

UTAH COUNTY, UTAH

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018



Published: June 28, 2019

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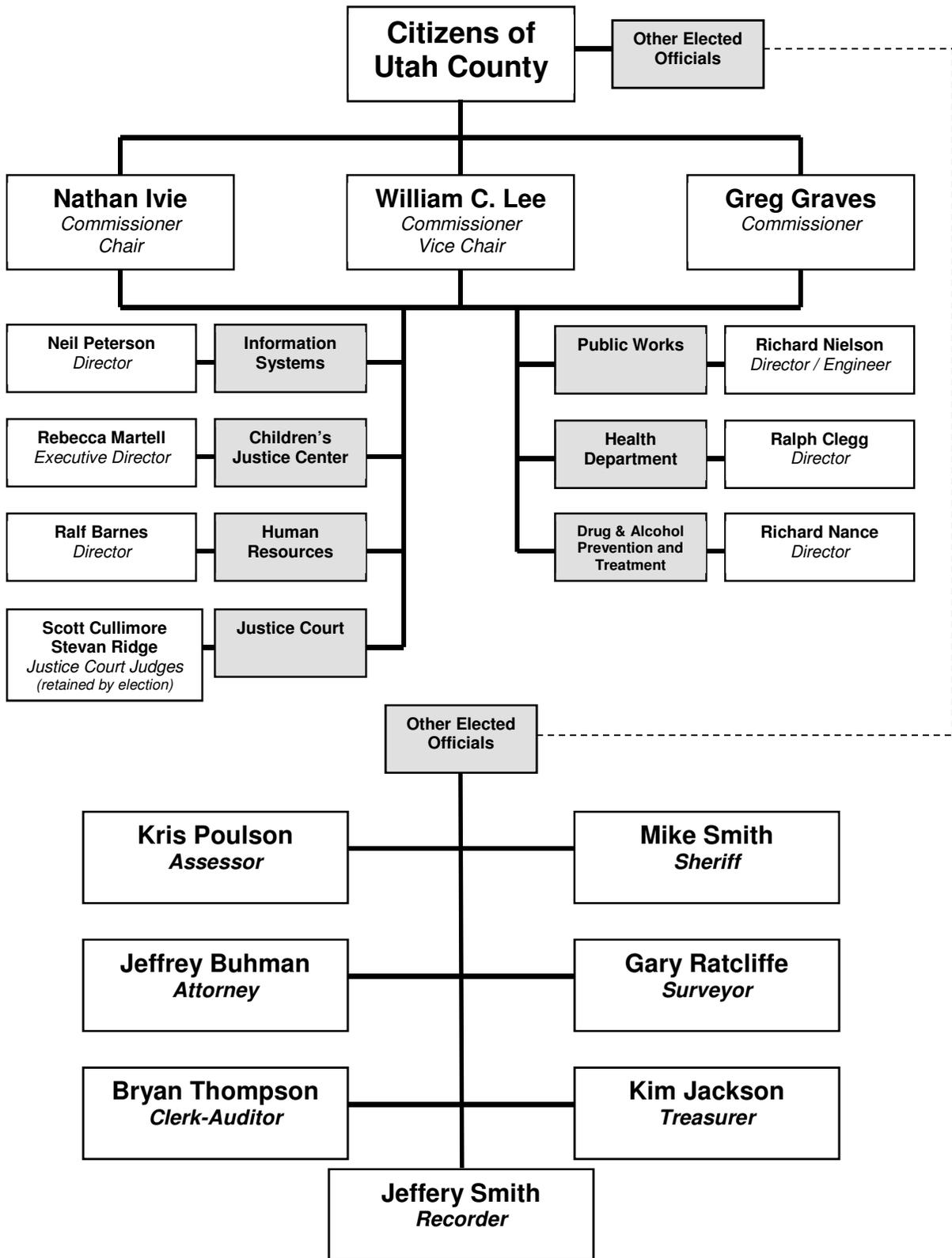
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UTAH COUNTY ORGANIZATIONAL CHART

As of December 31, 2018



FINANCIAL SECTION



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
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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

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, 2018, 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, 2018 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.

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, in 2018, the County adopted Governmental Accounting Standards board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion on the basic financial statements is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-12 and 66-68, and the County's Road System Ratings and OPEB and Pension Disclosures on pages 64-65 and 69-71 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 28, 2019, 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 28, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Utah County, Utah
Management's Discussion and Analysis
December 31, 2018**

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, 2018.

Financial Highlights

- At the close of the most recent fiscal year, the assets and deferred outflows of the County exceeded its liabilities by \$385,662,401 (net position). Of this amount, \$15,551,935 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 \$58,535,900.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$154,748,337, a decrease of \$24,772,932 in comparison with the prior year. Approximately 9 percent of this amount (\$14,421,172) 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 \$19,079,668, or approximately 24 percent of total general fund expenditures.
- The County's total outstanding long-term debt decreased by \$8,755,000 during the current fiscal year due to principal payments in accordance with debt service schedules.

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 Nos. 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, TRCC (Tourism, Recreational, Convention, and Cultural Facilities) Taxes 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, changes in the County's total other post-employment benefits (OPEB) liability, 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 \$385,662,401 at the close of the most recent fiscal year.

The largest portion of the County's net position (\$262,978,181 or 68 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 (\$107,132,285 or 28 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$15,551,935 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 \$58,535,900 (18 percent) from the prior fiscal year.

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Utah County's Net Position

	Governmental activities		Business-type activities		Total	
	2018	2017	2018	2017	2018	2017
Current assets	\$193,431,573	\$222,395,116	\$ 0	\$ 0	\$193,431,573	\$222,395,116
Capital assets	483,029,495	413,436,427	0	0	483,029,495	413,436,427
Other noncurrent assets	17,953	11,073	0	0	17,953	11,073
Total assets	676,479,021	635,842,616	0	0	676,479,021	635,842,616
Total deferred outflows of resources	26,496,655	28,655,514	0	0	26,496,655	28,655,514
Current liabilities	29,142,816	34,606,132			29,142,816	34,606,132
Noncurrent liabilities	277,661,111	297,522,787	0	0	277,661,111	297,522,787
Total liabilities	306,803,927	332,128,919	0	0	306,803,927	332,128,919
Total deferred inflows of resources	10,509,348	4,240,141	0	0	10,509,348	4,240,141
Net position:						
Net investment in capital assets	262,978,181	216,352,739	0	0	262,978,181	216,352,739
Restricted	107,132,285	101,108,993	0	0	107,132,285	101,108,993
Unrestricted	15,551,935	10,667,338	0	0	15,551,935	10,667,338
Total net position	\$385,662,401	\$328,129,070	\$ 0	\$ 0	\$385,662,401	\$328,129,070

