-	220,921	2,668,693	-	-	-	4,618,182
Public health and welfare	7,260,615	-	-	-	-	-	-	-	2,500	1,162,775	-	-	-	-	-	8,425,889
Roads and public improvements	-	-	-	-	-	-	46	35,878	582,216	-	-	-	-	-	-	618,139
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	1,349,963	-	1,349,963
Debt service:																
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:																
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,930	6,930
Public safety	-	-	-	-	-	-	-	-	302,119	-	-	-	-	-	-	302,119
Public health and welfare	-	-	-	-	-	-	-	-	7,645	5,191	-	-	-	-	-	12,836
Roads and public improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	5,540	-	5,540
Total expenditures	7,260,615	335,887	42	819,435	42	42	46	35,878	7,170,650	1,167,966	220,921	2,668,693	1,791,926	3,158,663	9,687,335	34,318,140
Excess/(deficiency) of revenues over/(under) expenditures	(351,469)	(56)	2,888,671	(87,520)	657,758	185,532	5,781	10,819	7,265	(173,346)	84,943	(341,816)	1,529,222	5,863,361	703,228	10,982,373
Other financing sources/(uses):																
Transfers in	399,061	56	-	250,000	-	-	-	-	-	150,838	-	341,816	-	-	-	1,141,771
Transfers out	-	-	(2,952,000)	-	(500,317)	(250,000)	-	-	-	-	-	-	(1,220,969)	(1,707,486)	-	(6,630,772)
Issuance of bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources/(uses)	399,061	56	(2,952,000)	250,000	(500,317)	(250,000)	-	-	-	150,838	-	341,816	(1,220,969)	(1,707,486)	-	(5,489,001)
Net change in fund balance	47,592	-	(63,329)	162,480	157,441	(64,468)	5,781	10,819	7,265	(22,508)	84,943	-	308,253	4,155,875	703,228	5,493,372
Fund balances - beginning	835,297	-	2,209,991	1,317,679	1,520,585	558,853	2,482	(21,912)	-	89,723	797,197	-	373,131	7,479,185	4,505,426	19,667,637
Fund balances - ending	\$ 882,889	\$ -	\$ 2,146,662	\$ 1,480,159	\$ 1,678,026	\$ 494,384	\$ 8,263	\$ (11,092)	\$ 7,265	\$ 67,215	\$ 882,140	\$ -	\$ 681,384	\$ 11,635,060	\$ 5,208,654	\$ 25,161,009

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Soldier Summit Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 21,250	\$ 22,690	\$ 1,440	\$ 21,074
Intergovernmental revenue	-	-	-	-
Charges for services	27,988	31,273	3,285	18,496
Miscellaneous revenue	(4,738)	(7,265)	(2,527)	-
Total revenues	<u>44,500</u>	<u>46,697</u>	<u>2,197</u>	<u>39,570</u>
Expenditures:				
Salaries, wages, and benefits	16,000	17,126	(1,126)	21,909
Materials, supplies, and services	28,500	18,752	9,748	36,501
Capital outlay	-	-	-	-
Total expenditures	<u>44,500</u>	<u>35,878</u>	<u>8,622</u>	<u>58,410</u>
Excess (deficiency) of revenues over expenditures	-	10,819	10,819	(18,840)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	10,819	10,819	(18,840)
Fund balance - January 1	<u>(21,912)</u>	<u>(21,912)</u>	-	<u>(3,072)</u>
Fund balance - December 31	<u>\$ (21,912)</u>	<u>\$ (11,092)</u>	<u>\$ 10,819</u>	<u>\$ (21,912)</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Transient Room Tax (TRT) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 3,334,000	\$ 3,320,110	\$ (13,890)	\$ 2,928,424
Miscellaneous revenue	-	1,038	1,038	0
Total revenues	<u>3,334,000</u>	<u>3,321,148</u>	<u>(12,852)</u>	<u>2,928,424</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	2,113,031	1,791,926	321,105	1,658,218
Capital outlay	-	-	-	-
Total expenditures	<u>2,113,031</u>	<u>1,791,926</u>	<u>321,105</u>	<u>1,658,218</u>
Excess (deficiency) of revenues over expenditures	1,220,969	1,529,222	308,253	1,270,206
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,220,969)	(1,220,969)	-	(947,112)
Total other financing sources (uses)	<u>(1,220,969)</u>	<u>(1,220,969)</u>	<u>-</u>	<u>(947,112)</u>
Net change in fund balance	-	308,253	308,253	323,093
Fund balance - January 1	373,131	373,131	-	50,038
Fund balance - December 31	<u>\$ 373,131</u>	<u>\$ 681,384</u>	<u>\$ 308,253</u>	<u>\$ 373,131</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Municipal Building Authority Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Miscellaneous revenue	\$ 335,832	\$ 335,831	\$ (1)	\$ 335,831
Total revenues	<u>335,832</u>	<u>335,831</u>	<u>(1)</u>	<u>335,831</u>
Expenditures:				
Materials, supplies, and services	336,332	335,887	445	335,889
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>336,332</u>	<u>335,887</u>	<u>445</u>	<u>335,889</u>
Excess (deficiency) of revenues over expenditures	(500)	(56)	444	(58)
Other financing sources (uses):				
Transfers in	500	56	(444)	58
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>500</u>	<u>56</u>	<u>(444)</u>	<u>58</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Assessing and Collecting Property Tax Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 8,217,550	\$ 8,212,231	\$ (5,319)	\$ 7,876,355
Intergovernmental revenue	129,523	129,523	-	130,956
Charges for services	2,110,447	2,027,591	(82,856)	1,964,006
Miscellaneous revenue	15,000	21,217	6,217	9,946
Total revenues	<u>10,472,520</u>	<u>10,390,563</u>	<u>(81,957)</u>	<u>9,981,263</u>
Expenditures:				
Salaries, wages, and benefits	6,447,968	5,877,660	570,308	5,694,881
Materials, supplies, and services	7,866,801	3,802,745	4,064,056	3,836,230
Capital outlay	7,575	6,930	645	-
Total expenditures	<u>14,322,344</u>	<u>9,687,335</u>	<u>4,635,009</u>	<u>9,531,110</u>
Excess (deficiency) of revenues over expenditures	(3,849,824)	703,228	4,553,052	450,152
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(3,849,824)	703,228	4,553,052	450,152
Fund balance - January 1	4,505,426	4,505,426	-	4,055,274
Fund balance - December 31	<u>\$ 655,602</u>	<u>\$ 5,208,654</u>	<u>\$ 4,553,052</u>	<u>\$ 4,505,426</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 6 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 1,977,000	\$ 2,045,261	\$ 68,261	\$ 2,026,146
Intergovernmental revenue	830,754	830,754	-	806,417
Miscellaneous revenue	8,000	12,697	4,697	8,257
Total revenues	<u>2,815,754</u>	<u>2,888,712</u>	<u>72,958</u>	<u>2,840,820</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	500	42	458	68
Capital outlay	-	-	-	-
Total expenditures	<u>500</u>	<u>42</u>	<u>458</u>	<u>68</u>
Excess (deficiency) of revenues over expenditures	2,815,254	2,888,671	73,417	2,840,752
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,952,000)	(2,952,000)	-	(2,844,000)
Total other financing sources (uses)	<u>(2,952,000)</u>	<u>(2,952,000)</u>	<u>-</u>	<u>(2,844,000)</u>
Net change in fund balance	(136,746)	(63,329)	73,417	(3,248)
Fund balance - January 1	2,209,991	2,209,991	-	2,213,239
Fund balance - December 31	<u>\$ 2,073,245</u>	<u>\$ 2,146,662</u>	<u>\$ 73,417</u>	<u>\$ 2,209,991</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 7 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 599,000	\$ 648,613	\$ 49,613	\$ 630,137
Licenses and permits	25,850	31,889	6,039	26,715
Charges for services	28,316	33,451	5,135	28,198
Miscellaneous revenue	13,870	17,961	4,091	9,286
Total revenues	<u>667,036</u>	<u>731,914</u>	<u>64,878</u>	<u>694,337</u>
Expenditures:				
Salaries, wages, and benefits	206,707	183,222	23,485	169,365
Materials, supplies, and services	752,315	636,213	116,102	684,530
Capital outlay	-	-	-	-
Total expenditures	<u>959,022</u>	<u>819,435</u>	<u>139,587</u>	<u>853,896</u>
Excess (deficiency) of revenues over expenditures	(291,986)	(87,520)	204,466	(159,559)
Other financing sources (uses):				
Transfers in	250,000	250,000	-	250,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Net change in fund balance	(41,986)	162,480	204,466	90,441
Fund balance - January 1	<u>1,317,679</u>	<u>1,317,679</u>	<u>-</u>	<u>1,227,238</u>
Fund balance - December 31	<u>\$ 1,275,693</u>	<u>\$ 1,480,159</u>	<u>\$ 204,466</u>	<u>\$ 1,317,679</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 8 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 398,000	\$ 458,443	\$ 60,443	\$ 449,684
Intergovernmental revenue	186,152	186,152	-	178,055
Miscellaneous revenue	10,000	13,205	3,205	12,430
Total revenues	<u>594,152</u>	<u>657,800</u>	<u>63,648</u>	<u>640,169</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	54,850	42	54,808	92
Capital outlay	-	-	-	-
Total expenditures	<u>54,850</u>	<u>42</u>	<u>54,808</u>	<u>92</u>
Excess (deficiency) of revenues over expenditures	539,302	657,758	118,456	640,077
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,161,433)	(500,317)	661,116	(1,304,274)
Total other financing sources (uses)	<u>(1,161,433)</u>	<u>(500,317)</u>	<u>661,116</u>	<u>(1,304,274)</u>
Net change in fund balance	(622,131)	157,441	779,572	(664,197)
Fund balance - January 1	<u>1,520,585</u>	<u>1,520,585</u>	<u>-</u>	<u>2,184,782</u>
Fund balance - December 31	<u>\$ 898,454</u>	<u>\$ 1,678,026</u>	<u>\$ 779,572</u>	<u>\$ 1,520,585</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 9 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 95,000	\$ 97,326	\$ 2,326	\$ 98,051
Intergovernmental revenue	83,738	83,738	-	82,135
Miscellaneous revenue	4,000	4,510	510	3,355
Total revenues	<u>182,738</u>	<u>185,573</u>	<u>2,835</u>	<u>183,541</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	5,500	42	5,458	43
Capital outlay	-	-	-	-
Total expenditures	<u>5,500</u>	<u>42</u>	<u>5,458</u>	<u>43</u>
Excess (deficiency) of revenues over expenditures	177,238	185,532	8,294	183,498
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(250,000)	(250,000)	-	(250,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balance	(72,762)	(64,468)	8,294	(66,502)
Fund balance - January 1	558,853	558,853	-	625,355
Fund balance - December 31	<u>\$ 486,091</u>	<u>\$ 494,384</u>	<u>\$ 8,294</u>	<u>\$ 558,853</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah Valley Road Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 623,000	\$ -	\$ (623,000)	\$ -
Miscellaneous revenue	3,000	5,827	2,827	2,529
Total revenues	<u>626,000</u>	<u>5,827</u>	<u>(620,173)</u>	<u>2,529</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	626,000	46	625,954	47
Capital outlay	-	-	-	-
Total expenditures	<u>626,000</u>	<u>46</u>	<u>625,954</u>	<u>47</u>
Excess (deficiency) of revenues over expenditures	-	5,781	5,781	2,482
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	5,781	5,781	2,482
Fund balance - January 1	<u>2,482</u>	<u>2,482</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u><u>\$ 2,482</u></u>	<u><u>\$ 8,263</u></u>	<u><u>\$ 5,781</u></u>	<u><u>\$ 2,482</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Tourism, Recreation, Cultural and Convention Facilities Tax (TRCC) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 8,603,500	\$ 8,696,787	\$ 93,287	\$ 7,980,664
Intergovernmental revenue	-	-	-	-
Charges for services	163,511	238,051	74,540	168,503
Miscellaneous revenue	81,352	87,186	5,834	48,196
Total revenues	<u>8,848,363</u>	<u>9,022,024</u>	<u>173,661</u>	<u>8,197,363</u>
Expenditures:				
Salaries, wages, and benefits	752,737	752,637	100	642,947
Materials, supplies, and services	10,798,588	2,400,487	8,398,101	4,309,952
Capital outlay	5,540	5,540	0	-
Total expenditures	<u>11,556,865</u>	<u>3,158,663</u>	<u>8,398,202</u>	<u>4,952,900</u>
Excess (deficiency) of revenues over expenditures	(2,708,502)	5,863,361	8,571,863	3,244,463
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,304,875)	(1,707,486)	597,389	(2,098,564)
Total other financing sources (uses)	<u>(2,304,875)</u>	<u>(1,707,486)</u>	<u>597,389</u>	<u>(2,098,564)</u>
Net change in fund balance	(5,013,377)	4,155,875	9,169,252	1,145,900
Fund balance - January 1	<u>7,479,185</u>	<u>7,479,185</u>	<u>-</u>	<u>6,333,286</u>
Fund balance - December 31	<u>\$ 2,465,808</u>	<u>\$ 11,635,060</u>	<u>\$ 9,169,252</u>	<u>\$ 7,479,185</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Children's Justice Center Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intragovernmental revenue	\$ 957,990	\$ 812,425	\$ (145,565)	\$ 792,195
Charges for services	79,644	63,513	(16,131)	59,001
Miscellaneous revenue	194,680	118,682	(75,998)	90,209
Total revenues	<u>1,232,314</u>	<u>994,620</u>	<u>(237,694)</u>	<u>941,405</u>
Expenditures:				
Salaries, wages, and benefits	1,089,285	1,023,379	65,906	958,831
Materials, supplies, and services	338,447	139,395	199,052	115,415
Capital outlay	5,305	5,191	114	14,168
Total expenditures	<u>1,433,037</u>	<u>1,167,966</u>	<u>265,071</u>	<u>1,088,414</u>
Excess (deficiency) of revenues over expenditures	(200,723)	(173,346)	27,377	(147,009)
Other financing sources (uses):				
Transfers in	150,838	150,838	-	105,541
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>150,838</u>	<u>150,838</u>	<u>-</u>	<u>105,541</u>
Net change in fund balance	(49,885)	(22,508)	27,377	(41,468)
Fund balance - January 1	<u>89,723</u>	<u>89,723</u>	<u>-</u>	<u>131,191</u>
Fund balance - December 31	<u><u>\$ 39,838</u></u>	<u><u>\$ 67,215</u></u>	<u><u>\$ 27,377</u></u>	<u><u>\$ 89,723</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Grants / Outside Projects Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 4,000,000	\$ 2,258,094	\$ (1,741,906)	\$ 2,066,596
Intergovernmental revenue	12,002,938	2,760,161	(9,242,777)	2,323,986
Charges for services	3,224,964	1,957,888	(1,267,076)	2,032,473
Fines and forfeitures	34,857	34,690	(167)	36,503
Miscellaneous revenue	225,048	167,082	(57,966)	121,527
Total revenues	<u>19,487,807</u>	<u>7,177,916</u>	<u>(12,309,891)</u>	<u>6,581,083</u>
Expenditures:				
Salaries, wages, and benefits	1,210,750	535,167	675,583	455,632
Materials, supplies, and services	8,968,552	1,067,890	7,900,662	672,067
Capital outlay	352,798	309,764	43,034	457,266
Contributions to other governmental agencies	8,955,707	5,257,829	3,697,878	4,996,118
Total expenditures	<u>19,487,807</u>	<u>7,170,650</u>	<u>12,317,157</u>	<u>6,581,083</u>
Excess (deficiency) of revenues over expenditures	-	7,265	7,265	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	7,265	7,265	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ 7,265</u>	<u>\$ 7,265</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Contract Law Enforcement Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Charges for services	2,964,374	2,326,877	(637,497)	2,199,642
Miscellaneous revenue	-	-	-	-
Total revenues	<u>2,964,374</u>	<u>2,326,877</u>	<u>(637,497)</u>	<u>2,199,642</u>
Expenditures:				
Salaries, wages, and benefits	2,086,203	2,021,837	64,366	1,945,828
Materials, supplies, and services	1,128,171	646,856	481,315	628,918
Capital outlay	-	-	-	-
Total expenditures	<u>3,214,374</u>	<u>2,668,693</u>	<u>545,681</u>	<u>2,574,746</u>
Excess (deficiency) of revenues over expenditures	(250,000)	(341,816)	(91,816)	(375,104)
Other financing sources (uses):				
Transfers in	250,000	341,816	91,816	375,104
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>341,816</u>	<u>91,816</u>	<u>375,104</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Inmate Benefit Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Charges for services	\$ 326,350	\$ 298,172	\$ (28,178)	\$ 307,786
Miscellaneous revenue	4,000	7,693	3,693	4,468
Total revenues	<u>330,350</u>	<u>305,864</u>	<u>(24,486)</u>	<u>312,255</u>
Expenditures:				
Salaries, wages, and benefits	312,543	165,911	146,632	187,819
Materials, supplies, and services	216,562	55,010	161,552	47,094
Capital outlay	-	-	-	-
Total expenditures	<u>529,105</u>	<u>220,921</u>	<u>308,184</u>	<u>234,913</u>
Excess (deficiency) of revenues over expenditures	(198,755)	84,943	283,698	77,342
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(198,755)	84,943	283,698	77,342
Fund balance - January 1	<u>797,197</u>	<u>797,197</u>	<u>-</u>	<u>719,855</u>
Fund balance - December 31	<u><u>\$ 598,442</u></u>	<u><u>\$ 882,140</u></u>	<u><u>\$ 283,698</u></u>	<u><u>\$ 797,197</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Department of Drug & Alcohol Prevention and Treatment ("DDAPT") Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 6,168,522	\$ 5,262,860	\$ (905,662)	\$ 5,544,587
Charges for services	4,568,757	1,643,566	(2,925,191)	2,759,933
Miscellaneous revenue	396,300	2,721	(393,579)	11,623
Total revenues	<u>11,133,579</u>	<u>6,909,146</u>	<u>(4,224,433)</u>	<u>8,316,142</u>
Expenditures:				
Salaries, wages, and benefits	5,313,125	4,846,502	466,623	4,656,804
Materials, supplies, and services	6,438,668	2,414,112	4,024,556	3,529,595
Capital outlay	11,981	-	11,981	13,370
Total expenditures	<u>11,763,774</u>	<u>7,260,615</u>	<u>4,503,159</u>	<u>8,199,769</u>
Excess (deficiency) of revenues over expenditures	(630,195)	(351,469)	278,726	116,373
Other financing sources (uses):				
Transfers in	470,195	399,061	(71,134)	280,554
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>470,195</u>	<u>399,061</u>	<u>(71,134)</u>	<u>280,554</u>
Net change in fund balance	(160,000)	47,592	207,592	396,927
Fund balance - January 1	835,297	835,297	-	438,369
Fund balance - December 31	<u>\$ 675,297</u>	<u>\$ 882,889</u>	<u>\$ 207,592</u>	<u>\$ 835,297</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund
Major Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 50,000	\$ 2,668	\$ (47,332)	\$ 7,119
Intergovernmental revenue	2,962,403	3,204,636	242,233	3,224,290
Miscellaneous revenue	-	-	-	-
Total revenues	<u>3,012,403</u>	<u>3,207,305</u>	<u>194,902</u>	<u>3,231,410</u>
Expenditures:				
Principal	10,550,000	10,550,000	-	13,390,000
Interest	11,696,877	11,644,174	52,703	12,240,831
Fiscal charges	93,250	25,200	68,050	36,412
Total expenditures	<u>22,340,127</u>	<u>22,219,374</u>	<u>120,753</u>	<u>25,667,244</u>
Excess (deficiency) of revenues over expenditures	(19,327,724)	(19,012,070)	315,654	(22,435,834)
Other financing sources (uses):				
Transfers in	21,143,321	16,764,537	(4,378,784)	18,163,999
Transfers out	(50,000)	(2,668)	47,332	(7,119)
Total other financing sources (uses)	<u>21,093,321</u>	<u>16,761,869</u>	<u>(4,331,452)</u>	<u>18,156,879</u>
Net change in fund balance	1,765,597	(2,250,201)	(4,015,798)	(4,278,955)
Fund balance - January 1	<u>5,314,340</u>	<u>5,314,340</u>	<u>-</u>	<u>9,593,294</u>
Fund balance - December 31	<u>\$ 7,079,937</u>	<u>\$ 3,064,139</u>	<u>\$ (4,015,798)</u>	<u>\$ 5,314,340</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
Major Fund
For the Year Ended December 31, 2016
With Comparative Totals for 2015