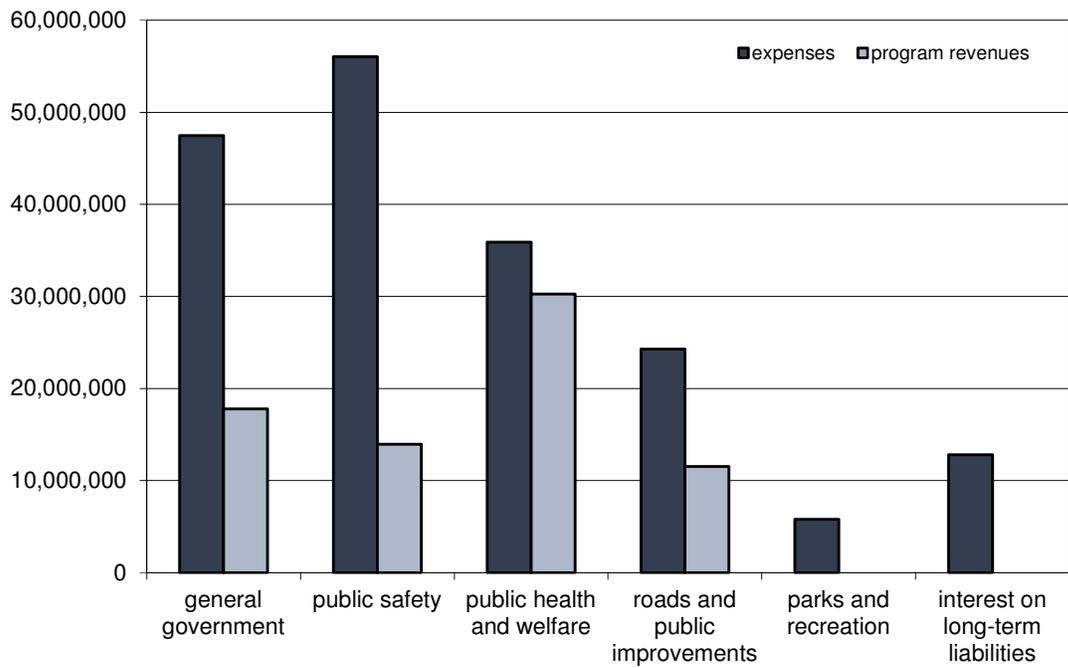
Governmental activities. As the County has no business-type activities, the overall increase of the County's net position by \$58,535,900 is solely attributed to governmental activities.

Utah County's Changes in Net Position

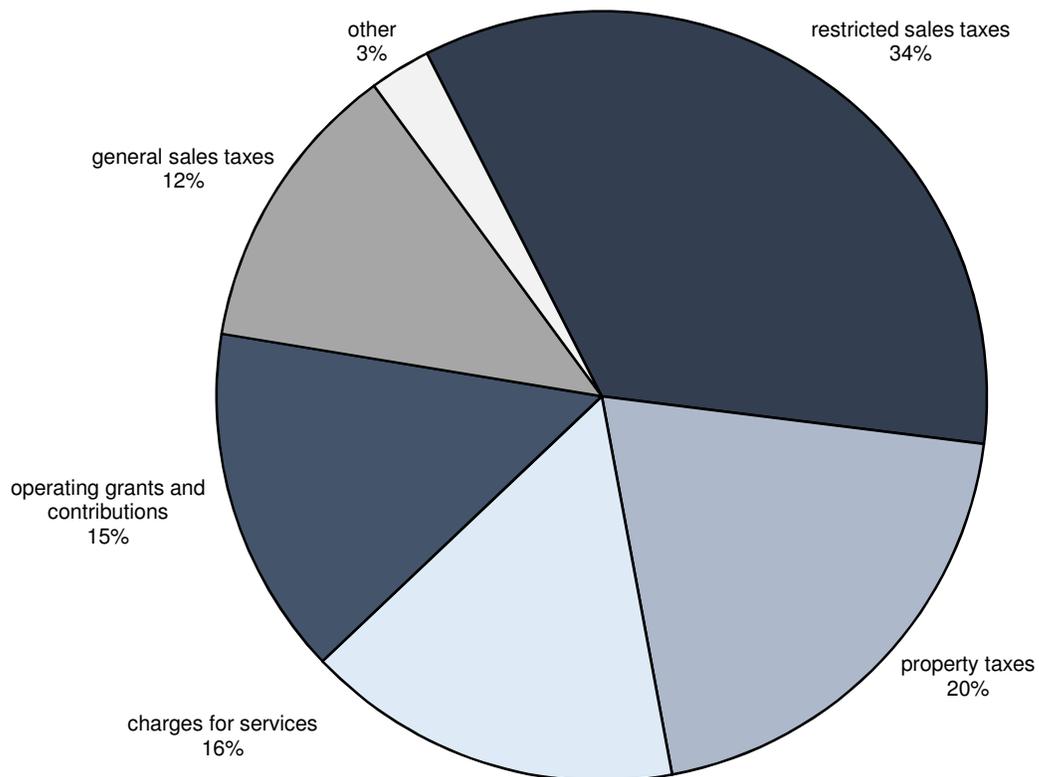
	Governmental activities		Business-type activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$38,143,276	\$36,130,584	\$ 0	\$ 0	\$38,143,276	\$36,130,584
Operating grants and contributions	35,354,244	30,744,111	0	0	35,354,244	30,744,111
Capital grants and contributions	0	0	0	0	0	0
General revenues:						
Property taxes	48,402,475	44,473,978	0	0	48,402,475	44,473,978
Other taxes	112,733,685	105,973,444	0	0	112,733,685	105,973,444
Other	6,178,675	3,954,106	0	0	6,178,675	3,954,106
Total revenues	240,812,355	221,276,223	0	0	240,812,355	221,276,223
Expenses:						
General government	\$47,470,529	\$41,392,765	0	0	\$47,470,529	\$41,392,765
Public safety	56,046,646	55,341,820	0	0	56,046,646	55,341,820
Public health and welfare	35,890,401	34,600,178	0	0	35,890,401	34,600,178
Roads and public improvements	24,268,692	82,784,821	0	0	24,268,692	82,784,821
Parks and recreation	5,797,461	4,464,337	0	0	5,797,461	4,464,337
Interest on long-term debt	12,802,726	12,957,564	0	0	12,802,726	12,957,564
Total expenses	182,276,455	231,541,485	0	0	182,276,455	231,541,485
Increase / (decrease) in net position	58,535,900	(10,265,262)	0	0	58,535,900	(10,265,262)
Net position – beginning	327,126,501*	338,394,332	0	0	327,126,501*	338,394,332
Net position – ending	\$320,070,825	\$328,129,070	\$ 0	\$ 0	\$320,070,825	\$328,129,070

*As restated due to implementation of GASB Statement No. 75

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 \$154,748,337, a decrease of \$24,772,932 in comparison with the prior year. Approximately 9 percent of this amount (\$14,421,172) 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 (\$114,112,220), (4) committed for particular purposes (\$21,549,183), or (5) assigned for particular purposes (\$4,665,762).

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 \$14,413,906 while total fund balance decreased to \$22,907,839. 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 18 percent of total general fund expenditures while total fund balance represents approximately 29 percent of total general fund expenditures.

The fund balance of the County's general fund decreased by \$2,002,139 during the current fiscal year. The general fund balance has decreased in two consecutive years. The Board of County Commissioners is addressing the fund balance decrease by reviewing all additional budget requests submitted by department heads and by analyzing additional revenue sources, including property taxes. In 2018, the Board of County Commissioners held truth-in-taxation hearings to increase the certified property tax rate. While the Board of County Commissioners did not adopt a rate increase at that time, the Board planned to review the rate again in 2019. The Board of County Commissioners is also working with the County Attorney, Clerk-Auditor, and financial advisors to update policies regarding fund balance reserves.

The TRCC (Tourism, Recreation, Cultural, and Convention Facilities) Taxes fund, a major fund, had a \$4,644,368 increase in fund balance during the current fiscal year. The increase in fund balance is attributable to not all the current tax revenues being spent during the year. In accordance with statute, the County has created a tourism tax advisory board that advises the Board of County Commissioners on the best use of revenues collected from both the TRCC taxes and transient room tax. The advisory board provides the Board of County Commissioners with a priority list of proposed expenditures based on projected available tax revenues. Some projects prioritized by the advisory board and approved by the Board of County Commissioners were not completed in 2018 and some funding was set aside for future projects. For example, in March 2019, the Board of County Commissioners approved \$4.3 million of TRCC taxes to help fund the Provo Airport expansion.

The Transportation Projects fund, a major fund, had a \$25,178,861 decrease in fund balance during the current fiscal year. The decrease in fund balance is mainly due to the expenditure of bond proceeds issued in 2016. In December 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. At the beginning of the year, there were \$28.7 million in unspent bond proceeds. All remaining bond proceeds were spent in 2018.

The Capital Projects fund, a major fund, had a \$162,773 decrease in fund balance during the current fiscal year. The decrease in fund balance can mainly be attributed to the purchase of 32 acres of land in Saratoga Springs.

The Debt Service fund, the remaining major governmental fund, had a decrease of \$1,379,141 in fund balance during the current year to bring the year-end fund balance to \$2,807,164. This decrease was due to the planned utilization of fund balance for debt service payments related to the Series 2014 Sales Tax Revenue Refunding Bonds. The bonds mature on December 1, 2020 and enough funds have been set aside in the Debt Service fund to pay all remaining debt service obligations without an operating transfer from the general fund.

- **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 \$6,896,186. The total increase in net position was \$354,101.

General Fund Budgetary Highlights

During the year there was a \$3,820,116 increase in appropriations between the original and final amended budgets. During 2018, the Sheriff requested \$1 million in additional funds for medical care for inmates. Other increases were for elections operations, matching funds for the Wasatch Mental Health Special Service District, public notices for a truth-in-taxation hearing, and additional court security staff for the new Fourth District Court building in Provo, Utah.

Capital Asset and Debt Administration

Capital assets. The County’s investment in capital assets for its governmental activities as of December 31, 2018 amounts to \$483,029,495 (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 increase in the County’s investment in capital assets for the current fiscal year was 16.8 percent.

Utah County’s Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2018	2017	2018	2017	2018	2017
Land	\$ 47,074,157	\$ 46,939,657	\$ 0	\$ 0	\$ 47,074,157	\$ 46,939,657
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	0	0	0	0	0	0
Buildings	109,513,264	112,119,299	0	0	109,513,264	112,119,299
Improvements other than buildings	3,957,006	4,210,870	0	0	3,957,006	4,210,870
Equipment	10,438,260	10,909,646	0	0	10,438,260	10,909,646
Infrastructure	311,835,068	239,045,217	0	0	311,835,068	239,045,217
Total	\$483,029,495	\$413,436,429	\$ 0	\$ 0	\$483,029,495	\$413,436,429

Major capital asset events occurring during the current fiscal year include construction of Canyon Road in Pleasant Grove and Cedar Hills, construction of Bus Rapid Transit infrastructure, and land purchases related to roads and other general purposes.

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 \$250,340,000. The full amount of the bonded debt, \$250,340,000, 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 decreased by \$8,755,000 (3 percent) during the current fiscal year. The key factor in this decrease was principal payments in accordance with debt service schedules.

Utah County’s Outstanding Debt General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Revenue bonds	250,340,000	259,095,000	0	0	250,340,000	259,095,000
Total	\$250,340,000	\$259,095,000	\$ 0	\$ 0	\$250,340,000	\$259,095,000

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 2018 was 2.7 percent (seasonally adjusted). This compares favorably to both the State’s unemployment rate of 3.2 percent and to the national unemployment rate of 3.9 percent (Source: U.S. Department of Labor, Bureau of Labor Statistics and Utah Department of Workforce Services).
- Utah County’s estimated population in 2018 was 622,213, an increase of 2.6 percent from the 2017 estimated population. 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.
- Utah County leads the State in economic growth. In 2018, Utah had one of the highest percentages of job growth in the United States at 3.7 percent. Five percent of that growth came from Utah County alone (Source: Gardner Policy Institute Analysis of Utah Department of Workforce Services and U.S. Bureau of Labor Statistics data, Kem C. Gardner Policy Institute at the University of Utah). Some large projects taking place within cities are as follows: (1) Construction of a \$300 million food production plant by Tyson Foods, Inc. in Eagle Mountain; (2) Construction of a 970,000 square foot Facebook data center in Eagle Mountain; (3) Redevelopment of the University Mall (known as “University Place”) in Orem. To help with transportation infrastructure and mass transit options, the Board of County Commissioners approved in December 2018 a quarter-cent (0.25%) sales tax dedicated to roads and transit to be enacted April 1, 2019. In March 2019, the Board of County Commissioners approved \$4.3 million in funding for the Provo Airport expansion. The County’s sponsorship of cultural and recreational facilities adds to the quality of life of its residents. During 2018, the Board of County Commissioners demonstrated its support

of cultural and recreational facilities by contributing to the operation, development, and/or maintenance of the Butterfly Biosphere at Thanksgiving Point in Lehi and the Hobble Creek Golf Course in Springville.