	2016			2015 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenue	50,000	80,112	\$ 30,112	194,832
Total revenues	<u>50,000</u>	<u>80,112</u>	<u>30,112</u>	<u>194,832</u>
Expenditures:				
Materials, supplies, and services	34,109	34,108	1	-
Capital outlay	7,932,187	530,363	7,401,824	463,636
Total expenditures	<u>7,966,296</u>	<u>564,471</u>	<u>7,401,825</u>	<u>463,636</u>
Excess (deficiency) of revenues over expenditures	(7,916,296)	(484,359)	7,431,937	(268,804)
Other financing sources (uses):				
Transfers in	1,226,200	1,443,963	217,763	2,176,636
Issuance of bonds	-	-	-	-
Payments to refunding escrow	-	-	-	-
Bond premiums (discounts)	-	-	-	-
Total other financing sources (uses)	<u>1,226,200</u>	<u>1,443,963</u>	<u>217,763</u>	<u>2,176,636</u>
Net change in fund balance	(6,690,096)	959,604	7,649,700	1,907,832
Fund balance - January 1	<u>8,598,085</u>	<u>8,598,085</u>	-	<u>6,690,253</u>
Fund balance - December 31	<u>\$ 1,907,989</u>	<u>\$ 9,557,688</u>	<u>\$ 7,649,700</u>	<u>\$ 8,598,085</u>

UTAH COUNTY
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Current assets:							
Cash and investments	\$ 2,497,391	\$ -	\$ 922,638	\$ 350,318	\$ 462,351	\$ 1,837,878	\$ 6,070,576
Accounts receivable	36,470	174,712	35,211	231,506	254,885	62,346	795,129
Inventory	162,101	177,185	1,053	9,643	14,700	16,892	381,574
Prepaid expenses	2,268	-	2,028	8,091	18,595	70,661	101,642
Total current assets	<u>2,698,229</u>	<u>351,897</u>	<u>960,931</u>	<u>599,558</u>	<u>750,530</u>	<u>1,987,777</u>	<u>7,348,921</u>
Noncurrent assets:							
Net pension asset	220	241	-	321	(327)	182	637
Capital assets:							
Equipment, vehicles, furniture	16,774,147	564,880	1,046,097	2,590,931	999,927	1,385,242	23,361,225
Accumulated depreciation	(9,150,996)	(247,385)	(877,995)	(2,305,696)	(466,517)	(1,088,586)	(14,137,175)
Net capital assets	<u>7,623,152</u>	<u>317,494</u>	<u>168,102</u>	<u>285,235</u>	<u>533,410</u>	<u>296,656</u>	<u>9,224,050</u>
Total noncurrent assets	<u>7,623,372</u>	<u>317,735</u>	<u>168,102</u>	<u>285,556</u>	<u>533,083</u>	<u>296,838</u>	<u>9,224,687</u>
Total assets	<u>10,321,601</u>	<u>669,632</u>	<u>1,129,033</u>	<u>885,114</u>	<u>1,283,613</u>	<u>2,284,614</u>	<u>16,573,608</u>
Deferred outflows of resources:							
Pension-related deferred outflows	229,066	168,752	38,298	40,623	882,904	856,078	2,215,721
Total assets and deferred outflows of resources	<u>10,550,667</u>	<u>838,384</u>	<u>1,167,331</u>	<u>925,737</u>	<u>2,166,517</u>	<u>3,140,692</u>	<u>18,789,329</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES							
Current liabilities:							
Accounts payable and accruals	80,464	131,530	23,081	84,090	562,387	236,062	1,117,615
Unearned revenues	-	-	-	-	8,626	-	8,626
Due to other funds	-	-	-	-	-	-	-
Total current liabilities	<u>80,464</u>	<u>131,530</u>	<u>23,081</u>	<u>84,090</u>	<u>571,013</u>	<u>236,062</u>	<u>1,126,241</u>
Noncurrent liabilities:							
Net pension liability	298,386	230,643	50,225	62,767	1,024,150	1,077,851	2,744,022
Total noncurrent liabilities	<u>298,386</u>	<u>230,643</u>	<u>50,225</u>	<u>62,767</u>	<u>1,024,150</u>	<u>1,077,851</u>	<u>2,744,022</u>
Total liabilities	<u>378,850</u>	<u>362,173</u>	<u>73,306</u>	<u>146,857</u>	<u>1,595,163</u>	<u>1,313,913</u>	<u>3,870,263</u>
Deferred inflows of resources:							
Pension-related deferred inflows	29,133	25,298	4,693	7,178	83,245	97,466	247,013
Total liabilities and deferred inflows of resources	<u>407,983</u>	<u>387,471</u>	<u>77,999</u>	<u>154,035</u>	<u>1,678,408</u>	<u>1,411,379</u>	<u>4,117,276</u>
NET POSITION							
Restricted - invested in capital assets, net of related debt	7,623,152	317,494	168,102	285,235	533,410	296,656	9,224,050
Unrestricted	2,519,532	133,419	921,230	486,467	(45,301)	1,432,657	5,448,004
Total net position	<u>10,142,684</u>	<u>450,913</u>	<u>1,089,332</u>	<u>771,702</u>	<u>488,109</u>	<u>1,729,313</u>	<u>14,672,054</u>
Total liabilities and net position	<u>\$ 10,550,667</u>	<u>\$ 838,384</u>	<u>\$ 1,167,331</u>	<u>\$ 925,737</u>	<u>\$ 2,166,517</u>	<u>\$ 3,140,692</u>	<u>\$ 18,789,329</u>

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

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2016

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Operating revenues:							
Charges to other funds	\$ 3,880,816	\$ 2,353,183	\$ 543,304	\$ 613,401	\$ 7,250,896	\$ 3,254,728	\$ 17,896,327
Charges to outside agencies	59,482	549,647	75,772	410,798	621,493	50,151	1,767,343
Other revenues	11,509	2,060	-	-	43,777	258	57,604
Total operating revenues	<u>3,951,807</u>	<u>2,904,891</u>	<u>619,076</u>	<u>1,024,199</u>	<u>7,916,166</u>	<u>3,305,137</u>	<u>19,721,275</u>
Operating expenses:							
Salaries, wages, and benefits	830,105	873,980	210,419	105,088	1,938,076	2,123,485	6,081,152
Materials, supplies, and services	1,486,735	1,593,355	274,162	626,542	3,151,420	1,015,286	8,147,500
Depreciation	2,084,972	74,863	57,130	94,850	100,171	88,456	2,500,442
Total operating expenses	<u>4,401,811</u>	<u>2,542,198</u>	<u>541,710</u>	<u>826,481</u>	<u>5,189,667</u>	<u>3,227,227</u>	<u>16,729,094</u>
Operating income (loss)	<u>(450,004)</u>	<u>362,693</u>	<u>77,366</u>	<u>197,718</u>	<u>2,726,499</u>	<u>77,910</u>	<u>2,992,181</u>
Non-operating revenues (expenses):							
Interest income	27,089	-	7,783	2,894	7,961	15,577	61,304
Intergovernmental income	34,837	-	-	-	-	-	34,837
Intergovernmental expenses	-	-	-	-	-	-	-
Gain (loss) on sale of fixed assets	1,133,641	-	-	500	20,864	8,909	1,163,913
Total non-operating income (loss)	<u>1,195,566</u>	<u>-</u>	<u>7,783</u>	<u>3,394</u>	<u>28,825</u>	<u>24,486</u>	<u>1,260,054</u>
Net income (loss) before operating transfers	<u>745,562</u>	<u>362,693</u>	<u>85,149</u>	<u>201,112</u>	<u>2,755,323</u>	<u>102,395</u>	<u>4,252,235</u>
Transfers:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(2,474,220)	-	(2,474,220)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,474,220)</u>	<u>-</u>	<u>(2,474,220)</u>
Net income (loss)	745,562	362,693	85,149	201,112	281,104	102,395	1,778,015
Net position at beginning of year	9,397,122	88,220	1,004,183	570,590	207,005	1,626,917	12,894,039
Net position at end of year	<u>\$ 10,142,684</u>	<u>\$ 450,913</u>	<u>\$ 1,089,332</u>	<u>\$ 771,702</u>	<u>\$ 488,109</u>	<u>\$ 1,729,313</u>	<u>\$ 14,672,054</u>

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

UTAH COUNTY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Cash flows from operating activities:							
Receipts from customers and users	\$ 3,964,169	\$ 2,489,558	\$ 588,846	\$ 881,084	\$ 7,734,919	\$ 3,288,834	\$ 18,947,410
Payments to suppliers	(1,475,482)	(1,489,145)	(266,920)	(608,002)	(3,019,707)	(1,089,559)	(7,948,814)
Payments to employees	(868,010)	(899,234)	(217,901)	(110,537)	(2,128,725)	(2,289,002)	(6,513,409)
Net cash provided (used) by operating activities	<u>1,620,677</u>	<u>101,178</u>	<u>104,025</u>	<u>162,546</u>	<u>2,586,487</u>	<u>(89,726)</u>	<u>4,485,187</u>
Cash flows from non-capital financing activities:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(2,474,220)	-	(2,474,220)
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,474,220)</u>	<u>-</u>	<u>(2,474,220)</u>
Cash flows from capital and related financing activities:							
Payments for acquisitions of capital assets	(3,101,591)	(101,633)	(9,944)	(33,308)	(312,614)	8,601	(3,550,489)
Proceeds from sales of capital assets	1,133,641	-	-	500	20,864	8,909	1,163,913
Intergovernmental revenue	34,837	-	-	-	-	-	34,837
Net cash provided (used) by capital and related financing activities	<u>(1,933,114)</u>	<u>(101,633)</u>	<u>(9,944)</u>	<u>(32,808)</u>	<u>(291,750)</u>	<u>17,510</u>	<u>(2,351,739)</u>
Cash flows from investing activities:							
Interest received	27,089	-	7,783	2,894	7,961	15,577	61,304
Net change in cash and cash equivalents	<u>(285,347)</u>	<u>(455)</u>	<u>101,864</u>	<u>132,632</u>	<u>(171,521)</u>	<u>(56,640)</u>	<u>(279,467)</u>
Cash and cash equivalents - beginning	<u>2,782,738</u>	<u>455</u>	<u>820,774</u>	<u>217,686</u>	<u>633,872</u>	<u>1,894,518</u>	<u>6,350,044</u>
Cash and cash equivalents - ending	<u>\$ 2,497,391</u>	<u>\$ -</u>	<u>\$ 922,638</u>	<u>\$ 350,318</u>	<u>\$ 462,351</u>	<u>\$ 1,837,878</u>	<u>\$ 6,070,576</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ (450,004)	\$ 362,693	\$ 77,366	\$ 197,718	\$ 2,726,499	\$ 77,910	\$ 2,992,181
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	2,084,972	74,863	57,130	94,850	100,171	88,456	2,500,442
(Increase) decrease in accounts receivable	12,362	(128,333)	(30,230)	(143,114)	(181,252)	(16,302)	(486,869)
(Increase) decrease in prepaid expenses	(1,246)	-	(178)	3,668	460	19,406	22,111
(Increase) decrease in inventory	72,970	52,010	-	-	(6,100)	(3,872)	115,008
Increase (decrease) in accounts payable	(60,472)	52,200	7,421	14,872	137,353	(89,807)	61,568
Increase (decrease) in accrued payroll	5,512	3,244	(257)	(463)	12,814	8,170	29,022
Increase (decrease) in unearned revenue	-	-	-	-	4	-	4
Increase (decrease) in amounts due to other funds	-	(287,000)	-	-	-	-	(287,000)
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(43,417)	(28,499)	(7,226)	(4,986)	(203,463)	(173,688)	(461,279)
Total adjustments	<u>2,070,681</u>	<u>(261,515)</u>	<u>26,659</u>	<u>(35,172)</u>	<u>(140,011)</u>	<u>(167,636)</u>	<u>1,493,006</u>
Net cash provided (used) by operating activities	<u>\$ 1,620,677</u>	<u>\$ 101,178</u>	<u>\$ 104,025</u>	<u>\$ 162,546</u>	<u>\$ 2,586,487</u>	<u>\$ (89,726)</u>	<u>\$ 4,485,187</u>
Noncash investing, capital, and financing activities:	none	none	none	none	none	none	none

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

UTAH COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds

For the Year Ended December 31, 2016

	<u>Balance January 1 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31 2016</u>
AUDITOR'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 2,761,337	\$ 111,397,849	\$ (111,396,824)	\$ 2,762,362
Accounts receivable	268,282	2,098,174	(2,242,126)	124,330
Prepaid expenses	3,534	60,000	(63,085)	449
Total assets	<u>\$ 3,033,154</u>	<u>\$ 113,556,023</u>	<u>\$ (113,702,035)</u>	<u>\$ 2,887,142</u>
Liabilities:				
Accounts payable	\$ 303,072	\$ 3,917,168	\$ (3,827,961)	\$ 392,280
Due to other governments	2,730,081	56,811,713	(57,046,933)	2,494,862
Total liabilities	<u>\$ 3,033,154</u>	<u>\$ 60,728,882</u>	<u>\$ (60,874,894)</u>	<u>\$ 2,887,142</u>
TREASURER'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 61,254,914	\$ 528,316,753	\$ (485,409,552)	\$ 104,162,116
Taxes receivable	752,198	1,021	(38,902)	714,317
Total assets	<u>\$ 62,007,112</u>	<u>\$ 528,317,774</u>	<u>\$ (485,448,454)</u>	<u>\$ 104,876,433</u>
Liabilities:				
Due to other governments	\$ 62,007,112	\$ 528,317,774	\$ (485,448,454)	\$ 104,876,433
Total liabilities	<u>\$ 62,007,112</u>	<u>\$ 528,317,774</u>	<u>\$ (485,448,454)</u>	<u>\$ 104,876,433</u>
TOTALS - ALL AGENCY FUNDS				
Current assets:				
Cash	\$ 64,016,251	\$ 639,714,602	\$ (596,806,376)	\$ 106,924,478
Accounts receivable	268,282	2,098,174	(2,242,126)	124,330
Taxes receivable	752,198	1,021	(38,902)	714,317
Prepaid expenses	3,534	60,000	(63,085)	449
Total assets	<u>\$ 65,040,266</u>	<u>\$ 641,873,797</u>	<u>\$ (599,150,489)</u>	<u>\$ 107,763,574</u>
Liabilities:				
Accounts payable	\$ 303,072	\$ 3,917,168	\$ (3,827,961)	\$ 392,280
Due to other governments	64,737,194	585,129,487	(542,495,387)	107,371,294
Total liabilities	<u>\$ 65,040,266</u>	<u>\$ 589,046,656</u>	<u>\$ (546,323,348)</u>	<u>\$ 107,763,574</u>