- 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 2018 or 2019.

These factors were considered in preparing the County's budget for 2019.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$14,413,906. The County has appropriated \$11,711,492 of this amount for spending in the 2019 budget. The use of available fund balance is a one-time funding source that will not be available in subsequent years. The Board of County Commissioners is addressing the utilization of fund balance by reviewing all additional budget requests submitted by department heads and by analyzing additional revenue sources, including property taxes. In 2018, the Board of County Commissioners held truth-in-taxation hearings to increase the certified property tax rate. While the Board of County Commissioners did not adopt a rate increase at that time, the Board planned to review the rate again in 2019. The Board of County Commissioners is also working with the County Attorney, Clerk-Auditor, and financial advisors to update policies regarding fund balance reserves.

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.

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BASIC FINANCIAL STATEMENTS

UTAH COUNTY
Statement of Net Position
December 31, 2018

	Primary Governmental Activities	Component Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and Investments	\$ 156,382,465	\$ 55,905,091
Receivables:		
Taxes Receivable	21,501,860	329,986
Other	10,975,408	7,864,378
Inventories	314,349	271,384
Other Current Assets	4,257,491	914,972
Capital Assets (net of depreciation):		
Land	47,074,157	6,382,287
Rights of Way and Water Rights	211,740	437,671
Construction In Progress	-	310,966
Buildings	109,513,264	17,520,876
Improvements Other Than Buildings	3,957,006	125,027,815
Equipment	10,438,260	331,147
Infrastructure	311,835,068	-
Net Pension Asset	17,953	661
Other Non Current Assets	-	47,225,221
Total Assets	676,479,021	262,522,455
Deferred Outflow of Resources	26,496,655	6,817,325
Total Assets and Deferred Outflow of Resources	702,975,676	269,339,780
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts Payable and Accruals	\$ 12,315,745	\$ 3,941,184
Accrued Interest	924,444	413,738
Unearned Revenues	3,132,201	27,449
Other Liabilities	3,567,758	909,649
Revenue Bonds, Notes and Capital Leases - Due Within One Year	9,202,668	2,405,441
Noncurrent liabilities:		
Revenue Bonds and Notes - Due More Than One Year	242,383,352	80,362,165
Other Noncurrent Liabilities	-	172,072
Net Pension Liability	23,585,228	7,661,497
Compensated Absences and Other Post Employment Benefits	11,692,531	746,256
Total Liabilities	306,803,927	96,639,451
Deferred Inflow of Resources	10,509,348	4,872,798
Total Liabilities and Deferred Inflow of Resources	317,313,275	101,512,249
Net Position:		
Net investment in capital assets	262,978,181	101,771,802
Restricted for:		
Debt Service	2,807,164	14,815,150
Other	-	425,250
Assessing and Collecting Property Tax	4,426,091	-
Transient Room Tax	771,038	-
Public Transit Tax	79,176,704	-
Restaurant Tax	19,951,288	-
Unrestricted	15,551,935	50,815,329
Total Net Position	\$ 385,662,401	\$ 167,827,531

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

UTAH COUNTY
Statement of Activities
Year Ended December 31, 2018

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	\$ 47,470,529	\$ 17,786,693	\$ -	\$ -	\$ (29,683,836)	\$ (29,683,836)	\$ -
Public Safety	56,046,646	7,969,348	5,981,931	-	(42,095,367)	(42,095,367)	-
Public Health	35,890,401	12,387,235	17,862,318	-	(5,640,848)	(5,640,848)	-
Highways and Streets	24,268,692	-	11,509,995	-	(12,758,697)	(12,758,697)	-
Parks and Recreation	5,797,461	-	-	-	(5,797,461)	(5,797,461)	-
Interest on Long-term Liabilities	12,802,726	-	-	-	(12,802,726)	(12,802,726)	-
Total County	<u>\$ 182,276,455</u>	<u>\$ 38,143,276</u>	<u>\$ 35,354,244</u>	<u>\$ -</u>	<u>(108,778,935)</u>	<u>(108,778,935)</u>	<u>-</u>
Component Units							
Timpanogos Special Service District	\$ 16,872,002	\$ 17,328,072	\$ -	\$ -	\$ -	\$ -	\$ 456,070
North Pointe Solid Waste Special Service District	9,352,445	8,875,476	-	-	-	-	(476,969)
North Fork Special Service District	1,376,616	1,339,212	-	-	-	-	(37,404)
Utah Valley Convention and Visitors Bureau	2,291,876	2,282,222	-	-	-	-	(9,654)
Wasatch Mental Health	35,747,243	35,295,874	-	-	-	-	(451,369)
	<u>\$ 65,640,182</u>	<u>\$ 65,120,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ (519,326)</u>
General revenues:							
Property Taxes					48,402,475	48,402,475	-
Sales Taxes					99,158,282	99,158,282	-
Restaurant Tax					9,762,168	9,762,168	-
Transient Room Tax					3,813,235	3,813,235	-
Earnings on Investments					3,503,161	3,503,161	1,765,818
Impact Fees and Other					-	-	-
Miscellaneous					2,675,514	2,675,514	8,932,839
Total general revenues					<u>167,314,835</u>	<u>167,314,835</u>	<u>10,698,657</u>
Change in net position					58,535,900	58,535,900	10,179,331
Net position - beginning - restated					<u>327,126,501</u>	<u>327,126,501</u>	<u>157,648,200</u>
Net position - ending					<u>\$ 385,662,401</u>	<u>\$ 385,662,401</u>	<u>\$ 167,827,531</u>