UTAH COUNTY
Combining Statement of Net Assets
Discretely Presented Component Units
December 31, 2016

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets:						
Cash and investments	\$ 61,741,115	\$ 3,591,191	\$ 3,741,706	\$ 215,355	\$ 12,985,713	\$ 82,275,080
Accounts and notes receivable	2,696,272	710,759	321,744	104,094	3,845,729	7,678,598
Taxes receivable	-	-	169,000	-	-	169,000
Inventory	1,152	-	-	8,791	-	9,943
Other current assets	80,487	20,427	5,034	23,135	647,703	776,786
Total current assets	64,519,026	4,322,377	4,237,484	351,375	17,479,145	90,909,407
Noncurrent assets:						
Notes receivable	-	-	-	-	323,256	323,256
Net pension asset	156	73	2	-	897	1,128
Other noncurrent assets	-	-	-	211,227	92,397	303,624
Capital assets:						
Land, easements, water rights, construction in progress	3,049,488	2,207,049	817,112	-	1,684,397	7,758,046
Depreciable assets, net of accumulated depreciation	129,375,235	5,397,301	6,194,289	53,447	6,355,685	147,375,957
Net capital assets	132,424,723	7,604,350	7,011,401	53,447	8,040,082	155,134,003
Total noncurrent assets	132,424,879	7,604,423	7,011,403	264,674	8,456,632	155,762,011
Total assets	196,943,905	11,926,800	11,248,887	616,049	25,935,777	246,671,418
Deferred outflows of resources	946,060	518,882	54,658	-	3,953,477	5,473,077
Total assets and deferred outflows of resources	197,889,965	12,445,682	11,303,545	616,049	29,889,254	252,144,495
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS						
Current liabilities:						
Accounts payable	715,854	755,579	19,920	22,189	485,320	1,998,862
Accrued interest payable	257,015	-	74,009	-	-	331,024
Accrued expenses	279,270	183,589	26,370	107,120	2,476,157	3,072,506
Unearned revenue	-	8,600	-	-	-	8,600
Current portion of long-term debt	-	26,729	344,344	-	-	371,073
Other current liabilities	24,313,265	-	-	19,947	749,156	25,082,368
Total current liabilities	25,565,404	974,497	464,643	149,256	3,710,633	30,864,433
Noncurrent liabilities:						
Bonds, notes, and leases payable	49,955,000	-	5,170,797	-	-	55,125,797
Net pension liability	1,358,626	546,684	89,544	-	7,691,821	9,686,675
Compensated absences and OPEB	-	-	-	-	551,393	551,393
Other long-term liabilities	-	123,340	-	-	-	123,340
Total noncurrent liabilities	51,313,626	670,024	5,260,341	-	8,243,214	65,487,205
Total liabilities	76,879,030	1,644,521	5,724,984	149,256	11,953,847	96,351,638
Deferred inflows of resources	136,151	73,125	12,374	-	2,582,490	2,804,140
Total liabilities and deferred inflows of resources	77,015,181	1,717,646	5,737,358	149,256	14,536,337	99,155,778
Net position:						
Restricted - Invested in capital assets, net of related debt	82,469,723	7,577,621	4,242,172	-	8,040,082	102,329,598
Restricted	4,838	23,791	-	221,554	-	250,183
Unrestricted	38,400,223	3,126,624	1,324,015	245,239	7,312,835	50,408,936
Total net position	\$ 120,874,784	\$ 10,728,036	\$ 5,566,187	\$ 466,793	\$ 15,352,917	\$ 152,988,717

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Units
Year Ended December 31, 2016

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
Operating revenues	\$ 17,197,277	\$ 8,673,917	\$ 1,436,441	\$ 1,920,380	\$ 32,898,381	\$ 62,126,396
Operating expenses:						
Cost of services	7,331,835	7,783,110	939,697	1,854,935	31,576,159	49,485,736
Depreciation	4,200,773	654,505	245,065	16,568	535,839	5,652,750
Total operating expenses	<u>11,532,608</u>	<u>8,437,615</u>	<u>1,184,762</u>	<u>1,871,503</u>	<u>32,111,998</u>	<u>55,138,486</u>
Operating income (loss)	<u>5,664,669</u>	<u>236,302</u>	<u>251,679</u>	<u>48,877</u>	<u>786,383</u>	<u>6,987,910</u>
Nonoperating revenues (expenses):						
Interest revenue	473,789	37,224	12,147	-	77,342	600,502
Interest expense and fiscal charges	(3,084,186)	(2,609)	(177,583)	-	-	(3,264,378)
Other revenues (expenses)	(14,960,041)	(1,426,979)	173,326	19,441	447,988	(15,746,265)
Total nonoperating revenues (expenses)	<u>(17,570,438)</u>	<u>(1,392,364)</u>	<u>7,890</u>	<u>19,441</u>	<u>525,330</u>	<u>(18,410,141)</u>
Net income (loss)	(11,905,769)	(1,156,062)	259,569	68,318	1,311,713	(11,422,231)
Net position - beginning	<u>132,780,553</u>	<u>11,884,098</u>	<u>5,306,618</u>	<u>398,475</u>	<u>14,041,204</u>	<u>164,410,948</u>
Net position - ending	<u>\$ 120,874,784</u>	<u>\$ 10,728,036</u>	<u>\$ 5,566,187</u>	<u>\$ 466,793</u>	<u>\$ 15,352,917</u>	<u>\$ 152,988,717</u>

UTAH COUNTY
Combining Statement of Cash Flows
Discretely Presented Component Units
For the Year Ended December 31, 2016

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
Cash flows from operating activities:						
Receipts from customers and users and others	\$ 16,634,961	\$ 8,606,398	\$ 1,264,965	\$ 1,830,083	\$ 33,292,206	\$ 61,628,613
Payments to suppliers and others	(2,839,719)	(5,734,912)	(394,038)	(960,245)	(7,030,387)	(16,959,301)
Payments to employees	(4,309,480)	(1,664,852)	(517,882)	(876,404)	(24,357,042)	(31,725,660)
Net cash provided (used) by operating activities	<u>9,485,762</u>	<u>1,206,634</u>	<u>353,045</u>	<u>(6,566)</u>	<u>1,904,777</u>	<u>12,943,652</u>
Cash flows from non-capital financing activities:						
Property taxes collected and other	-	-	57,507	-	38,576	96,083
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>57,507</u>	<u>-</u>	<u>38,576</u>	<u>96,083</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(2,622,534)	(753,864)	(252,401)	(22,431)	(298,967)	(3,950,197)
Proceeds from sales of capital assets	-	146,688	-	-	-	146,688
Proceeds from issuance of debt	-	-	2,800,000	-	-	2,800,000
Interest paid on noncurrent liabilities	(3,084,186)	(2,609)	(43,421)	-	-	(3,130,216)
Principal paid on noncurrent liabilities	-	(25,456)	(81,951)	-	-	(107,407)
Impact fees, capital facility fees, and other	8,627,822	(1,562,500)	(63,125)	-	-	7,002,197
Net cash provided (used) by capital and related financing activities	<u>2,921,102</u>	<u>(2,197,741)</u>	<u>2,359,102</u>	<u>(22,431)</u>	<u>(298,967)</u>	<u>2,761,065</u>
Cash flows from investing activities:						
Receipt (payment) of note receivable	-	-	-	-	16,762	16,762
Land lease receipts and other	1,005,072	52,625	-	-	366,270	1,423,967
Net sales (purchases) of investments	-	-	-	209	43,142	43,351
Interest and dividends received	473,789	37,224	12,147	-	77,342	600,502
Net cash provided (used) by investing activities	<u>1,478,861</u>	<u>89,849</u>	<u>12,147</u>	<u>209</u>	<u>503,516</u>	<u>2,084,582</u>
Net change in cash and cash equivalents	13,885,725	(901,258)	2,781,801	(28,788)	2,147,902	17,885,382
Cash and cash equivalents - beginning	<u>47,855,390</u>	<u>4,492,449</u>	<u>959,905</u>	<u>244,143</u>	<u>10,831,667</u>	<u>64,383,554</u>
Cash and cash equivalents - ending	<u>\$ 61,741,115</u>	<u>\$ 3,591,191</u>	<u>\$ 3,741,706</u>	<u>\$ 215,355</u>	<u>\$ 12,979,569</u>	<u>\$ 82,268,936</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 5,664,669	\$ 236,302	\$ 251,679	\$ 68,318	\$ 786,383	\$ 7,007,351
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	4,200,773	654,505	245,065	16,568	535,839	5,652,750
Net (gain) loss on investments	-	-	-	(5,744)	-	(5,744)
Other noncash expenses	-	5,808	-	-	-	5,808
(Increase) decrease in accounts receivable	(562,316)	(73,871)	(108,542)	(104,094)	330,837	(517,986)
(Increase) decrease in prepaid expenses	(6,911)	-	(5,034)	(14,775)	-	(26,720)
(Increase) decrease in inventory	-	-	-	2,092	-	2,092
(Increase) decrease in other assets	-	6,352	-	-	83,474	89,826
Increase (decrease) in accounts payable	264,333	341,196	(36,551)	6,622	216,518	792,118
Increase (decrease) in accrued expenses	(20,616)	101,852	11,299	24,347	379,023	495,905
Increase (decrease) in unearned revenue	-	(100)	-	-	-	(100)
Change in net position assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(54,170)	(65,410)	(4,871)	-	(624,390)	(748,841)
Increase (decrease) in other liabilities	-	-	-	100	197,093	197,193
Total adjustments	<u>3,821,093</u>	<u>970,332</u>	<u>101,366</u>	<u>(74,884)</u>	<u>1,118,394</u>	<u>5,936,301</u>
Net cash provided (used) by operating activities	<u>\$ 9,485,762</u>	<u>\$ 1,206,634</u>	<u>\$ 353,045</u>	<u>\$ (6,566)</u>	<u>\$ 1,904,777</u>	<u>\$ 12,943,652</u>

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2016

<a>		<c>	<d>	<e>	<f>	<g>	<h>	<i>	<j>	
Year-End	Year-End	<a> + 	Total	<e>	<f>	<g>	<c> * <f>	<d> * <g>	<h> + <i>	
Real	Centrally	Total Real &	Personal	<e>	Current	Prior	Real & Cent.	Personal	<h> + <i>	
Property	Assessed	Centrally	Property	Total	Year Tax	Year Tax	Assessed	Property	Total	
Value	Value	Assessed Value	Value	Taxable	Rate	Rate	Taxes	Taxes	Taxes	
Value	Value	Value	Value	Value	Rate	Rate	Charged	Charged	Charged	
Alpine City	897,232,983	12,036,394	909,269,377	5,402,778	914,672,155	0.001388	0.001478	1,262,066	7,985	1,270,051
Alpine School District	19,738,770,553	1,056,285,311	20,795,055,864	1,609,133,639	22,404,189,503	0.007718	0.008177	160,496,241	13,157,886	173,654,127
American Fork City	1,830,812,843	46,588,890	1,877,401,733	102,352,007	1,979,753,740	0.002261	0.002362	4,244,805	241,755	4,486,561
Benjamin Cemetery Maintenance District	60,099,556	7,773,207	67,872,763	312,051	68,184,814	0.000165	0.000167	11,199	52	11,251
Bluffdale	-	58,409	58,409	357,620	416,029	0.001218	0.001309	71	468	539
Cedar Fort Town	21,129,365	1,844,733	22,974,098	277,791	23,251,889	0.001037	0.001099	23,824	305	24,129
Cedar Hills City	471,143,411	6,218,125	477,361,536	5,908,527	483,270,063	0.002186	0.002315	1,043,512	13,678	1,057,191
Central Utah Water Conservancy District	31,135,567,711	1,598,020,815	32,733,588,526	2,369,902,253	35,103,490,779	0.000400	0.000405	13,093,435	959,810	14,053,246
Draper City	190,749,274	4,464,013	195,213,287	23,798	195,237,085	0.001560	0.001701	304,533	40	304,573
Eagle Mountain City	1,039,424,853	56,115,663	1,095,540,516	6,815,681	1,102,356,197	0.001081	0.001118	1,184,279	7,620	1,191,899
Elk Ridge City	168,141,606	2,062,725	170,204,331	775,288	170,979,619	0.002180	0.002356	371,045	1,827	372,872
Fairfield Town	13,084,511	545,273	13,629,784	91,841	13,721,625	0.001012	0.000918	13,793	84	13,878
Genola Town	59,474,796	5,622,758	65,097,554	423,117	65,520,671	0.000902	0.000949	58,718	402	59,120
Goshen Town	24,607,487	1,307,287	25,914,774	334,970	26,249,744	0.000799	0.000855	20,706	286	20,992
Highland City	1,257,130,764	31,096,325	1,288,227,089	11,451,285	1,299,678,374	0.001494	0.001568	1,924,611	17,956	1,942,567
Jordan Valley Water Conservancy District	180,592,053	3,656,355	184,248,408	381,418	184,629,826	0.000372	0.000400	68,540	153	68,693
Lehi City	4,179,645,929	57,356,738	4,237,002,667	943,912,970	5,180,915,637	0.002005	0.002090	8,495,190	1,972,778	10,467,968
Lehi Metropolitan Water District	4,179,645,929	57,356,738	4,237,002,667	943,912,970	5,180,915,637	0.000011	0.000011	46,607	10,383	56,990
Lindon City	1,108,861,015	22,849,698	1,131,710,713	126,056,770	1,257,767,483	0.001630	0.001741	1,844,688	219,465	2,064,153
Mapleton City	632,773,813	8,808,335	641,582,148	4,889,811	646,471,959	0.002729	0.002729	1,750,878	13,344	1,764,222
Nebo School District	6,421,429,940	433,497,127	6,854,927,067	420,071,977	7,274,999,044	0.009298	0.009326	63,737,112	3,917,591	67,654,703
North Fork Special Service District	233,685,408	2,220,205	235,905,613	7,621,470	243,527,083	0.000658	0.000688	155,226	5,244	160,469
North Utah County Water Conservancy District	10,983,972,457	802,978,298	11,786,950,755	1,155,729,766	12,942,680,521	0.000023	0.000024	271,100	27,738	298,837
Orem City	4,942,428,434	113,610,538	5,056,038,972	305,974,562	5,362,013,534	0.001550	0.001652	7,836,860	505,470	8,342,330
Orem Metropolitan Water District	4,942,428,434	113,610,538	5,056,038,972	305,974,562	5,362,013,534	0.000033	0.000035	166,849	10,709	177,558
Payson City	805,994,699	12,931,792	818,926,491	64,441,175	883,367,666	0.001279	0.001280	1,047,407	82,485	1,129,892
Pleasant Grove City	1,768,058,760	34,103,247	1,802,162,007	49,214,383	1,851,376,390	0.001775	0.001875	3,198,838	92,277	3,291,115
Pole Canyon Basic Local District	523,703	611,412	1,135,115	960	1,136,075	0.000219	0.000253	249	0	249
Provo City	4,975,665,982	108,327,688	5,083,993,670	340,696,637	5,424,690,307	0.002239	0.002377	11,383,062	809,836	12,192,898
Provo City School District	4,975,367,218	108,238,377	5,083,605,595	340,696,637	5,424,302,232	0.007883	0.007568	40,074,063	2,578,392	42,652,455
Salem City	414,121,279	6,198,830	420,320,109	6,040,717	426,360,826	0.001697	0.001839	713,283	11,109	724,392
Santaquin City	381,917,772	13,183,805	395,101,577	6,932,494	402,034,071	0.001909	0.002075	754,249	14,385	768,634
Saratoga Springs City	1,258,552,219	22,496,909	1,281,049,128	15,315,799	1,296,364,927	0.001994	0.002083	2,554,412	31,903	2,586,315
Soldier Summit Special Service District	1,970,221	871,109	2,841,330	92,521	2,933,851	0.003385	0.003444	9,618	319	9,937
South Valley Sewer District	188,795,674	4,522,274	193,317,948	381,418	193,699,366	0.000331	0.000354	63,988	135	64,123
Spanish Fork City	1,741,705,945	22,157,798	1,763,863,743	156,228,608	1,920,092,351	0.001031	0.001091	1,818,544	170,445	1,988,989
Springville City	1,589,507,681	36,633,643	1,626,141,324	143,523,078	1,769,664,402	0.002262	0.001896	3,678,332	272,120	3,950,451
Springville Drainage District	456,770,873	3,370,012	460,140,885	20,542,057	480,682,942	0.000371	0.000400	170,712	8,217	178,929
Traverse Ridge Special Service District	180,592,053	3,597,946	184,189,999	23,798	184,213,797	0.000622	0.000652	114,566	16	114,582
Unified Fire Service Area (Salt Lake County)	1,039,424,853	56,115,663	1,095,540,516	6,815,681	1,102,356,197	0.001884	0.001997	2,063,998	13,611	2,077,609
Multi-County (State) Assessing & Collecting	31,135,567,711	1,598,020,815	32,733,588,526	2,369,902,253	35,103,490,779	0.000012	0.000012	360,069	28,439	388,508
Utah County Local Assessing & Collecting	31,135,567,711	1,598,020,815	32,733,588,526	2,369,902,253	35,103,490,779	0.000204	0.000216	6,677,652	511,899	7,189,551
Utah County	31,135,567,711	1,598,020,815	32,733,588,526	2,369,902,253	35,103,490,779	0.000834	0.000870	27,299,813	2,061,815	29,361,628
Utah County Service Area #6	919,331,334	411,611,969	1,330,943,303	50,260,249	1,381,203,552	0.001379	0.001404	1,835,371	70,565	1,905,936
Utah County Service Area #7	603,589,411	46,588,069	650,177,480	35,709,595	685,887,075	0.000831	0.000835	540,297	29,818	570,115
Utah County Service Area #8	919,331,334	411,611,969	1,330,943,303	50,260,249	1,381,203,552	0.000309	0.000310	411,261	15,581	426,842
Utah County Service Area #9	313,771,702	364,130,481	677,902,183	14,458,133	692,360,316	0.000139	0.000143	94,228	2,068	96,296
Vineyard Town	322,439,345	559,171,128	881,610,473	21,831,677	903,442,150	0.003446	0.002878	3,038,030	62,832	3,100,861
Woodland Hills City	121,631,611	618,101	122,249,712	368,620	122,618,332	0.004839	0.004615	591,566	1,701	593,268
TOTAL							376,919,500	27,962,995	404,882,495	

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2016

Taxing Unit	Treasurer's Relief				<k> Current Year Taxes Collected	<k> / <j> Collection Rate	Other Collections			Delinquent Collections			Total All Collections
	Unpaid Taxes	Abate- ments	Other	Total Relief			Fee-in-Lieu / Age-Based	Misc. Collections & Pers. Prop. Realloc.	Tax	Interest / Penalty	Tax Increments Paid	Refunds Paid	
Alpine City	103,520	3,837	535	107,892	1,162,159	91.50%	101,295	7,590	99,391	1,969	-	-	1,372,404
Alpine School District	9,713,878	803,552	729,538	11,246,968	162,407,159	93.52%	12,819,569	3,962,901	8,980,917	295,165	13,991,670	-	174,474,041
American Fork City	279,096	23,583	23,913	326,592	4,159,969	92.72%	315,897	130,455	241,724	8,449	280,941	-	4,575,552
Benjamin Cemetery Maintenance District	906	156	(10)	1,052	10,199	90.65%	1,247	368	1,017	26	-	-	12,858
Bluffdale	-	-	(13)	(13)	553	102.50%	-	(6)	-	-	-	-	546
Cedar Fort Town	1,128	182	(11)	1,300	22,830	94.61%	3,429	279	1,175	58	-	-	27,771
Cedar Hills City	39,193	5,900	4,698	49,791	1,007,399	95.29%	109,781	2,125	38,693	730	-	-	1,158,728
Central Utah Water Conservancy District	852,011	66,146	17,481	935,639	13,117,607	93.34%	1,018,272	281,221	732,029	27,328	1,054,467	-	14,121,989
Draper City	16,965	4,032	(2,307)	18,690	285,883	93.86%	21,500	808	13,474	369	-	-	322,035
Eagle Mountain City	44,640	12,202	(1,864)	54,978	1,136,921	95.39%	120,466	30,273	50,470	1,680	17,536	-	1,322,274
Elk Ridge City	21,941	3,259	(145)	25,055	347,817	93.28%	35,351	26,358	16,673	487	-	-	426,686
Fairfield Town	1,700	201	34	1,934	11,943	86.06%	1,242	136	1,382	78	-	-	14,780
Genola Town	3,577	410	(2)	3,985	55,134	93.26%	6,460	1,799	3,909	138	-	-	67,440
Goshen Town	1,766	383	(36)	2,113	18,879	89.93%	3,396	69	2,549	103	-	-	24,997
Highland City	105,947	6,982	2,949	115,878	1,826,689	94.03%	174,157	8,990	104,640	2,594	-	-	2,117,070
Jordan Valley Water Conservancy District	2,705	962	(386)	3,281	65,412	95.22%	4,618	138	3,029	83	-	-	73,280
Lehi City	422,599	35,244	(18,009)	439,834	10,028,135	95.80%	605,525	173,327	349,731	10,641	2,409,316	-	8,758,043
Lehi Metropolitan Water District	2,318	193	(394)	2,118	54,872	96.28%	3,219	995	1,861	55	13,088	-	47,914
Lindon City	179,111	4,214	129,742	313,067	1,751,086	84.83%	128,030	166,682	129,606	5,876	25,217	-	2,156,062
Mapleton City	141,445	4,376	5,375	151,196	1,613,026	91.43%	138,997	64,861	164,559	4,499	-	-	1,985,943
Nebo School District	4,112,882	404,771	(89,386)	4,428,266	63,226,437	93.45%	5,446,498	1,391,685	3,955,994	173,311	654,899	-	73,539,025
North Fork Special Service District	23,520	133	(838)	22,815	137,654	85.78%	667	338	21,138	269	-	-	160,066
North Utah County Water Conservancy District	15,260	1,188	732	17,180	281,658	94.25%	20,242	7,061	13,547	383	41,540	-	281,350
Orem City	504,362	39,100	(16,440)	527,022	7,815,308	93.68%	691,711	22,691	488,077	23,715	756,265	-	8,285,237
Orem Metropolitan Water District	10,738	832	(316)	11,254	166,304	93.66%	14,671	510	10,313	499	16,101	-	176,195
Payson City	57,823	7,728	710	66,260	1,063,632	94.14%	96,914	10,113	57,530	2,581	-	-	1,230,771
Pleasant Grove City	188,492	17,912	11,859	218,263	3,072,852	93.37%	306,193	214,339	200,984	5,991	133,568	-	3,666,792
Pole Canyon Basic Local District	108	-	0	108	141	56.48%	30	1	0	-	-	-	171
Provo City	960,727	39,673	(272,857)	727,542	11,465,356	94.03%	815,697	40,429	707,261	28,171	574,971	-	12,481,942
Provo City School District	3,382,497	139,679	849,919	4,372,095	38,280,360	89.75%	2,659,217	244,294	2,237,240	80,526	628,288	-	42,873,349
Salem City	46,296	8,154	3,900	58,350	666,042	91.94%	72,064	7,141	44,567	1,546	-	-	791,359
Santaquin City	48,474	6,475	908	55,858	712,776	92.73%	84,376	4,697	57,461	2,814	-	-	862,123
Saratoga Springs City	134,770	25,769	2,163	162,703	2,423,612	93.71%	243,703	58,386	103,163	2,530	-	-	2,831,394
Soldier Summit Special Service District	44	-	(444)	(400)	10,337	104.03%	-	139	28	18	-	-	10,522
South Valley Sewer District	3,055	856	(491)	3,419	60,704	94.67%	4,122	167	2,850	79	-	-	67,921
Spanish Fork City	80,870	11,094	(3,353)	88,611	1,900,378	95.54%	177,403	21,184	60,675	2,433	72,337	-	2,089,736
Springville City	299,367	24,616	32,526	356,509	3,593,943	90.98%	272,158	129,671	310,640	17,099	22,063	-	4,301,447
Springville Drainage District	15,086	950	(2,483)	13,552	165,377	92.43%	10,890	12,703	12,269	367	1,908	-	199,699
Traverse Ridge Special Service District	4,523	1,608	(919)	5,212	109,370	95.45%	7,576	226	6,449	326	-	-	123,947
Unified Fire Service Area (Salt Lake County)	77,799	21,266	497	99,562	1,978,047	95.21%	213,938	52,493	86,042	2,620	-	-	2,333,139
Multi-County (State) Assessing & Collecting	23,430	1,819	(4,508)	20,742	367,767	94.66%	29,661	6,412	19,418	751	-	-	424,008
Utah County Local Assessing & Collecting	434,526	33,735	1,559	469,819	6,719,732	93.47%	537,500	118,907	397,849	13,918	-	-	7,787,907
Utah County	1,776,444	137,915	34,249	1,948,608	27,413,020	93.36%	2,172,724	647,720	1,581,507	922,864	2,258,094	-	30,479,742
Utah County Service Area #6	164,489	4,644	(15,447)	153,686	1,752,250	91.94%	69,177	97,595	122,288	3,961	-	-	2,045,270
Utah County Service Area #7	46,232	2,630	(9,447)	39,415	530,700	93.09%	38,991	41,884	35,680	1,363	-	-	648,618
Utah County Service Area #8	36,858	1,041	(3,267)	34,631	392,211	91.89%	15,326	21,997	27,941	971	-	-	458,446
Utah County Service Area #9	8,845	28	27	8,900	87,396	90.76%	387	2,838	6,510	195	-	-	97,326
Vineyard Town	111,442	856	27,264	139,562	2,961,299	95.50%	42,184	94,031	77,276	1,091	1,685,657	-	1,490,225
Woodland Hills City	52,970	4,355	879	58,204	535,063	90.19%	31,660	2,730	41,433	897	-	-	611,783
TOTAL	24,556,375	1,914,638	1,438,084	27,909,097	376,973,398		29,688,130	8,111,749	21,622,959	1,651,617	24,637,927	-	413,409,926

**SUPPLEMENTAL STATISTICAL
INFORMATION**

UTAH COUNTY
Net Position by Component
Last Ten Years
(amounts expressed in thousands)
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326
Restricted	41,738	57,779	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378
Unrestricted	55,411	42,505	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690
Total governmental activities net position	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>
Business-type activities										
None										
Total business-type activities net position	<u>\$ -</u>									
Primary government										
Invested in capital assets, net of related debt	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326
Restricted	41,738	57,779	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378
Unrestricted	55,411	42,505	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690
Total primary government net position	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>

Source: Utah County Statements of Net Position at December 31, 2007 through 2016.

UTAH COUNTY
Changes in Net Position
Last Ten Years
(amounts expressed in thousands)
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses										
Governmental activities:										
General government	\$ 28,738	\$ 34,435	\$ 32,490	\$ 26,063	\$ 22,277	\$ 31,836	\$ 37,695	\$ 38,498	\$ 37,907	\$ 39,400
Public safety	34,002	36,630	39,441	40,388	43,146	44,994	46,787	48,865	48,362	51,135
Public health and welfare	25,128	26,836	26,904	28,268	30,297	31,462	33,660	32,924	32,988	32,301
Roads and public improvements	5,566	6,158	5,942	4,738	10,168	59,278	37,657	44,088	48,453	61,128
Parks and recreation	7,240	6,048	5,690	5,319	3,185	5,157	3,699	1,772	1,760	2,100
Interest on long-term liabilities	2,314	1,960	4,435	11,379	11,398	12,662	12,593	12,326	11,950	11,505
Total governmental activities expenses	<u>102,988</u>	<u>112,067</u>	<u>114,902</u>	<u>116,155</u>	<u>120,471</u>	<u>185,389</u>	<u>172,091</u>	<u>178,473</u>	<u>181,420</u>	<u>197,569</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	-	-	-	-	-	-	-	-	-	-
Total primary government expenses	<u>\$102,988</u>	<u>\$112,067</u>	<u>\$114,902</u>	<u>\$116,155</u>	<u>\$120,471</u>	<u>\$185,389</u>	<u>\$172,091</u>	<u>\$178,473</u>	<u>\$181,420</u>	<u>\$197,569</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 16,065	\$ 20,346	\$ 20,275	\$ 10,791	\$ 15,887	\$ 14,152	\$ 11,876	\$ 13,163	\$ 15,303	\$ 15,224
Public safety	7,170	7,773	8,922	9,606	9,657	12,461	13,673	12,955	13,132	13,543
Public health	2,652	6,055	6,431	6,309	6,415	7,692	11,371	11,107	10,397	11,833
Highways and streets	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term liabilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	20,990	14,332	16,209	22,439	23,575	26,923	24,326	30,521	28,501	28,832
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>46,877</u>	<u>48,506</u>	<u>51,837</u>	<u>49,145</u>	<u>55,534</u>	<u>61,228</u>	<u>61,246</u>	<u>67,746</u>	<u>67,333</u>	<u>69,432</u>
Total primary government program revenues	<u>\$ 46,877</u>	<u>\$ 48,506</u>	<u>\$ 51,837</u>	<u>\$ 49,145</u>	<u>\$ 55,534</u>	<u>\$ 61,228</u>	<u>\$ 61,246</u>	<u>\$ 67,746</u>	<u>\$ 67,333</u>	<u>\$ 69,432</u>

UTAH COUNTY
Changes in Net Position (continued)
Last Ten Years
(amounts expressed in thousands)
(accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (expense)/revenue										
Governmental activities	\$ (56,111)	\$ (63,561)	\$ (63,065)	\$ (67,010)	\$ (64,937)	\$ (124,161)	\$ (110,845)	\$ (110,727)	\$ (114,087)	\$ (128,137)
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	<u>\$ (56,111)</u>	<u>\$ (63,561)</u>	<u>\$ (63,065)</u>	<u>\$ (67,010)</u>	<u>\$ (64,937)</u>	<u>\$ (124,161)</u>	<u>\$ (110,845)</u>	<u>\$ (110,727)</u>	<u>\$ (114,087)</u>	<u>\$ (128,137)</u>
General Revenues and Other Changes in Net position										
Governmental activities:										
Taxes										
Property taxes	\$ 30,327	\$ 34,782	\$ 38,404	\$ 38,872	\$ 40,167	\$ 40,093	\$ 42,611	\$ 40,610	\$ 42,949	\$ 44,528
Sales taxes ¹	39,532	42,187	50,591	55,366	59,556	48,403	80,375	84,809	90,067	96,055
Investment earnings	3,567	2,492	1,228	1,810	765	935	578	556	695	1,183
Capital charges	-	-	-	-	-	-	-	-	-	-
Miscellaneous ¹	337	1,434	667	4,488	4,171	1,059	2,015	2,840	1,688	1,858
Total governmental activities	<u>73,763</u>	<u>80,895</u>	<u>90,890</u>	<u>100,536</u>	<u>104,659</u>	<u>90,490</u>	<u>125,579</u>	<u>128,815</u>	<u>135,399</u>	<u>143,624</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 73,763</u>	<u>\$ 80,895</u>	<u>\$ 90,890</u>	<u>\$ 100,536</u>	<u>\$ 104,659</u>	<u>\$ 90,490</u>	<u>\$ 125,579</u>	<u>\$ 128,815</u>	<u>\$ 135,399</u>	<u>\$ 143,624</u>
Change in Net position										
Governmental activities	\$ 17,652	\$ 17,334	\$ 27,825	\$ 33,526	\$ 39,722	\$ (33,671)	\$ 14,734	\$ 18,088	\$ 21,312	\$ 15,487
Business-type activities ²	-	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ 17,652</u>	<u>\$ 17,334</u>	<u>\$ 27,825</u>	<u>\$ 33,526</u>	<u>\$ 39,722</u>	<u>\$ (33,671)</u>	<u>\$ 14,734</u>	<u>\$ 18,088</u>	<u>\$ 21,312</u>	<u>\$ 15,487</u>

Source: Utah County Statements of Activities for years ended December 31, 2007 through 2016.

Notes:

¹In 2007, the short-term motor vehicle leasing sales tax was included in miscellaneous revenue on the Statement of Activities. This schedule has been updated to reflect the short-term motor vehicle sales tax in the sales tax category rather than the miscellaneous category.

²The County has no business-type activities.

UTAH COUNTY
Governmental Activities Tax Revenues By Source
Last Ten Years
(amounts expressed in thousands)

<u>Year</u>	<u>Property Tax^a</u>	<u>Option Sales Tax</u>	<u>Local Sales Tax</u>	<u>Transient Room (Hotel) Sales Tax</u>	<u>Tourism (Restaurant) Sales Tax</u>	<u>Tourism (Car Rental) Sales Tax</u>	<u>Section 2216 Sales Tax (Fixed Guideway)²</u>	<u>Section 2218 Sales Tax (Roads & Public Transit)</u>	<u>Total</u>
2007	\$ 30,437	\$ 19,256	\$ 1,286	\$ 1,488	\$ 3,993	\$ 691	\$ 1,026 ¹		\$ 58,177
2008	34,790	18,108	897	2,143	4,381	640	1,281		62,240
2009	37,808	16,539	1,311	1,719	4,397	601	1,145	\$ 11,724 ¹	75,244
2010	38,868	17,027	1,766	1,705	4,515	649	1,174	11,361	77,065
2011	40,162	17,906	1,724	1,902	4,928	729	1,284	13,365	82,000
2012	39,381	19,282	1,607	2,125	5,269	780	1,395	14,505	84,344
2013	39,770	20,183	1,648	2,348	5,661	823	1,456	14,272	86,161
2014	39,113	21,365	1,398	2,543	6,243	927	1,541	17,072	90,202
2015	40,437	22,553	1,554	2,928	6,975	1,006	1,652	17,207	94,312
2016	42,200	23,832	1,527	3,320	7,610	1,087	1,761	18,336	99,673

^a Does not include property taxes paid to redevelopment agencies.