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

UTAH COUNTY
Balance Sheet
Governmental Funds
December 31, 2018

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	TRCC Taxes	Transportation Projects	Capital Projects			
ASSETS							
Cash and investments	\$ 27,229,108	\$ 19,825,389	\$ 70,290,596	\$ 9,466,367	\$ 2,789,490	\$ 18,273,185	\$ 147,874,135
Receivables:							
Tax receivables	11,863,925	1,648,348	4,419,748	-	-	3,569,839	21,501,861
Other receivables	1,233,938	29,734	2,391,495	-	20,674	6,789,284	10,465,125
Due from other funds	3,196,000	-	-	-	-	-	3,196,000
Other assets	112,460	52,803	3,589,238	-	-	338,721	4,093,223
Total assets	<u>\$ 43,635,432</u>	<u>\$ 21,556,274</u>	<u>\$ 80,691,078</u>	<u>\$ 9,466,367</u>	<u>\$ 2,810,164</u>	<u>\$ 28,971,029</u>	<u>\$ 187,130,344</u>
LIABILITIES							
Accounts payable and accruals	\$ 5,851,137	\$ 1,560,942	\$ 677,682	\$ -	\$ 3,000	\$ 2,331,003	\$ 10,423,764
Unearned revenues	1,120,274	6,819	758,530	-	-	1,180,002	3,065,625
Due to other funds	-	-	-	-	-	3,196,000	3,196,000
Other liabilities	11,792,832	37,224	78,162	-	-	942,719	12,850,937
Total liabilities	<u>18,764,243</u>	<u>1,604,986</u>	<u>1,514,374</u>	<u>-</u>	<u>3,000</u>	<u>7,649,723</u>	<u>29,536,326</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,963,349</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>882,332</u>	<u>2,845,681</u>
FUND BALANCES							
Restricted:							
Transient room tax	-	-	-	-	-	771,038	771,038
Assessing and collecting	-	-	-	-	-	4,426,091	4,426,091
Public transit taxes	-	-	79,176,704	-	-	-	79,176,704
TRCC tax	-	19,951,288	-	-	-	-	19,951,288
Special service areas/districts	-	-	-	-	-	5,958,927	5,958,927
Bond proceeds	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Statutory minimum balance	3,828,171	-	-	-	-	-	3,828,171
Committed:							
Public health and welfare	-	-	-	-	-	8,240,871	8,240,871
Public safety	-	-	-	-	-	1,034,781	1,034,781
Capital projects	-	-	-	9,466,367	-	-	9,466,367
Debt service	-	-	-	-	2,807,164	-	2,807,164
Assigned:							
Medicaid reserve	600,000	-	-	-	-	-	600,000
Equipment replacement	3,065,762	-	-	-	-	-	3,065,762
Presidential election (2020)	1,000,000	-	-	-	-	-	1,000,000
Unassigned	14,413,906	-	-	-	-	7,265	14,421,172
Total fund balances	<u>22,907,839</u>	<u>19,951,288</u>	<u>79,176,704</u>	<u>9,466,367</u>	<u>2,807,164</u>	<u>20,438,973</u>	<u>154,748,337</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 43,635,432</u>	<u>\$ 21,556,274</u>	<u>\$ 80,691,078</u>	<u>\$ 9,466,367</u>	<u>\$ 2,810,164</u>	<u>\$ 28,971,029</u>	<u>\$ 187,130,344</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, 2018

Total fund balances for governmental funds \$ 154,748,335

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	\$ 47,074,157	
Rights of Way	211,740	
Buildings net of accum. depreciation of \$37,905,343	109,513,264	
Improvements other than buildings net of accum. depreciation \$5,264,077	3,957,006	
Equipment net of accum. depreciation of \$21,412,102	10,438,260	
Infrastructure	311,835,068	483,029,495

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (924,444)

The net pension asset is not an available resource and therefore is not reported in the governmental funds 17,953

Unamortized bond premiums originally shown as revenue in the governmental funds (2,171,913)

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. 2,845,681

Unamortized deferred outflow of resources - refundings 72,940

Unamortized bond discounts originally shown as expenditures the governmental funds 925,893

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: 7,044,064

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	(250,340,000)	
Net Pension liability	(23,585,228)	
Deferred outflows of resources related to pensions	26,423,715	
Deferred inflow of resources related to pensions	(10,509,348)	
Compensated absences and OPEB	(1,914,742)	(259,925,603)

Total net position of governmental activities \$ 385,662,401

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, 2018

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	TRCC Taxes	Transportation Projects	Capital Projects	Debt Service		
REVENUES							
Property taxes	\$ 33,382,815	\$ -	\$ -	\$ -	\$ 576	\$ 13,878,417	\$ 47,261,808
Sales taxes	29,714,589	9,762,168	69,443,694	-	-	3,813,235	112,733,685
Franchise taxes	4,924	-	-	-	-	-	4,924
Licenses and permits	379,620	-	-	-	-	24,711	404,331
Intergovernmental	828,453	-	6,594,214	-	3,155,604	25,899,984	36,478,254
Charges for services	8,968,827	184,485	4,915,781	-	-	20,602,443	34,671,535
Fines and forfeitures	1,943,400	-	-	-	-	14,748	1,958,148
Interest	476,297	408,317	2,057,588	217,613	-	343,346	3,503,161
Miscellaneous	864,477	324,705	513,845	122,800	-	830,012	2,655,838
Total revenues	<u>76,563,401</u>	<u>10,679,674</u>	<u>83,525,121</u>	<u>340,413</u>	<u>3,156,180</u>	<u>65,406,895</u>	<u>239,671,685</u>
EXPENDITURES							
Current:							
General government	26,707,392	-	-	38,564	-	20,733,823	47,479,779
Public safety	50,130,902	-	-	-	-	5,869,513	56,000,415
Public health and welfare	899,841	-	-	-	-	35,253,231	36,153,072
Roads and public improvements	-	-	88,182,601	-	-	2,620,103	90,802,703
Parks and recreation	519,821	5,041,223	-	-	-	-	5,561,044
Debt service:							
Principal	-	-	-	-	8,755,000	-	8,755,000
Interest	-	-	-	-	12,947,299	-	12,947,299
Fiscal charges	-	-	-	-	24,200	-	24,200
Capital outlay:							
General government	-	-	-	397,193	-	-	397,193
Public safety	237,029	-	-	-	-	6,500	243,529
Public health and welfare	-	-	-	-	-	100,665	100,665
Roads and public improvements	-	28,507	6,268,383	-	-	-	6,296,890
Parks and recreation	-	-	-	-	-	-	-
Total expenditures	<u>78,494,985</u>	<u>5,069,730</u>	<u>94,450,984</u>	<u>435,757</u>	<u>21,726,499</u>	<u>64,583,836</u>	<u>264,761,790</u>
Excess (deficiency) of revenues over expenditures	<u>(1,931,584)</u>	<u>5,609,945</u>	<u>(10,925,862)</u>	<u>(95,344)</u>	<u>(18,570,319)</u>	<u>823,060</u>	<u>(25,090,105)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	3,721,669	-	-	28,814	17,191,754	4,333,723	25,275,960
Transfers out	(3,792,223)	(965,576)	(14,252,999)	(96,243)	(576)	(5,851,169)	(24,958,787)
Issuance of bonds	-	-	-	-	-	-	-
Payments to refunding escrow	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(70,554)</u>	<u>(965,576)</u>	<u>(14,252,999)</u>	<u>(67,430)</u>	<u>17,191,178</u>	<u>(1,517,446)</u>	<u>317,173</u>
Net change in fund balances	(2,002,139)	4,644,368	(25,178,861)	(162,773)	(1,379,141)	(694,386)	(24,772,932)
Fund balances - beginning	24,909,978	15,306,920	104,355,565	9,629,141	4,186,306	21,133,359	179,521,269
Fund balances - ending	<u>\$ 22,907,839</u>	<u>\$ 19,951,288</u>	<u>\$ 79,176,704</u>	<u>\$ 9,466,367</u>	<u>\$ 2,807,164</u>	<u>\$ 20,438,973</u>	<u>\$ 154,748,337</u>