¹ First year of tax

² The County receives 8% of the Section 2216 sales tax while Utah Transit Authority ("UTA") receives the remaining 92%. The amounts in this column represent just the 8% of the tax due to the County.

Utah County Government
Governmental Activities Sales Tax Rates By Source
Last Ten Years

<u>Year</u>	<u>Option Sales Tax</u>	<u>Local Sales Tax</u>	<u>Hotel Sales Tax</u>	<u>Restaurant Sales Tax</u>	<u>Car Rental Sales Tax</u>	<u>Section 2216 Sales Tax</u>	<u>Section 2218 Sales Tax</u>
2007	0.25%	1.00%	4.25% ³	1.00% ⁴	7.00%	0.25% ⁵	na
2008	0.25%	1.00%	4.25%	1.00%	7.00%	0.30% ⁶	na
2009	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25% ⁷
2010	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2011	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2012	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2013	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2014	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2015	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2016	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%

³ Supplemental tax of 1.25% enacted April 1, 2007.

⁴ Tax change enacted January 1, 2007 to 0.65%. Tax change enacted April 1, 2007 to 1.00%.

⁵ Tax enacted April 1, 2007. The results of an opinion question included on the ballot during the 2006 general election indicated that voters approved of this tax (69 percent for the tax and 31 percent against the tax).

⁶ Tax change enacted January 1, 2008.

⁷ Tax enacted January 1, 2009.

UTAH COUNTY
Fund Balances of Governmental Funds
Last Ten Years
(amounts expressed in thousands)
(modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,503	\$ 3,532	\$ 3,590	\$ 3,737
Assigned	-	1,925	373	2,723	1,472	8,315	8,587	7,442	7,574	7,428
Unassigned	17,125	13,334	11,430	11,831	15,861	13,949	13,822	17,407	16,323	16,924
Total general fund	<u>\$ 17,125</u>	<u>\$ 15,259</u>	<u>\$ 11,803</u>	<u>\$ 14,554</u>	<u>\$ 17,333</u>	<u>\$ 22,264</u>	<u>\$ 25,912</u>	<u>\$ 28,381</u>	<u>\$ 27,487</u>	<u>\$ 28,089</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 1,754	\$ 2,108	\$ 1,947	\$ 1,825	\$ 1,887	\$ 444	\$ 431	\$ 50	\$ 373	\$ 681
Assessing and collecting	2,946	3,668	7,152	6,509	5,271	3,384	3,676	4,055	4,505	5,209
Public transit tax	12,941	28,907	162,395	144,203	37,013	39,582	44,521	51,213	57,085	68,789
TRCC tax	7,362	3,906	5,043	7,435	8,392	4,122	5,711	6,333	7,479	11,635
Special service areas	3,002	3,547	5,459	7,260	7,874	6,958	5,854	6,248	5,588	5,796
Bond proceeds	-	-	-	38,789	35,316	10,262	10,047	9,421	8,142	56,461
Debt service	7,489	8,000	7,931	5,006	3,729	1,588	-	-	-	-
Other purposes	2,229	878	-	-	-	-	-	-	-	-
Committed for:										
Public health and welfare	10,560	7,051	5,284	4,960	5,455	5,685	6,293	6,732	5,882	7,163
Public safety	-	-	-	-	433	534	640	720	797	882
Capital projects	13,478	9,526	7,569	6,014	8,563	8,014	7,396	6,596	8,503	9,462
Debt service	9,246	9,265	9,258	9,585	9,580	9,593	9,579	9,593	5,314	3,064
Assigned	930	112	110	97	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	7
Total all other governmental funds	<u>\$ 71,937</u>	<u>\$ 76,968</u>	<u>\$ 212,148</u>	<u>\$ 231,683</u>	<u>\$ 123,513</u>	<u>\$ 90,166</u>	<u>\$ 94,148</u>	<u>\$ 100,961</u>	<u>\$ 103,668</u>	<u>\$ 169,149</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2007 through 2016.

Note: Fund balance classifications have been updated per GASB Statement No. 54.

UTAH COUNTY
Changes in Fund Balances of Governmental Funds
Last Ten Years
(amounts expressed in thousands)
(modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenues										
Taxes	\$ 69,168	\$ 76,969	\$ 88,996	\$ 97,280	\$ 99,723	\$ 88,497	\$ 122,271	\$ 125,999	\$ 132,574	\$ 140,517
Licenses and permits	99	101	293	346	296	267	330	323	384	505
Intergovernmental	24,714	25,861	29,587	26,190	30,565	32,609	27,774	29,994	29,074	29,494
Charges for services	19,114	19,137	19,104	19,579	21,747	25,349	30,604	35,560	35,294	37,238
Fines and forfeitures	2,937	3,056	2,853	3,030	3,230	3,002	2,862	2,832	2,582	2,262
Interest	3,580	2,499	1,228	1,786	767	935	578	556	695	1,183
Miscellaneous	1,028	1,778	666	1,469	3,865	1,059	1,688	1,878	1,684	1,791
Total revenues	<u>120,640</u>	<u>129,401</u>	<u>142,727</u>	<u>149,680</u>	<u>160,193</u>	<u>151,718</u>	<u>186,107</u>	<u>197,142</u>	<u>202,287</u>	<u>212,990</u>
Expenditures										
General government	41,938	41,482	59,364	81,985	57,133	55,754	41,998	43,589	44,001	43,621
Public safety	33,346	36,243	38,227	39,152	42,077	43,840	45,642	47,968	49,334	52,038
Public health	19,366	26,662	26,518	27,744	30,083	31,061	33,318	32,606	33,903	33,205
Highways and public improvements	11,232	6,205	5,741	4,410	115,119	78,012	39,844	44,428	48,666	61,455
Parks and recreation	6,972	10,615	5,382	5,012	2,879	4,850	1,433	1,465	1,503	1,843
Debt service:										
Principal	4,957	5,108	5,280	9,277	9,327	10,805	9,945	8,590	13,390	10,550
Interest and fiscal charges	2,500	2,362	4,079	11,365	11,682	12,900	12,879	12,691	12,277	11,669
Total expenditures	<u>120,311</u>	<u>128,677</u>	<u>144,591</u>	<u>178,945</u>	<u>268,300</u>	<u>237,222</u>	<u>185,059</u>	<u>191,337</u>	<u>203,074</u>	<u>214,381</u>
Excess of revenues over (under) expenditures	329	724	(1,864)	(29,265)	(108,107)	(85,504)	1,048	5,805	(787)	(1,391)

UTAH COUNTY
Changes in Fund Balances of Governmental Funds (continued)
Last Ten Years
(amounts expressed in thousands)
(modified accrual basis of accounting)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Other financing sources (uses)										
Transfers in	15,668	19,999	18,823	29,086	25,549	31,783	25,623	26,401	28,866	25,040
Transfers out	(13,308)	(17,557)	(15,221)	(22,831)	(22,886)	(28,698)	(22,993)	(22,982)	(26,264)	(22,566)
Bonds issued	-	-	129,986	45,291	-	51,675	3,800	-	-	65,000
Refunding bonds issued	-	-	-	-	3,320	-	-	6,755	-	-
Payments for bond redemption	-	-	-	-	(3,370)	-	-	(6,698)	-	-
Bond premiums and discounts	-	-	-	-	106	2,326	154	-	-	-
Capital leases	123	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>2,483</u>	<u>2,442</u>	<u>133,588</u>	<u>51,546</u>	<u>2,719</u>	<u>57,086</u>	<u>6,584</u>	<u>3,476</u>	<u>2,602</u>	<u>67,474</u>
Net change in fund balances	<u>\$ 2,812</u>	<u>\$ 3,166</u>	<u>\$ 131,724</u>	<u>\$ 22,281</u>	<u>\$ (105,388)</u>	<u>\$ (28,418)</u>	<u>\$ 7,632</u>	<u>\$ 9,281</u>	<u>\$ 1,815</u>	<u>\$ 66,083</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2007 through 2016.

UTAH COUNTY
General Utah County Property Tax Information
Last Ten Years
(amounts expressed in thousands)

Year	Real Property	Centrally Assessed Property	Personal Property	Total Taxable Value	Tax Rate	Total Taxes Charged	Total Taxes Collected	Collection Rate
2007	\$ 24,468,903	¹ na	\$ 1,276,153	\$ 25,745,056	0.000745	\$ 18,542	\$ 16,586	89.45%
2008	25,679,425	\$ 892,257	2,443,057	29,014,739	0.000727	21,094	16,956	87.52%
2009	24,645,814	939,209	2,123,419	27,708,442	0.000785	21,751	17,748	88.51%
2010	23,454,923	974,728	1,963,760	26,393,411	0.001036	27,344	22,790	83.35%
2011	22,293,795	980,261	1,767,953	25,042,009	0.001098	27,496	23,486	85.42%
2012	22,130,044	1,133,164	1,760,005	25,023,213	0.001116	25,918	23,868	92.09%
2013	23,195,271	1,316,762	1,874,636	26,386,669	0.001006	24,569	22,741	92.56%
2014	25,881,499	1,389,516	1,934,222	29,205,237	0.000916	26,926	25,150	93.40%
2015	28,421,453	1,530,017	2,114,621	32,066,091	0.000870	27,995	26,103	93.24%
2016	31,135,568	1,598,021	2,369,902	35,103,491	0.000834	29,362	27,413	93.36%

¹Amount includes both real property and centrally assessed property.

Source: Utah County Treasurer

UTAH COUNTY
Assessed Value and Actual Value of Taxable Property
Last Ten Years
(amounts expressed in thousands)

Year Ended Dec. 31,	Real Property					Total Taxable Assessed Value	% Change over Prior Year	Total Tax Rate	Estimated Total Market Value	% Change over Prior Year	Ratio of Taxable Assessed Value to Estimated Market Value
	Primary Residential Property ¹	Secondary or Non-Residential Property	Agricultural Property	Mobile and Personal Property	Centrally Assessed Property						
2007	\$ 17,825,474	\$ 5,660,962	\$ 154,314	\$ 1,276,153	\$ 828,154	\$ 25,745,057	28.6%	0.001000	\$ 51,591,993	31.6%	49.9%
2008	18,928,051	6,607,865	143,508	2,443,057	892,257	29,014,738	12.7%	0.001105	56,397,412	9.3%	51.4%
2009	15,419,124	8,869,273	357,417	2,123,419	939,209	27,708,442	-4.5%	0.001203	50,066,172	-11.2%	55.3%
2010	14,839,270	8,325,710	289,943	1,963,760	974,727	26,393,410	-4.7%	0.001294	47,910,350	-4.3%	55.1%
2011	14,214,233	7,769,102	310,459	1,767,953	980,595	25,042,342	-5.1%	0.001342	45,652,982	-4.7%	54.9%
2012	14,065,087	7,811,216	253,741	1,760,005	1,133,164	25,023,213	-0.1%	0.001324	45,403,264	-0.5%	55.1%
2013	14,922,435	8,172,832	100,005	1,859,319	1,287,724	26,342,315	5.3%	0.001259	49,252,148	8.5%	53.5%
2014	18,021,070	7,463,158	397,491	1,467,708	1,389,535	28,738,962	9.1%	0.001149	42,426,090	-13.9%	67.7%
2015	18,730,419	9,158,614	310,445	1,580,528	1,530,045	31,310,051	8.9%	0.001098	50,109,033	18.1%	62.5%
2016	20,616,379	10,193,886	325,303	2,354,080	1,604,254	35,093,902	12.1%	0.001049	61,394,295	22.5%	57.2%

Source: Utah County Auditor's Office - Tax Administration Division

Notes:

¹ Per Utah Code Annotated §59-2-103, 45 percent of the value of primary residential property is exempt from taxation.

UTAH COUNTY
Property Tax Rates - Direct and Overlapping Governments
Last Ten Years

	2016	2015	2014	2013	2012
County-wide rates¹:					
General Fund	0.000834	0.000870	0.000916	0.001006	0.001116
Bond Debt Service Fund	na	na	na	na	0.000011
State Assessing & Collecting	0.000011	0.000012	0.000013	0.000158	0.000168
Local Assessing & Collecting	0.000204	0.000216	0.000220	0.000095	0.000029
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ²	0.001049	0.001098	0.001149	0.001259	0.001324
Other County rates³:					
Law Enforcement - Service Area 6	0.001379	0.001404	0.001440	0.001472	0.001442
Urban Structure Fire - Service Area 7	0.000831	0.000835	0.000854	0.000877	0.000875
Planning - Service Area 8	0.000309	0.000310	0.000323	0.000329	0.000374
Rural Structure Fire - Service Area 9	0.000139	0.000143	0.000145	0.000148	0.000155
Soldier Summit Special Service District	0.003385	0.003444	0.003857	0.003317	0.003657
School district rates:					
Alpine School District	0.007718	0.008177	0.008096	0.008699	0.008828
Nebo School District	0.009298	0.009326	0.009183	0.009526	0.009615
Provo City School District	0.007883	0.007568	0.006636	0.007094	0.007319
City and town rates:					
Alpine	0.001388	0.001478	0.001611	0.001773	0.001916
American Fork	0.002261	0.002362	0.002540	0.002750	0.002812
Bluffdale	0.001218	0.001309	0.001419	0.001523	0.001618
Cedar Fort	0.001037	0.001099	0.001163	0.001279	0.001268
Cedar Hills	0.002186	0.002315	0.002410	0.002873	0.003183
Draper	0.001560	0.001701	0.001791	0.001887	0.002009
Eagle Mountain	0.001081	0.001118	0.001192	0.001380	0.001668
Elk Ridge	0.002180	0.002356	0.002360	0.002526	0.002715
Fairfield	0.001012	0.000918	0.000801	0.001634	0.001665
Genola	0.000902	0.000949	0.000972	0.001045	0.001024
Goshen	0.000799	0.000855	0.000885	0.000922	0.000936
Highland	0.001494	0.001568	0.001681	0.001886	0.002005
Lehi	0.002005	0.002090	0.002172	0.002432	0.002585
Lindon	0.001630	0.001741	0.001862	0.002043	0.002107
Mapleton	0.002729	0.002729	0.003052	0.003466	0.003639
Orem	0.001550	0.001652	0.001716	0.001871	0.001921
Payson	0.001279	0.001280	0.001268	0.001353	0.001380
Pleasant Grove	0.001775	0.001875	0.001997	0.002237	0.002315
Provo	0.002239	0.002377	0.002775	0.002956	0.003032
Salem	0.001697	0.001839	0.001896	0.002020	0.002106
Santaquin	0.001909	0.002075	0.002176	0.002408	0.001817
Saratoga Springs	0.001994	0.002083	0.002233	0.002761	0.003054
Spanish Fork	0.001031	0.001091	0.001123	0.001221	0.001221
Springville	0.002262	0.001896	0.002054	0.002159	0.002190
Vineyard	0.003446	0.002878	0.002816	0.002740	0.002758
Woodland Hills	0.004839	0.004615	0.005262	0.006272	0.005519
Other taxing district rates:	0.000011-0.001884	0.000011-0.001997	0.000011-0.002097	0.000012-0.002192	0.000013-0.003773

Source: Utah State Tax Commission

Notes:

¹ Public hearings are required before the direct rates can be adjusted by the Board of Utah County Commissioners.

² Most residents of the County will pay the total direct rate.

³ Only citizens who live in the unincorporated area of the County will pay the tax rates assessed in the service areas.

UTAH COUNTY
Property Tax Rates - Direct and Overlapping Governments (continued)
Last Ten Years

	2011	2010	2009	2008	2007
County-wide rates¹:					
General Fund	0.001098	0.001036	0.000785	0.000727	0.000745
Bond Debt Service Fund	0.000045	0.000072	0.000093	0.000082	0.000098
State Assessing & Collecting	0.000172	0.000162	0.000142	0.000121	0.000121
Local Assessing & Collecting	0.000027	0.000024	0.000183	0.000175	0.000036
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ²	0.001342	0.001294	0.001203	0.001105	0.001000
Other County rates³:					
Law Enforcement - Service Area 6	0.001372	0.001378	0.001400	0.000982	0.000962
Urban Structure Fire - Service Area 7	0.000761	0.000670	0.000661	0.000529	0.000524
Planning - Service Area 8	0.000548	0.000573	0.000559	0.000508	0.000504
Rural Structure Fire - Service Area 9	0.000293	0.000300	0.000283	0.000202	0.000188
Soldier Summit Special Service District	0.003876	0.004476	0.003233	0.002356	0.001913
School district rates:					
Alpine School District	0.008812	0.008220	0.007541	0.007057	0.006937
Nebo School District	0.009370	0.009173	0.008701	0.008150	0.008150
Provo City School District	0.007153	0.006706	0.006639	0.006214	0.005239
City and town rates:					
Alpine	0.001870	0.001226	0.001121	0.001029	0.001051
American Fork	0.002794	0.002630	0.002423	0.002426	0.002213
Bluffdale	na	na	na	na	na
Cedar Fort	0.001244	0.001311	0.001280	0.001320	0.000954
Cedar Hills	0.003153	0.002994	0.002768	0.002596	0.002616
Draper	0.001996	0.001896	0.001818	0.001528	0.001616
Eagle Mountain	0.001636	0.001510	0.001400	0.001230	0.001163
Elk Ridge	0.002621	0.002494	0.002343	0.001768	0.001655
Fairfield	0.001808	0.001921	0.001895	0.002053	0.001914
Genola	0.000957	0.000953	0.000993	0.000988	0.000984
Goshen	0.000981	0.000980	0.000978	0.000326	0.000341
Highland	0.002004	0.001948	0.001804	0.001565	0.001420
Lehi	0.002519	0.002370	0.001789	0.001901	0.001834
Lindon	0.002080	0.001873	0.001686	0.001296	0.001390
Mapleton	0.003570	0.003416	0.003085	0.002655	0.001960
Orem	0.001879	0.001739	0.001676	0.001578	0.001670
Payson	0.001323	0.001272	0.001213	0.001172	0.001174
Pleasant Grove	0.002256	0.002085	0.001943	0.001806	0.001608
Provo	0.002843	0.002394	0.002307	0.002122	0.002236
Salem	0.002003	0.001336	0.001228	0.001070	0.001167
Santaquin	0.001830	0.001677	0.001571	0.001434	0.001436
Saratoga Springs	0.003120	0.002744	0.002436	0.002019	0.000933
Spanish Fork	0.001186	0.001134	0.001076	0.001033	0.001144
Springville	0.002103	0.002213	0.001538	0.001413	0.001405
Vineyard	0.002249	0.001815	0.001695	0.001802	0.001485
Woodland Hills	0.005469	0.005213	0.004530	0.003600	0.002850
Other taxing district rates:	0.000013-0.003803	0.000012-0.003171	0.000009-0.002635	0.000008-0.002073	0.000008-0.001997

Source: Utah State Tax Commission

Notes:

¹ Public hearings are required before the direct rates can be adjusted by the Board of Utah County Commissioners.

² Most residents of the County will pay the total direct rate.

³ Only citizens who live in the unincorporated area of the County will pay the tax rates assessed in the service areas.

UTAH COUNTY
Principal Property Taxpayers
Current Year and Ten Years Ago
(amounts expressed in thousands)

Taxpayer	Type of Business	2016			2006		
		Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ¹	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ²
PacifiCorp	Electricity	\$ 856,276	1	2.44%	\$ 197,013	1	0.98%
IM Flash Technologies LLC	Semiconductor	261,781	2	0.75%	---	---	---
Questar Gas	Natural Gas	211,979	3	0.60%	113,903	4	0.57%
University Mall Shopping Center LC	Retail	134,222	4	0.38%	35,302	9	0.18%
Union Pacific Railroad	Transportation	112,578	5	0.32%	---	---	---
Walmart Real Estate Business Trust	Retail	91,572	6	0.26%	---	---	---
Nu Skin International Inc	Personal care	87,885	7	0.25%	---	---	---
Sir Properties Trust	Real Estate	81,315	8	0.23%	---	---	---
Kern River Gas	Natural Gas	76,045	9	0.22%	63,196	6	0.32%
CenturyLink Inc	Telecommunications	72,688	10	0.21%	117,725	3	0.59%
Micron Technology Inc	Semiconductor	---	---	---	128,253	2	0.64%
Novell Inc	Computer software	---	---	---	69,530	5	0.35%
Anderson Geneva LLC	Real Estate	---	---	---	44,987	7	0.22%
Provo Mall LLC	Retail	---	---	---	44,650	8	0.22%
Ivory Development LLC	Real Estate	---	---	---	32,375	10	0.16%
Totals		<u>\$ 1,986,341</u>		<u>5.66%</u>	<u>\$ 846,934</u>		<u>4.23%</u>

Source: Utah County Treasurer

Notes:

¹ Percentage of total taxable values equals the taxable value divided by the total taxable value of \$35,103,491 (amount expressed in thousands).

² Percentage of total taxable values equals the taxable value divided by the total taxable value of \$20,017,295 (amount expressed in thousands).

UTAH COUNTY
Principal Sales Taxpayers
Current Year

State law prohibits disclosure of actual dollar figures of sales and use tax collections by a specific business. However, for the calendar year ending December 31, 2016 (January 1, 2016 through December 31, 2016), the ten largest sales and use tax collectors provided approximately 25 percent of all sales and use tax revenue in the County. No single business accounted for more than approximately 7 percent of the County's total sales and use tax revenue.

Source: Utah State Tax Commission

UTAH COUNTY
Ratios of Outstanding Debt by Type
Last Ten Years
(amounts expressed in thousands, except per capita amount)

Year	Governmental Activities			Business-Type Activities ¹	Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Revenue Bonds	Lease Obligations				
2007	\$ 13,390	\$ 39,065	\$ 899		\$ 53,354	0.41%	\$ 114
2008	11,250	36,385	931		48,566	0.35%	100
2009	9,020	164,055	629		173,704	1.31%	344
2010	6,695	202,515	307		209,517	1.55%	403
2011	4,220	195,920	-		200,140	1.37%	377
2012	1,680	239,330	-		241,010	1.51%	446
2013	-	234,865	-		234,865	1.40%	425
2014	-	226,770	-		226,770	1.24%	404
2015	-	213,380	-		213,380	1.08%	371
2016	-	267,830	-		267,830	na	452

Source: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

Notes:

¹ The county does not have any business-type activities.

² See the Schedule of Demographic and Economic Statistics on page 115 for personal income and population data.

UTAH COUNTY
Ratios of General Bonded Outstanding Debt by Type
Last Ten Years
(amounts expressed in thousands, except per capita amount)

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property¹	Population²	Per Capita
2007	\$ 13,390	\$ 7,489	\$ 5,901	0.02%	469,574	\$ 13
2008	11,250	8,000	3,250	0.01%	487,615	7
2009	9,020	7,931	1,089	0.00%	504,801	2
2010	6,695	5,006	1,689	0.01%	520,118	3
2011	4,220	3,729	491	0.00%	530,678	1
2012	1,680	1,588	92	0.00%	540,170	-
2013	-	-	-	0.00%	552,386	-
2014	-	-	-	0.00%	561,232	-
2015	-	-	-	0.00%	574,796	-
2016	-	-	-	0.00%	592,299	-

Source: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

Notes:

¹ See the Assessed Value and Actual Value Tax Information on page 108 for property value data.

² See the Schedule of Demographic and Economic Statistics on page 115 for personal income and population data.

UTAH COUNTY
Legal Debt Margin Information
Last Ten Years
(amounts expressed in thousands)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt limit (2%) ¹	\$ 817,000	\$ 896,204	\$ 851,335	\$ 819,641	\$ 779,312	\$ 730,620	\$ 771,032	\$ 869,669	\$ 932,699	\$ 1,039,237
Total net debt applicable to limit	5,901	3,250	1,089	1,689	491	92	-	-	-	-
Legal debt margin	<u>\$ 811,099</u>	<u>\$ 892,954</u>	<u>\$ 850,246</u>	<u>\$ 817,952</u>	<u>\$ 778,821</u>	<u>\$ 730,528</u>	<u>\$ 771,032</u>	<u>\$ 869,669</u>	<u>\$ 932,699</u>	<u>\$ 1,039,237</u>
Total net debt applicable to the limit as a percentage of debt limit	0.72%	0.36%	0.13%	0.21%	0.06%	0.01%	0.00%	0.00%	0.00%	0.00%

Source: Utah County Auditor's Office

Notes:

¹ The general obligation indebtedness of the County is limited by Utah law to two percent of the 'reasonable fair cash value' of taxable property in the County.

² Per Utah Code Annotated §59-2-103, 45 percent of the value of primary residential property is exempt from taxation.

³ **Legal debt margin calculation for 2016:**

	<u>Taxable Value²</u>	<u>Adjusted Fair Market Value¹</u>
Residential values	\$ 20,616,379	\$ 37,484,325
Non-residential values	14,477,523	14,477,523
Totals	<u>\$ 35,093,902</u>	<u>\$ 51,961,848</u>
Debt limit (adjusted fair market value x 0.02)		\$ 1,039,237
Debt applicable to limit:		
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		-
Legal debt margin		<u>\$ 1,039,237</u>

UTAH COUNTY
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income (amounts expressed in thousands)³	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2007	469,574	\$13,092,848	\$27,882	24.3	98,336	2.5%
2008	487,615	\$14,012,874	\$28,738	24.5	102,103	3.3%
2009	504,801	\$13,234,477	\$26,217	24.6	105,874	7.4%
2010	520,118	\$13,482,709	\$25,922	24.5	108,556	8.0%
2011	530,678	\$14,648,928	\$27,604	24.3	111,736	6.6%
2012	540,170	\$15,985,403	\$29,593	24.2	115,507	5.2%
2013	552,386	\$16,822,234	\$30,454	24.2	118,448	4.3%
2014	561,232	\$18,269,575	\$32,553	24.3	121,563	3.5%
2015	574,796	\$19,719,517	\$34,307	24.4	124,185	3.2%
2016	592,299	na	na	24.6	127,620	2.8%

Sources:

¹ Utah County's 2015 Financial Statements.

² U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2016. Release Date: March 2017. Retrieved June 2017.

³ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA1, Nov. 2016. Estimates are in current dollars (not adjusted for inflation). Retrieved June 2017. Statistics for 2016 personal income are not yet available.

⁴ U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties, and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2016. Release Date: June 2017. Retrieved June 2017.

⁵ Utah State Office of Education, School Finance & Statistics (as of fall enrollment for each year). District enrollment only for Kindergarten-Grade 12 for Alpine, Nebo, and Provo School Districts. Retrieved June 2017.

⁶ Utah Department of Workforce Services. Annual average unemployment rate, seasonally adjusted, Dec. 2016. Retrieved May 2017.

UTAH COUNTY
Principal Employers
Most Current Year and Five Years Ago

Employer	Industry	2016 ¹			2011 ²		
		Employees	Rank	Percentage of Total County Employment ³	Employees	Rank	Percentage of Total County Employment ³
Brigham Young University	Higher Education (Private)	15,000-19,999	1	5.54% - 7.38%	15,000-19,999	1	6.92% - 9.23%
Alpine School District	Public Education	5,000-6,999	2	1.85% - 2.58%	5,000-6,999	2	2.31% - 3.23%
Utah Valley University	Higher Education (Public)	5,000-6,999	3	1.85% - 2.58%	3,000-3,999	5	1.38% - 1.84%
Utah Valley Hospital	Healthcare	4,000-4,999	4	1.48% - 1.85%	4,000-4,999	3	1.85% - 2.31%
Nebo School District	Public Education	3,000-3,999	5	1.11% - 1.48%	3,000-3,999	4	1.38% - 1.84%
State of Utah	State Government	3,000-3,999	6	1.11% - 1.48%	3,000-3,999	6	1.38% - 1.84%
Vivint Inc	Electrical Contractors	2,000-2,999	7	0.74% - 1.11%	---	---	---
Walmart	Retail	2,000-2,999	8	0.74% - 1.11%	2,000-2,999	7	0.92% - 1.38%
Bluefin Office Group	Office Supplies	2,000-2,999	9	0.74% - 1.11%	1,000-1,999	8	0.46% - 0.92%
Provo City School District	Public Education	1,000-1,999	10	0.37% - 0.74%	1,000-1,999	9	0.46% - 0.92%
IM Flash Technologies LLC	Manufacturing	---	---	---	1,000-1,999	10	0.46% - 0.92%

Notes:

¹ Source: Utah Department of Workforce Services.

² 2011 table originally presented in Utah County's 2011 Financial Statements.

³ Annual average employed labor force (not seasonally adjusted) for 2016 was 270,835 and for 2011 was 216,768. Source: Utah Department of Workforce Services.

UTAH COUNTY
Historical Pledged Sales and Use Taxes/Fees
Last Ten Years

Year	<A> County Option Sales and Use Tax ¹	 Local Option Sales and Use Tax ²	<A> + Total Pledged Sales and Use Taxes	% Change from Prior Year
2016	\$ 23,832,442	\$ 1,527,303	\$ 25,359,745	5.2%
2015	22,553,213	1,554,404	24,107,617	5.9%
2014	21,364,817	1,397,782	22,762,600	4.3%
2013	20,183,106	1,647,755	21,830,861	4.5%
2012	19,282,408	1,606,844	20,889,252	6.4%
2011	17,906,467	1,724,285	19,630,753	4.5%
2010	17,027,009	1,765,635	18,792,644	5.3%
2009	16,539,478	1,310,542	17,850,019	-6.1%
2008	18,107,830	897,108	19,004,938	-7.5%
2007	19,255,500	1,285,669	20,541,169	na

¹ The sales tax levy for the County Option Sales Tax is 0.25% and is collected County-wide by the Utah State Tax Commission.

² The sales tax levy for the Local Option Sales Tax is 1.00% and is collected in the unincorporated area of the County by the Utah State Tax Commission.

Source: Utah State Tax Commission

UTAH COUNTY
Historical Pledged Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	<C> Section 2216 Sales and Use Tax ³	<D> Section 2218 Sales and Use Tax ⁴	<C> + <D> Total Pledged Sales and Use Taxes	% Change from Prior Year
2016	\$ 1,761,036	\$ 18,336,283	\$ 20,097,319	6.6%
2015	1,652,179	17,206,520	18,858,699	1.3%
2014	1,540,735	17,072,130	18,612,865	18.3%
2013	1,455,712	14,272,148	15,727,860	-1.1%
2012	1,394,963	14,505,051	15,900,015	8.5%
2011	1,283,579	13,365,267	14,648,846	16.9%
2010	1,174,513	11,361,030	12,535,543	-2.6%
2009	1,144,522	11,723,540	12,868,062	904.2%
2008	1,281,372	na	1,281,372	24.9%
2007	1,025,522	na	1,025,522	na

³ Section 2216 is the Fixed Guideway, Public Transit and Highways sales and use tax. The County began levying this tax on April 1, 2007 at the then-legal maximum rate of 0.25%. In 2008 the Utah State Legislature raised the legal maximum rate and the County increased its levy of this sales tax effective December 1, 2008 to the legal maximum rate of 0.30%. This amount represents only 8 percent of the total sales tax collected. The remaining 92 percent is paid directly to the Utah Transit Authority from the Utah State Tax Commission.

⁴ Section 2218 is the Airport, Highway and Public Transit sales and use tax. The County began levying this tax on January 1, 2009. The sales tax levy is 0.25%.

Source: Utah State Tax Commission

UTAH COUNTY
Historical Pledged Sales and Use Taxes/Fees (continued)
Last Ten Years

<u>Year</u>	<u>Total Motor Vehicle Registrations⁵</u>	<u>% Change from Prior Year</u>	<u>Total Pledged Fees⁶</u>	<u>% Change from Prior Year</u>
2016	407,831	4.7%	\$ 4,136,812	5.7%
2015	389,623	2.4%	3,912,739	-2.0%
2014	380,396	4.9%	3,993,299	11.0%
2013	362,520	2.1%	3,598,467	4.6%
2012	354,991	2.5%	3,441,020	2.2%
2011	346,184	0.8%	3,367,770	2.1%
2010	343,456	-1.1%	3,297,518	0.8%
2009	347,261	2.0%	3,270,300	-0.2%
2008	340,327	4.9%	3,277,190	3.5%
2007	324,584	na	3,167,750 ⁷	na

⁵ Total motor vehicle registrations multiplied by \$10 does not reconcile with Total Pledged Fees due to (i) differences in the timing of the allocation of the Pledged Fees to the County and the published reports of the Utah State Tax Commission regarding total motor vehicle registrations and (ii) certain vehicles are exempt from the fee.

⁶ The County passed its Local Option Transportation Corridor Fee Ordinance on March 28, 2006 and imposed the Pledged Fees beginning July 1, 2006.

⁷ Total Pledged Fees is presented here at the same amount presented in the Official Statement. Does not match the audited financial statements.

Source: Utah State Tax Commission

UTAH COUNTY
Historical Pledged Sales and Use Taxes/Fees (continued)
Last Ten Years

	<E>	<F>	<G>	<E> + <F> + <G>	
Year	Pledged Transient Room Tax (Hotel Tax) ⁸	Restaurant Tax ⁹	Short-Term Lease Tax ¹⁰	Total Pledged Taxes	% Change from Prior Year
2016	\$ 781,202	\$ 7,609,729	\$ 1,087,059	\$ 9,477,990	9.3%
2015	689,041	6,974,765	1,005,898	8,669,705	11.6%
2014	598,381	6,242,780	927,235	7,768,395	10.4%
2013	552,410	5,661,378	822,734	7,036,521	7.5%
2012	499,991	5,268,599	779,637	6,548,226	7.3%
2011	447,618	4,927,928	728,994	6,104,540	9.7%
2010	401,250	4,514,695	649,021	5,564,965	3.0%
2009	403,431	4,396,860	600,578	5,400,868	-1.2%
2008	446,914 ¹¹	4,381,066	640,478	5,468,458	7.4%
2007	407,446 ¹¹	3,992,582	691,071	5,091,099	na

⁸ The bonds are not secured by all of the revenues generated by the imposition of the Transient Room Tax ("TRT"). This table reflects only the pledged amount of 23.5% of the total revenues collected from the TRT levy.