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

UTAH COUNTY
Statement of Net Position
Proprietary Funds
December 31, 2018

	Governmental Activities - Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and investments	\$ 8,508,329
Accounts receivable	510,283
Inventory	314,349
Prepaid expenses	164,269
Total current assets	9,497,230
Noncurrent assets:	
Net pension asset	637
Capital assets:	
Equipment, vehicles, furniture	26,743,672
Accumulated depreciation	(17,156,350)
Net capital assets	9,587,322
Total noncurrent assets	9,587,959
Total assets	19,085,189
Deferred outflows of resources:	
Pension-related deferred outflows	2,382,224
Total assets and deferred outflows of resources	21,467,413
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable and accruals	1,891,981
Unearned revenues	66,576
Due to other funds	-
Total current liabilities	1,958,557
Noncurrent liabilities:	
Net pension liability	2,133,552
Total noncurrent liabilities	2,133,552
Total liabilities	4,092,109
Deferred inflows of resources:	
Pension-related deferred inflows	891,796
Total liabilities and deferred inflows of resources	4,983,905
NET POSITION	
Restricted - invested in capital assets, net of related debt	9,587,322
Unrestricted	6,896,186
Total net position	\$ 16,483,508

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, 2018

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges to other funds	\$ 17,814,820
Charges to outside agencies	1,460,370
Other revenues	123,593
Total operating revenues	19,398,784
Operating expenses:	
Salaries, wages, and benefits	7,747,629
Materials, supplies, and services	8,485,819
Depreciation	3,013,668
Total operating expenses	19,247,115
Operating income (loss)	151,668
Non-operating revenues (expenses):	
Interest income	206,338
Intergovernmental income	-
Intergovernmental expenses	-
Gain (loss) on sale of fixed assets	313,267
Total non-operating income (loss)	519,605
Net income (loss) before operating transfers	671,274
Transfers:	
Transfers in	-
Transfers out	(317,173)
Total transfers	(317,173)
Net income (loss)	354,101
Net position at beginning of year	16,129,407
Net position at end of year	\$ 16,483,508

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, 2018

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from customers and users	\$ 19,459,899
Payments to suppliers	(8,060,186)
Payments to employees	(7,912,161)
Net cash provided (used) by operating activities	3,487,552
Cash flows from non-capital financing activities:	
Transfers in	-
Transfers out	(317,173)
Net cash provided (used) by non-capital financing activities	(317,173)
Cash flows from capital and related financing activities:	
Payments for acquisitions of capital assets	(2,511,183)
Proceeds from sales of capital assets	313,267
Intergovernmental revenue	-
Net cash provided (used) by capital and related financing activities	(2,197,916)
Cash flows from investing activities:	
Interest received	206,338
Net change in cash and cash equivalents	1,178,802
Cash and cash equivalents - beginning	7,329,527
Cash and cash equivalents - ending	\$ 8,508,329
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 151,668
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	3,013,668
(Increase) decrease in accounts receivable	3,165
(Increase) decrease in prepaid expenses	(46,108)
(Increase) decrease in inventory	44,303
Increase (decrease) in accounts payable	427,438
Increase (decrease) in accrued payroll	33,234
Increase (decrease) in unearned revenue	57,950
Increase (decrease) in amounts due to other funds	-
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(197,766)
Total adjustments	3,335,884
Net cash provided (used) by operating activities	\$ 3,487,552
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, 2018

	Agency Funds
ASSETS	
Cash and investments	\$ 95,276,895
Taxes receivable	704,280
Accounts receivable	(60,421)
Other assets	(1,178)
Total assets	<u>\$ 95,919,577</u>
LIABILITIES	
Due to other taxing units or entities	\$ 95,684,719
Other liabilities	234,858
Total liabilities	<u>\$ 95,919,577</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, 2018.

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: 6400 North 5050 West, American Fork, UT 84003
Fiscal Year Ended: December 31, 2018
Report dated May 15, 2019

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: 2000 West 200 South, Lindon, UT 84042
Fiscal Year Ended: December 31, 2018
Report dated March 22, 2019

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 Ended: June 30, 2018
Report dated October 12, 2018

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 Ended: December 31, 2017
Report dated July 11, 2018

Note: The report for the 2018 fiscal year was unavailable 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, 2018
Report dated April 16, 2019