A supplemental tax of 1.25% was enacted April 1, 2007, raising the total TRT levy from 3.00% to 4.25%.

⁹ The County temporarily decreased the Restaurant Tax levy effective January 1, 2007 to 0.65%. The Restaurant Tax levy was raised to 1.00% effective April 1, 2007.

¹⁰ The County began levying the Short-Term Lease Tax effective April 1, 2004.

¹¹ Pledged Transient Room Tax is presented here at the same amounts presented in the Official Statement. Does not match the audited financial statements.

Source: Utah State Tax Commission

UTAH COUNTY
Historical Pledged Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	Total Transient Room Tax Collections^{12,13}	Pledged Taxes	% Change from Prior Year
2016	\$ 3,320,110	\$ 976,503	13.4%
2015	2,928,424	861,301	15.2%
2014	2,543,118	747,976	8.3%
2013	2,347,741	690,512	10.5%
2012	2,124,962	624,989	11.7%
2011	1,902,378	559,608 ¹⁴	11.5%
2010	1,705,311	502,024 ¹⁴	-0.4%
2009	1,714,580	504,251 ¹⁴	-20.2%
2008	2,142,782	631,731 ¹⁴	79.1%
2007	1,488,314	352,720 ¹⁴	na

¹² The bonds are not secured by all of the revenues generated by the imposition of the Transient Room Tax ("TRT"). The County has issued bonds under the 2010 Indenture, which are secured by a pledge of 23.5% of the TRT (see "Pledged Transient Room Tax" column on page 120).

The Series 2013 Bonds are secured by 29.4% of the total TRT available to the County. The Pledged Taxes column in the table shows the historic amounts of such revenues, which in prior years were collected but not pledged to the payment of the Series 2013 Bonds.

A supplemental tax of 1.25% was enacted April 1, 2007, raising the total TRT levy from 3.00% to 4.25%.

¹³ From 2004 to 2011, the County collected the TRT directly. Prior to that time, the TRT was collected by the Utah State Tax Commission and remitted to the County. In 2011, a law was adopted requiring TRT to be collected by the Utah State Tax Commission effective July 1, 2011. Amounts reported from 2007 through July 1, 2011 reflect the gross amount of TRT collected. From July 1, 2011 forward TRT is reported net of an administrative fee retained by the Utah State Tax Commission.

¹⁴ Pledged Transient Room Tax is presented here at the same amounts presented in the Official Statement. Does not match the audited financial statements.

Source: Utah State Tax Commission

UTAH COUNTY
Statement of Net Position
Primary Government--Governmental Activities
Last Five Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Assets and deferred outflows of resources					
Assets:					
Cash and investments	\$ 110,539,435	\$ 119,645,831	\$ 126,531,446	\$ 132,621,385	\$ 203,590,533
Receivables:					
Taxes receivable	18,457,292	19,019,145	20,121,279	18,794,382	21,412,033
Other receivables	11,249,759	8,989,944	12,877,575	11,151,686	10,606,495
Inventories	434,902	535,761	545,373	496,582	381,574
Deferred charges, net	-	-	-	-	-
Other current assets	449,100	773,326	1,168,970	1,162,248	885,755
Capital assets, net of depreciation					
Land	42,560,551	42,585,551	44,176,139	46,489,657	46,489,657
Rights of way and water rights	211,740	211,740	211,740	211,740	211,740
Buildings	121,633,252	120,122,947	118,137,772	115,881,659	113,716,479
Improvements other than buildings	4,701,803	4,395,331	4,088,859	3,735,273	3,435,091
Equipment	7,786,681	7,966,348	8,765,092	9,405,618	10,238,277
Infrastructure	236,865,417	237,137,757	237,413,904	237,413,904	238,104,879
Construction-in-progress	-	-	-	-	-
Net pension asset	-	-	-	31,623	18,996
Total assets	<u>554,889,932</u>	<u>561,383,681</u>	<u>574,038,149</u>	<u>577,395,757</u>	<u>649,091,509</u>
Deferred outflows of resources	-	-	364,708	11,348,840	22,403,935
Total assets and deferred outflows of resources	<u>554,889,932</u>	<u>561,383,681</u>	<u>574,402,857</u>	<u>588,744,597</u>	<u>671,495,444</u>
Liabilities and deferred inflows of resources					
Liabilities:					
Accounts payable and accruals	\$ 5,423,971	\$ 7,568,898	\$ 11,855,382	\$ 8,729,007	\$ 13,803,700
Accrued interest	1,027,834	983,215	904,871	819,625	896,811
Unearned revenues	-	1,788,490	1,401,807	5,229,789	6,212,414
General obligation bonds payable--due within one year	1,680,000	-	-	-	-
Revenue bonds payable--due within one year	8,443,831	8,831,866	9,331,866	7,425,000	8,976,866
Capital leases payable--due within one year	-	-	-	-	-
Other liabilities	537,273	-	-	-	-
Noncurrent liabilities:					
General obligation bonds payable--due more than one year	-	-	-	-	-
Revenue bonds payable--due more than one year	233,221,088	228,280,088	219,443,222	207,718,222	260,374,490
Compensated absences and other post-employment benefits	11,921,000	12,078,501	11,524,328	11,099,572	11,112,139
Unamortized bond premiums	-	-	-	-	-
Unamortized bond discounts	-	-	-	-	-
Net pension liability	-	-	-	21,942,088	28,962,503
Total liabilities	<u>262,254,997</u>	<u>259,531,058</u>	<u>254,461,476</u>	<u>262,963,303</u>	<u>330,338,923</u>
Deferred inflows of resources	5,515,129	-	-	2,874,110	2,762,189
Total liabilities and deferred inflows of resources	<u>267,770,126</u>	<u>259,531,058</u>	<u>254,461,476</u>	<u>265,837,413</u>	<u>333,101,112</u>
Net position					
Invested in capital assets, net of related debt	\$ 180,012,571	\$ 184,153,070	\$ 192,534,460	\$ 197,175,004	\$ 202,325,789
Restricted for:					
Debt service	11,181,362	9,579,453	11,130,082	5,314,340	3,064,139
Assessing and collecting property taxes	3,383,363	3,675,865	4,055,274	4,505,426	5,208,654
Transient room tax	444,220	430,808	50,038	373,131	681,384
Public transit tax	49,624,937	54,349,105	54,349,105	54,349,105	68,789,479
Restaurant tax	4,121,633	5,710,897	6,333,286	7,479,185	11,635,060
Unrestricted	38,351,720	43,953,425	51,489,136	53,710,993	46,689,827
Total net position	<u>\$ 287,119,806</u>	<u>\$ 301,852,623</u>	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>

Source: Utah County Statements of Net Position at December 31, 2012 through 2016.

UTAH COUNTY
Statement of Activities
Primary Government--Governmental Activities
Last Five Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Net (expenses)/revenues by function ¹ :					
Governmental activities:					
General government	\$ (17,684,567)	\$ (25,818,918)	\$ (25,333,999)	\$ (22,604,531)	\$ (24,176,044)
Public safety	(28,098,754)	(29,360,466)	(31,657,768)	(31,203,225)	(33,479,139)
Public health and welfare	(4,642,220)	(5,059,859)	(4,962,752)	(4,917,959)	(2,578,201)
Roads and public improvements	(55,935,589)	(34,314,519)	(34,673,151)	(41,650,786)	(54,298,571)
Parks and recreation	(5,138,246)	(3,699,243)	(1,771,513)	(1,759,817)	(2,100,331)
Interest on long-term liabilities	(12,661,900)	(12,592,935)	(12,326,231)	(11,950,131)	(11,504,694)
Total net (expenses)/revenues	<u>(124,161,276)</u>	<u>(110,845,940)</u>	<u>(110,725,414)</u>	<u>(114,086,449)</u>	<u>(128,136,980)</u>
General revenues:					
Property taxes	\$ 37,825,190	\$ 42,610,943	\$ 40,609,534	\$ 42,948,851	\$ 44,528,176
Sales taxes	40,230,287	71,543,120	75,094,950	79,157,753	84,038,280
TRCC taxes	6,048,236	6,484,111	7,170,014	7,980,664	8,696,787
Transient room tax	2,124,962	2,347,741	2,543,118	2,928,424	3,320,110
Earnings on investments	934,594	577,698	556,431	694,866	1,182,935
Other revenues	2,267,981	-	-	-	-
Miscellaneous revenues	1,059,046	2,015,143	2,840,125	1,687,691	1,857,840
Total general revenues	<u>90,490,296</u>	<u>125,578,756</u>	<u>128,814,172</u>	<u>135,398,249</u>	<u>143,624,128</u>
Change in net position	(33,670,980)	14,732,816	18,088,758	21,311,800	15,487,148
Net position - beginning ²	320,790,786	287,119,807	301,852,623	301,595,384	322,907,184
Net position - ending	<u>\$ 287,119,806</u>	<u>\$ 301,852,623</u>	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>

¹ This report is presented in summary format concerning the single item of "Net (Expense) Revenue and Changes in Net Position" and is not intended to be complete.

² Beginning net position in 2015 restated due to implementation of GASB Statement No. 68.

Source: Utah County Statements of Activities at December 31, 2012 through 2016.

UTAH COUNTY
Balance Sheet
Governmental Funds--Major Funds--General Fund
Last Five Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
ASSETS					
Cash and investments	\$ 23,481,738	\$ 27,467,207	\$ 26,818,140	\$ 29,283,300	\$ 30,968,967
Receivables:					
Taxes	11,271,484	11,688,015	11,625,910	10,424,192	12,171,799
Other	2,158,030	1,473,318	3,060,994	1,652,726	839,499
Due from other funds	2,325,000	1,339,500	2,824,900	3,071,000	1,761,000
Other assets	4,719	19,214	108,703	130,406	91,522
Total assets	<u>\$ 39,240,971</u>	<u>\$ 41,987,254</u>	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>
LIABILITIES					
Accounts payable and accruals	\$ 2,437,538	\$ 2,519,010	\$ 2,927,006	\$ 3,402,002	\$ 3,833,493
Unearned revenues	-	1,029,930	1,039,001	1,297,568	1,355,723
Other liabilities	10,703,036	10,411,033	10,450,539	10,450,539	10,627,041
Total liabilities	<u>13,140,574</u>	<u>13,959,973</u>	<u>14,416,546</u>	<u>15,150,109</u>	<u>15,816,257</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,837,416</u>	<u>2,114,979</u>	<u>1,641,278</u>	<u>1,924,316</u>	<u>1,928,024</u>
FUND BALANCES					
Restricted:					
Statutory minimum balance	-	3,502,865	3,531,824	3,590,196	3,736,802
Assigned:					
Retiree health insurance	872,574	872,574	-	-	-
Medicaid reserve	600,000	600,000	600,000	600,000	600,000
Assessing and collecting taxes	3,775,838	3,775,838	3,775,838	3,775,838	3,629,232
Equipment replacement	3,065,762	3,065,762	3,065,762	3,065,762	3,065,762
Health department carryforward	-	-	-	-	-
DDAPT carryforward	-	273,285	-	132,531	132,531
Unassigned	<u>13,948,807</u>	<u>13,821,978</u>	<u>17,407,400</u>	<u>16,322,872</u>	<u>16,924,179</u>
Total fund balances	<u>22,262,981</u>	<u>25,912,302</u>	<u>28,380,824</u>	<u>27,487,199</u>	<u>28,088,506</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,240,971</u>	<u>\$ 41,987,254</u>	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>

Source: Utah County Balance Sheets at December 31, 2012 through 2016.

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds--Major Funds--General Fund
Last Five Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
REVENUES					
Property taxes	\$ 30,468,950	\$ 29,314,108	\$ 28,530,647	\$ 29,328,754	\$ 30,712,289
Sales taxes	20,889,252	21,830,861	22,762,600	24,107,617	25,359,745
Franchise taxes	2,268	5,205	4,704	3,745	4,024
Licenses and permits	267,499	302,915	301,961	357,424	472,814
Intergovernmental	776,993	817,427	863,929	849,037	903,826
Charges for services	13,351,122	14,428,475	14,003,922	14,205,191	14,291,738
Fines and forfeitures	3,002,528	2,861,640	2,822,054	2,545,799	2,227,427
Interest	191,855	112,760	138,561	152,308	255,615
Miscellaneous	215,220	383,902	1,208,885	254,039	537,404
Total revenues	<u>69,165,687</u>	<u>70,057,292</u>	<u>70,637,263</u>	<u>71,803,914</u>	<u>74,764,881</u>
EXPENDITURES					
Current:					
General government	20,872,127	21,284,912	21,011,255	22,886,799	24,225,961
Public safety	40,465,240	41,844,660	43,456,681	44,662,897	46,895,476
Public health and welfare	756,240	819,526	867,902	921,060	841,909
Roads and public improvements	-	-	-	-	-
Parks and recreation	1,484,323	1,408,163	422,158	379,352	480,147
Capital outlay:					
General government	-	22,411	16,879	5,599	29,374
Public safety	-	1,215	87,145	25,765	37,488
Public health and welfare	-	-	-	-	23,071
Parks and recreation	-	24,598	-	-	6,825
Total expenditures	<u>63,577,930</u>	<u>65,405,484</u>	<u>65,862,019</u>	<u>68,881,472</u>	<u>72,540,250</u>
Excess (deficiency) of revenues over expenditures	<u>5,587,757</u>	<u>4,651,808</u>	<u>4,775,244</u>	<u>2,922,442</u>	<u>2,224,631</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	4,554,556	4,109,673	3,429,861	4,148,274	3,452,317
Transfers out	(5,213,519)	(5,112,159)	(5,736,583)	(7,964,341)	(5,075,641)
Total other financing sources (uses)	<u>(658,963)</u>	<u>(1,002,486)</u>	<u>(2,306,722)</u>	<u>(3,816,067)</u>	<u>(1,623,324)</u>
Net change in fund balances	4,928,794	3,649,321	2,468,522	(893,625)	601,307
Fund balances - beginning	<u>17,334,187</u>	<u>22,262,981</u>	<u>25,912,302</u>	<u>28,380,824</u>	<u>27,487,199</u>
Fund balances - ending	<u>\$ 22,262,981</u>	<u>\$ 25,912,302</u>	<u>\$ 28,380,824</u>	<u>\$ 27,487,199</u>	<u>\$ 28,088,506</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2012 through 2016.

UTAH COUNTY
Outstanding Bonded Indebtedness
Current Year

Outstanding General Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2014 ¹	Refunding	\$ 6,755,000	November 1, 2020	\$ 5,340,000
2010 ²	Energy/Qualified Energy Conservation Bonds	4,940,000	February 1, 2027	4,015,000
Total				<u>\$ 9,355,000</u>

¹ Not rated; no rating applied for. These bonds were privately placed.

² Not rated; no rating applied for. These bonds were privately placed. Issued as federally taxable, Qualified Energy Conservation Bonds.

Outstanding Excise Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2013 ³	Museum	\$ 3,800,000	December 1, 2033	\$ 3,300,000
2010A ⁴	Convention center	6,950,000	December 1, 2018	1,685,000
2010B ^{4,5}	Convention center	5,000,000	December 1, 2023	5,000,000
2010C ^{4,5}	Convention center	28,200,000	December 1, 2039	28,200,000
Total				<u>\$ 38,185,000</u>

³ Rated "AA-" by S&P as of the date of this report.

⁴ Rated "AA-" by S&P as of the date of this report. These bonds are issued on a parity basis and are not issued on a parity with the 2013 Bonds.

⁵ Insured as federally taxable 35 percent interest subsidy "Build America Bonds."

Outstanding Transportation Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2016 ⁶	Transportation (Subordinated Sales Tax)	\$ 65,000,000	November 1, 2029	\$ 65,000,000
2012 ⁷	Transportation	51,675,000	December 1, 2039	46,775,000
2009B ^{8,9}	Transportation	85,490,000	December 1, 2034	85,490,000
Total				<u>\$ 197,265,000</u>

⁶ Not rated; no rating applied for. These bonds were privately placed.

⁷ Rated "AA" (Assured Guaranty Municipal Corp. Insured; underlying "AA-" by S&P as of the date of this report.

⁸ Rated "AA" (Assured Guaranty Municipal Corp. Insured; underlying "AA-" by S&P as of the date of this report.

⁹ Insured as federally taxable 35 percent interest subsidy "Build America Bonds."

Outstanding Vehicle Registration Fee Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2009B ^{10,11}	Transportation	\$ 23,775,000	December 1, 2034	\$ 23,025,000
Total				<u>\$ 23,025,000</u>

¹⁰ Rated "AA" (Assured Guaranty Municipal Corp. Insured; underlying "AA-" by S&P as of the date of this report.

¹¹ Insured as federally taxable 35 percent interest subsidy "Build America Bonds."