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2018

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	\$ 46,458,961	\$ 4,230,874	\$ 2,582,119	\$ 675,403	\$ 11,338,454	\$ 65,285,811
Capital assets, net of accumulated depreciation	124,453,154	6,922,903	8,475,199	37,187	13,122,329	153,010,772
Other noncurrent assets	43,938,437	-	661	-	286,774	44,225,872
Total assets	<u>214,850,552</u>	<u>11,153,777</u>	<u>11,057,979</u>	<u>712,590</u>	<u>24,747,557</u>	<u>262,522,455</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>797,036</u>	<u>544,061</u>	<u>61,869</u>	<u>-</u>	<u>5,414,359</u>	<u>6,817,325</u>
Total assets and deferred outflows of resources	<u>\$ 215,647,588</u>	<u>\$ 11,697,838</u>	<u>\$ 11,119,848</u>	<u>\$ 712,590</u>	<u>\$ 30,161,916</u>	<u>\$ 269,339,780</u>
LIABILITIES						
Current liabilities	\$ 3,287,953	\$ 441,304	\$ 462,754	\$ 153,294	\$ 3,352,156	\$ 7,697,461
Noncurrent liabilities	76,487,165	630,321	4,871,156	-	6,953,348	88,941,990
Total liabilities	<u>79,775,118</u>	<u>1,071,625</u>	<u>5,333,910</u>	<u>153,294</u>	<u>10,305,504</u>	<u>96,639,451</u>
DEFERRED INFLOWS OF RESOURCES	<u>427,335</u>	<u>210,702</u>	<u>39,781</u>	<u>-</u>	<u>4,194,980</u>	<u>4,872,798</u>
NET POSITION						
Net position	<u>135,445,135</u>	<u>10,415,511</u>	<u>5,746,157</u>	<u>559,296</u>	<u>15,661,432</u>	<u>167,827,531</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 215,647,588</u>	<u>\$ 11,697,838</u>	<u>\$ 11,119,848</u>	<u>\$ 712,590</u>	<u>\$ 30,161,916</u>	<u>\$ 269,339,780</u>

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Operating revenues	\$ 17,328,072	\$ 8,875,476	\$ 1,339,212	\$ 2,282,222	\$ 35,295,874	\$ 65,120,856
Operating expenses:						
Depreciation	4,824,465	567,791	244,207	15,325	581,811	6,233,599
Other operating expenses	8,112,988	8,784,654	995,104	2,276,551	35,165,432	55,334,729
Operating income (loss)	<u>4,390,619</u>	<u>(476,969)</u>	<u>99,901</u>	<u>(9,654)</u>	<u>(451,369)</u>	<u>3,552,528</u>
Non-operating revenues (expenses)	<u>5,593,167</u>	<u>320,585</u>	<u>68,948</u>	<u>3,323</u>	<u>640,780</u>	<u>6,626,803</u>
Change in net position	9,983,786	(156,384)	168,849	(6,331)	189,411	10,179,331
Net position - beginning	<u>125,461,349</u>	<u>10,571,895</u>	<u>5,577,308</u>	<u>565,627</u>	<u>15,472,021</u>	<u>157,648,200</u>
Net position - ending	<u>\$ 135,445,135</u>	<u>\$ 10,415,511</u>	<u>\$ 5,746,157</u>	<u>\$ 559,296</u>	<u>\$ 15,661,432</u>	<u>\$ 167,827,531</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 *TRCC (Tourism, Recreational, Cultural, and Convention Facilities) Taxes Special Revenue Fund* accounts for projects funded by the restaurant tax and short-term motor vehicle lease tax. Revenue from these taxes may be used for financing tourism promotion and the development, operation, and maintenance of an airport, convention, cultural, recreation, or tourist facility.

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; Health Department; 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; 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, 2018, 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 plus a reserve balance for a limited number of qualified employees). The liability was computed according to the County’s Human Resources Rules & Regulations and totaled \$4,648,970.

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

NOTE 1 (Continued)

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 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.

NOTE 1 (Continued)

c) Statutorily required minimum fund balance in the general fund, which is currently set forth as 5 percent of total general fund revenues.

• **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, equipment replacement, and the 2020 presidential election.

• **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

NOTE 1 (Continued)

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.

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.

NOTE 1 (Continued)

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.

NOTE 2 (Continued)

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.
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, 2018, the County's custodial credit risk for deposits was as follows:

Custodial Credit Risk	Balance December 31, 2018
Insured	\$ 500,000
Uninsured	6,545,122
Total	\$ 7,045,122

NOTE 3 (Continued)

The County's bank balance is \$7,045,122, of which \$500,000 is covered by federal depository insurance. Uninsured deposits are not collateralized. As of December 31, 2018, \$6,545,122 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 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:

NOTE 3 (Continued)

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

At December 31, 2018, the County had the following recurring fair value measurements:

	12/31/2018	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Utah Public Treasurers' Investment Fund	\$ 224,310,858	\$ 0	\$ 224,310,858	\$ 0
United States Agencies	11,281,883	11,281,883	0	0
Corporate Bonds	10,121,453	10,121,453	0	0
Municipal/Public Bonds	132,827	0	132,827	0
Commercial Paper	0	0	0	0
Money Market Mutual Funds	81,697	0	81,697	0
Total debt securities	245,928,718	21,403,336	224,525,382	0
Equity securities:				
None	0	0	0	0
Other:				
Currency	15	15	0	0
Total investments by fair value level	\$ 245,928,733	\$ 21,403,351	\$ 224,525,382	\$ 0
Investments measured at the net asset value (NAV)				
None	0			
Total investments measured at fair value	\$ 245,928,733			

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, 2018 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, 2018 is 0.99972772. The fair value of the PTIF investment is approximately equal to the value of the pool shares with a difference of \$61,075, 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, 2018, 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	\$ 224,310,858	\$ 224,310,858	-	-	-
United States Agencies (Debt Securities)	11,281,883	3,230,785	8,051,098	-	-
Corporate Bonds (Debt Securities)	10,121,453	4,462,818	5,658,635	-	-
Municipal/Public Bonds (Debt Securities)	132,827	132,827	-	-	-
Commercial Paper (Debt Securities)	-	-	-	-	-
Money Market Mutual Funds (Debt Securities)	81,697	81,697	-	-	-
Currency	15	15	-	-	-
Total	\$ 245,928,733	\$ 232,219,000	\$ 13,709,733	\$ -	\$ -

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.