UTAH COUNTY

**SINGLE AUDIT AND OTHER COMPLIANCE
INTERNAL CONTROL REPORTS**

YEAR ENDED DECEMBER 31, 2016

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UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>Corporation for National and Community Service</u>				
Foster Grandparents/Senior Companion Cluster				
Foster Grandparent Program	94.011		\$ 229,614	
Senior Companion Program	94.016		188,618	
Total Corp for National and Community Service/and Cluster			418,232	
<u>U.S. Department of Agriculture</u>				
Passed through Utah Weed Supervisor Assn.				
Rural Development, Forestry, and Communities	10.672	201608	5,000	\$ 2,000
Passed Through Utah Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	15-2700142	343,903	
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	15-2700142	974,586	
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	15-2700142	62,857	
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	15-2700142	186,024	
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	15-2700142	130,495	
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	15-2700142	384,483	
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Noncash Commodities)	10.557		6,332,100	
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	15-2700142	2,040	
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	15-2700142	42,954	
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	15-2700142	19,240	
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	15-2700142	77,391	
Special Supplemental Nutrition Program for Women, Infants, and Children-Technology Services	10.557	15-2700142	26,744	
Total CFDA	10.557		8,582,817	
Child Nutrition Cluster				
Summer Food Service Program for Children	10.559	16-2700016	805	
Total U.S. Department of Agriculture			8,588,622	
<u>U.S. Department of Transportation</u>				
Passed Through State Department of Public Safety				
Highway Safety Cluster				
State & Community Highway Safety	20.600	OP160407	26,853	
National Priority Safety Programs	20.616		10,000	
Total Cluster			36,853	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP-USA-2013	2,533	
Total U.S. Department of Transportation			39,386	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Direct				
Drug-free Communities Support Program Grants	93.958		6,000	
Passed Through NAMI of Utah				
Block Grants for Community Mental Health Services	93.958		5,136	
Passed Through Utah Department of Human Services				
Block Grants for Prevention & Treatment of Substance Abuse	93.959	16-0080	1,641,393	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	16-1018	9,101	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	12-2201	10,000	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	15-1949	39,208	
Total CFDA	93.959		<u>1,699,702</u>	184,922
Child Care & Development Block Grant	93.575		<u>65,000</u>	
Passed Through Utah Department of Health				
Affordable Care Act Abstinence Education Program	93.235	15-2700141	36,762	
Affordable Care Act Abstinence Education Program	93.235	15-2700336	33,638	
Total CFDA	93.235		<u>70,400</u>	26,807
Domestic Ebola Supplement to ELC	93.815	162700881	<u>5,000</u>	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	15-2700566	<u>3,999</u>	
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	152700422	<u>149,259</u>	
National State Based Tobacco Control Programs	93.305	16-2700063	<u>52,793</u>	
Maternal and Child Health Services Block Grant to the States	93.994	16-2700326	3,075	
Maternal and Child Health Services Block Grant to the States	93.994	15-2700005	38,391	
Maternal and Child Health Services Block Grant to the States	93.994	14-2513	36,350	
Maternal and Child Health Services Block Grant to the States	93.994	15-2700141	109,824	
Total CFDA	93.994		<u>187,640</u>	
Preventive Health & Health Services Block Grant	93.991	16-2700143	<u>53,745</u>	
Immunization Cooperative Agreements	93.268	162700622	104,474	
National Bioterrorism Hospital Preparedness Program	93.889	162700262	40,578	
National Bioterrorism Hospital Preparedness Program	93.889	162701096	60,170	
Total CFDA	93.889		<u>100,748</u>	3,124

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
U.S. Dept. of Health and Human Services (Continued)				
<u>Medicaid Cluster</u>				
Medical Assistance Program	93.778	162700277	5,132	
Medical Assistance Program	93.778	16-2700973	43,100	
Total CFDA	93.778		<u>48,232</u>	
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-2700282	16,555	
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	15-2700353	11,166	
Project Grants & Cooperative Agreements for HIV Prevention Activities - Health Department Based	93.940	152700292	10,500	
Cancer Prevention and Control Programs for State, Territorial, and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752	162700968	72,100	
Cancer Prevention and Control Programs for State, Territorial, and Tribal Organizations financed in part by Prevention and Public Health Funds	93-752	15-2700526	77,976	
Total CFDA	93-752		<u>150,076</u>	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	162700143	92,116	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	162700961	12,174	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	16-2700326	9,869	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	16-2700421	16,676	
Total CFDA	93.758		<u>130,835</u>	
Evidence-Based Falls Prevention Programs Financed Solely by Prevention and Public Health Funds (PPHF)	93.761	15-2700239	3,345	
Hospital Preparedness Program (HPP) Ebola Preparedness and and Response Activities	93.817	16-2700367	46,252	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	12-2419	47,894	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	160922	36,878	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	170110	54,422	
Total CFDA	93.243		<u>139,194</u>	
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	15-2700422	528,850	
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	162700063	6,858	
Total CFDA	93.505		<u>535,708</u>	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	152700433	36,025	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	162700143	17,034	
Total CFDA	93.757		<u>53,059</u>	
Public Health Emergency Preparedness	93.069	16-2700262	172,068	
Public Health Emergency Preparedness	93.069	162701096	201,124	
Public Health Emergency Preparedness	93.069	172700081	7,391	
Total CFDA	93.069		<u>381,188</u>	
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	15-2700476	47,760	
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	152700575	183,964	
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	152700953	174,916	
Total CFDA	93.094		<u>358,880</u>	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Dept. of Health and Human Services (Continued)</u>				
Assistance Programs for Chronic Disease Prevention and Control	93.945	16-2700143	5,004	
Assistance Programs for Chronic Disease Prevention and Control	93.945	16-2700554	2,200	
Total CFDA	93.945		7,204	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	15-1071	14,427	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	162700395	4,457	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	15-2700192	5,900	
Total CFDA	93.521		24,784	
Environmental Public Health and Emergency Response	93.070	15-2700376	97,092	
Passed Through Mountainland Assoc. of Government				
Social Services Block Grant	93.667		19,320	
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043		14,000	
Passed Through Assoc. of Food & Drug Officials				
Food & Drug Administration - Research	93.103		4,649	
TANF Cluster				
Passed Through Department of Workforce Services				
Temporary Assistance for Needy Families	93.558	151528	864	
Passed Through Utah State University				
Temporary Assistance for Needy Families	93.558		7,676	
Total CFDA and Cluster	93.558		8,540	
Passed Through Mountainlands Family Health Center				
Health Center Program Cluster				
Health Center Program	93.224		22,000	
Passed Through University of Utah/Utah Poison Control Center				
Poison Center Support and Enhancement Grant Program	93.253		2,500	
Total US Dept. of Health & Human Services			4,636,735	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Dept. of Justice</u>				
Crime Victim Assistance - VOCA	16.575	16-Voca-72	38,198	
Crime Victim Assistance - VOCA	16.575	16-Voca-71	144,752	
Crime Victim Assistance - VOCA	16.575	15-Voca-78	26,277	
Crime Victim Assistance - VOCA	16.575	15-Voca-76	110,149	
Crime Victim Assistance - Victim/Witness Coordinator	16.575	15-Voca-73	32,613	
Crime Victim Assistance - Victim Witness Coordinator	16.575	16-Voca-70	24,383	
Total CFDA	16.575		376,372	
Passed Through Utah Chapter of the National Children's Alliance Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	7-Prov-UT-SA15	9,000	
Passed Through Western Regional Children's Advocacy Center Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758		1,778	
Total CFDA	16.758		10,778	
Total U.S. Department of Justice			387,150	
<u>Environmental Protection Agency</u>				
Passed Through Utah Dept. of Environmental Quality Drinking Water State Revolving Fund Cluster				
Capitalization Grants for Drinking Water State Revolving Funds Revolving Funds	66.468	170121	10,886	
Capitalization Grants for Drinking Water State Revolving Funds Revolving Funds	66.468	16-0037	9,973	
Total CFDA and Cluster	66.468		20,859	
Performance Partnership Grants	66.605	16-0037	11,843	
Performance Partnership Grants	66.605	170121	11,147	
Total CFDA	66.605		22,990	
Total Environmental Protection Agency			43,849	
<u>U.S. Department of Homeland Security</u>				
<u>Direct</u>				
<u>National Cyber Security Awareness</u>	97.128		16,445	
Passed Through State Division of Homeland Security				
Emergency Management Performance Grants	97.042	EMPG-2015-DEM-025	4,998	
Emergency Management Performance Grants	97.042	EMPG-2015-DEM-004	4,029	
Emergency Management Performance Grants	97.042	2015 EMPG	70,000	
Total CFDA	97.042		79,027	
Homeland Security Grant Program	97.067	14-SHSP-Reg2 Project	198,266	
Homeland Security Grant Program	97.067	14-SHSP-Bomb Squad	32,940	
Homeland Security Grant Program	97.067	15-SHSP-Bomb Squad	371,993	331,264
Total CFDA	97.067		603,199	
Total U.S. Department of Homeland Security			698,671	
<u>U.S. Department of Housing & Urban Development</u>				
<u>Direct</u>				
CDBG Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		1,227,912	1,227,912
<u>General Services Administration</u>				
<u>Direct</u>				
Donation of Federal Surplus Personal Property	39.003		34,837	
<u>Executive Office of the President</u>				
Passed through Orem City				
High Intensity Drug Trafficking Areas Program	95.001		6,005	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 16,081,399	\$ 1,776,029

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2016

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Utah County under programs of the federal government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR), Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Utah County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Utah County.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of activities related to the County expenditure of Federal awards. The schedule has been prepared on the same basis of accounting as the financial statements. Most of the awards are reimbursement based. Therefore, as expenditures of Federal funds are made, revenue is recognized. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Utah County does not use the 10% de minimis cost rate as allowed under Uniform Guidance

NOTE C - ACCOUNTS RECEIVABLE

The financial statements include accounts receivable from Federal programs. These receivables are recorded according to the same basis of accounting as the financial statements. The receivables reflect Federal awards that have been expended by year end and not yet reimbursed.

NOTE D – DONATED FEDERAL SURPLUS PROPERTY

The county received equipment directly from the U.S. General Services Administration. The amount is recorded on the books as determined by using a value determined by the U.S. General Services Administration.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Board of County Commissioners
Utah County
Provo, Utah

June 26, 2017

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Utah County's, basic financial statements, and have issued our report thereon dated June 26, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants
Provo, Utah
June 26, 2017



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Honorable Board of County Commissioners
Utah County
Provo, Utah

June 26, 2017

Report on Compliance for Each Major Federal Program

We have audited Utah County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Utah County's major federal programs for the year ended December 31, 2016. Utah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Utah County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Utah County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Utah County's compliance.

Opinion on Each Major Federal Program

In our opinion, Utah County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control over Compliance

Management of Utah County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Utah County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Utah County's internal control over compliance.

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, and the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated June 26, 2017, which contained unmodified

opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such 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. The information has been subjected to the auditing procedures applied in the audit of the 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants
Provo, Utah
June 26, 2017

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2016

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Utah County were prepared in accordance with GAAP.
2. No significant deficiencies in internal control were disclosed during the audit of the financial statements. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Utah County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed during the audit. No material weaknesses are reported.
5. The auditor's report on compliance for the major Federal award programs for Utah County expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The programs tested as a major program were: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) 10.557; Homeland Security Grant Program 97.067.
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. Utah County was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS

None

D. PRIOR YEAR FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS

None



GILBERT & STEWART

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE *STATE COMPLIANCE AUDIT GUIDE*

Honorable Board of County Commissioners
Utah County
Provo, Utah

REPORT ON COMPLIANCE WITH GENERAL STATE COMPLIANCE REQUIREMENTS

We have audited Utah County's compliance with the applicable general state requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on Utah County for the year ended December 31, 2016.

General state compliance requirements were tested for the year ended December 31, 2016 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Utah Retirement System Compliance
- Restricted Taxes and Related Revenues
- Open & Public Meetings Act
- Treasurer's Bond
- Statement of Taxes Charged

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on Utah County's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about Utah County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with general state compliance requirements referred to above. However, our audit does not provide a legal determination of Utah County's compliance with those requirements.

Opinion on General State Compliance Requirements

In our opinion, Utah County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the State Compliance Audit Guide and which are described in our letter to management dated June 26, 2017 as items 2016-1. Our opinion on compliance is not modified with respect to these matters.

Utah County's response to the noncompliance findings identified in our audit is described in the accompanying letter to management. Utah County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of Utah County is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered Utah County's internal control over compliance with the state compliance requirements referred to above to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Utah County's internal control over compliance.

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

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

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

Gilbert & Stewart

GILBERT & STEWART
Certified Public Accountants
June 26, 2017

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2016



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
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RANDEL A HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

June 26, 2017

Utah County Commission
Utah County
Provo, UT

We have audited the financial statements of Utah County, as of and for the year ended December 31, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards and Uniform Guidance, as well as certain information related to the planned scope and timing of or audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utah County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the capital assets' useful life is based on the historical life of similar assets. We evaluated the key factor and assumptions used to develop the capital assets' useful life in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were noted during our audit that needed to be corrected.

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 26, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Utah State Compliance Findings – Current Year

2016-1 General Compliance- Fund Balance (Deficit)

Finding: Utah State law prohibits any fund from having a deficit fund balance at year end. At year end the Solder Summit Special Revenue fund had a deficit fund balance.

Recommendation: State law requires the County to provide for a retirement of the deficit fund balance in the subsequent year budget. We recommend that the County provide for the retirement of the deficit in the 2017 budget.

County Response: We concur with the finding and have provided for retirement of the deficit fund balance in our 2017 budget.

During our audit we also note items of improvement to internal controls and processes that will improve financial reporting and the control structure. Below are these items for your consideration.

1. The County began utilizing a new Human Resource Information System (“HRIS”) in 2016. The controls over the new system need to be tested and reviewed to help ensure that the system is adequately designed. We also recommend that when a new system such as this is implemented that both the old and new systems are run parallel for several months to ensure the new system has no errors irregularities.
2. County departments that receive federal funding are responsible for tracking subrecipient information. Federal guidelines require recipients of federal funds to monitor subawards and to ensure subrecipients meet certain audit requirements and use funds in accordance with applicable laws, regulations and terms of the award. We recommend that the County establishes procedures to ensure it is (1) informing subrecipients of all applicable federal laws and regulations and all appropriate flow-down provisions from the prime agreement, (2) reviewing the subrecipients' audit results via the Federal Audit Clearinghouse, (3) reviewing any corrective actions cited by subrecipients in response to their audit findings, where the audit findings are related to the County's awards to the subrecipients, (4) verifying the subrecipient takes appropriate and timely corrective action to any audit findings, and (5) tracking subrecipient information accurately for reporting in the County's own Single Audit Report.

3. Some County departments receive assets through federal surplus programs or donations from outside agencies/individuals. We recommend the County adopt procedures to ensure these assets are being recorded in the accounting system at the fair market value as of the date of the donation.
4. As new personnel constantly turning over, we recommend that the Treasurer's office conduct annual training on the County's money handling policy for departments that handle cash/cash equivalents. Topics to cover during this training should include, but are not limited to: identifying counterfeit currency, settling credit card terminals daily, verifying checks meet the County's policy (e.g. preprinted, not a counter check, not written in foreign currency, not stale dated). This training will help ensure that cash and cash/equivalents are handled according to County policy.
5. During our audit we noted that one department has nearly 1000 gift cards on hand totaling more than \$10,000 in value. Even if the controls surrounding the safekeeping and distribution of gift cards are sound, that quantity of gift cards is a large number of cards to have on hand. Our recommendation is that the County not utilize cash or cash equivalents (such as gift cards). If that recommendation is not feasible, we recommend the County implement a gift card policy. Items to consider in the County's policy include: limits on how many cards can be purchased at one time, a maximum value of cards, specific usages of the cards, tracking of where the gift cards have been distributed, procedures regarding safekeeping/distribution of cards, etc.
6. During our audit we noted that the Human Resources department is not reconciling the paycheck benefits/deductions to vendor payments. For example: (a) At the end of 2016, the County collected approximately \$33,000 more in retirement benefits/deductions than was paid to retirement providers such as Utah Retirement Systems and Prudential. This could indicate retirement deductions collected from employees that have not been deposited into retirement plans. (b) There was no deduction established for employees who opted to pay into a plan for legal services even though the County paid for the plan. (c) Before the date of the audit report, the Human Resources department was unable to produce documentation to close out the 2016 flex spending/dependent care/Health Retirement Account funds. (d) There was no benefit established for the County's wellness program, resulting in a deficit balance of almost \$15,000 by year's end. (e) There is no County policy describing accrued balances for worker's compensation and unemployment. These are just a few examples of the many reconciling differences. We recommend that the Human Resources department develop policies and procedures regarding benefit/deduction reconciliations and that more than one of the department's employees are trained on these procedures.
7. The Sheriff's Office regularly submits forfeiture funds for deposit in an interest-bearing account. At year's end, there were 21 cases of forfeited funds with one case dating back to 2010 and three cases dating back to 2012. It could be possible that these forfeitures have not been adjudicated because the County's current procedure is to hold the funds until judges' orders are received from the County Attorney. Therefore, it is not known whether the funds still need to be held or if the paperwork has not been submitted. We recommend that the County Attorney's office submit a

year-end report acknowledging the cases are still open as a control to ensure that the funds still need to be held.

This information is intended solely for the use of management of Utah County, the County Commission, and the Utah State Auditor and is not intended and should not be used by anyone other than these specified parties.

Very truly yours,

Gilbert & Stewart

GILBERT & STEWART PC
Certified Public Accountants