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2018

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 (Continued)

At December 31, 2018, 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	\$ 224,310,858	\$ -	-	-	224,310,858
United States Agencies (Debt Securities)	11,281,883	11,281,883	-	-	-
Corporate Bonds (Debt Securities)	10,121,453	-	2,893,156	7,228,297	-
Municipal/Public Bonds (Debt Securities)	132,827	-	132,827	-	-
Commercial Paper (Debt Securities)	-	-	-	-	-
Money Market Mutual Funds (Debt Securities)	81,697	-	-	-	81,697
Currency	15	15	-	-	-
Total	<u>\$ 245,928,733</u>	<u>\$ 11,281,898</u>	<u>\$ 3,025,983</u>	<u>\$ 7,228,297</u>	<u>\$ 224,392,555</u>

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. The Money Management Council's Rule 17 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 following schedule reconciles the deposits and investments described above to the financial statements:

Deposits (as described in this note)	\$ 7,045,122
Fair value of investments (as described in this note)	245,928,733
Add: Cash on hand/petty cash	<u>19,250</u>
Total cash and investments per note disclosure	<u>\$ 252,993,105</u>
Cash and investments per:	
Balance Sheet-Governmental Funds	\$ 147,874,135
Statement of Net Position-Proprietary Funds	8,508,329
Statement of Fiduciary Net Position-Agency Funds	95,276,895
Deposits in transit/(outstanding checks)	1,424,926
Investment accrual	<u>(91,180)</u>
Total cash and investments per statements	<u>\$ 252,993,105</u>

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2018

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - INTERFUND LOANS, BALANCES, AND TRANSFERS

At December 31, 2018, the County had the following interfund balances:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$3,196,000	\$ -
Grants/Outside Funding Special Revenue Fund	-	2,243,000
Children’s Justice Center Special Revenue Fund	-	286,000
Contract Law Enforcement Special Revenue Fund	-	667,000
Totals	<u>\$3,196,000</u>	<u>\$3,196,000</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	TRCC Taxes Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	
Transfers FROM:						
Major governmental funds:						
General fund	\$ -	\$ -	\$ -	\$ -	\$ 3,792,223	\$ 3,792,223
TRCC taxes fund	-	-	13,641	951,936	-	965,576
Transportation projects fund	-	-	-	14,252,999	-	14,252,999
Capital projects fund	-	-	-	96,243	-	96,243
Debt service fund	-	-	-	576	-	576
Other governmental funds	3,721,669	-	-	1,588,000	541,500	5,851,169
Internal service (proprietary) funds	-	-	15,173	302,000	-	317,173
Totals	<u>\$ 3,721,669</u>	<u>\$ -</u>	<u>\$ 28,814</u>	<u>\$ 17,191,754</u>	<u>\$ 4,333,723</u>	<u>\$ 25,275,960</u>

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2018

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 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	\$ 46,939,657	\$ 134,500	\$ -	\$ 47,074,157
Rights of way	211,740	-	-	211,740
Construction in progress	-	-	-	-
Infrastructure	239,045,217	72,789,851	-	311,835,068
Total capital assets not being depreciated	<u>286,196,614</u>	<u>72,924,351</u>	<u>-</u>	<u>359,120,965</u>
Capital assets being depreciated:				
Buildings	147,269,958	148,649	-	147,418,607
Improvements other than buildings	9,208,094	12,989	-	9,221,083
Machinery and equipment	29,797,015	2,967,968	(914,621)	31,850,362
Total capital assets being depreciated	<u>186,275,067</u>	<u>3,129,606</u>	<u>(914,621)</u>	<u>188,490,052</u>
Less accumulated depreciation for:				
Buildings	35,150,659	2,754,684	-	37,905,343
Improvements other than buildings	4,997,224	266,853	-	5,264,077
Machinery and equipment	18,887,369	3,356,988	(832,255)	21,412,102
Total accumulated depreciation	<u>59,035,252</u>	<u>6,378,525</u>	<u>(832,255)</u>	<u>64,581,522</u>
Total capital assets, being depreciated, net	<u>127,239,815</u>	<u>(3,248,919)</u>	<u>(82,366)</u>	<u>123,908,530</u>
Governmental activities, capital assets, net	<u>\$ 413,436,429</u>	<u>\$ 69,675,432</u>	<u>\$ (82,366)</u>	<u>\$ 483,029,495</u>

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

Governmental activities:	
General government	\$ 1,541,433
Public health	375,555
Public safety	1,107,652
Highways and public improvements	78,550
Parks and recreation	266,853
Internal service funds (charged to individual funds based on usage)	3,008,482
Total depreciation expense, governmental activities	<u>\$ 6,378,525</u>

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NOTE 6 – LONG-TERM OBLIGATIONS

Bonds

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. 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 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%
	\$ 79,615,000	

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:

NOTE 6 (Continued)

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 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%
	<u>\$ 21,430,000</u>	

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. On December 1, 2018, the outstanding principal balance of the Series 2010A bonds was paid in full.

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:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
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%
	\$ 5,000,000	

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:

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	

NOTE 6 (Continued)

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:

Due Date		Principal	Interest Rate
February 1	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%
		<u>\$ 3,435,000</u>	

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 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%
	\$ 44,900,000	

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 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%
	\$ 3,015,000	

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 2019	\$ 1,345,000	1.83%
2020	1,370,000	1.83%
	\$ 2,715,000	

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, 2018

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
November 1 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%
	\$ 62,030,000	

The following table summarizes the changes in long-term debt for 2018:

	January 1 2018	Additions	Retirements	December 31 2018	Due in One Year
Governmental Activities:					
<i>General Obligation Bonds</i>					
<none>	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Obligation Bonds	-	-	-	-	-
<i>Revenue Bonds</i>					
2009B Transportation Sales Tax Revenue Bonds	82,615,000	-	(3,000,000)	79,615,000	3,150,000
2009B Vehicle Registration Fee Revenue Bonds	22,245,000	-	(815,000)	21,430,000	850,000
2010A Excise Tax Revenue Bonds	860,000	-	(860,000)	-	-
2010B Excise Tax Revenue Bonds	5,000,000	-	-	5,000,000	900,000
2010C Excise Tax Revenue Bonds	28,200,000	-	-	28,200,000	-
2010 Taxable Sales Tax Revenue Bonds (QECCB)	3,735,000	-	(300,000)	3,435,000	315,000
2012 Sales Tax Revenue Bonds	45,845,000	-	(945,000)	44,900,000	945,000
2013 Excise Tax Revenue Bonds	3,160,000	-	(145,000)	3,015,000	150,000
2014 Sales Tax Revenue Refunding Bonds	4,040,000	-	(1,325,000)	2,715,000	1,345,000
2016 Subordinated Sales Tax Revenue Bonds	63,395,000	-	(1,365,000)	62,030,000	1,410,000
Unamortized Bond Discounts	(984,768)	-	58,875	(925,893)	(58,875)
Unamortized Bond Premiums	2,368,456	-	(196,543)	2,171,913	196,543
Total Revenue Bonds	260,478,688	-	(8,892,668)	251,586,020	9,202,668
Total Bonds Payable	260,478,688	-	(8,892,668)	251,586,020	9,202,668
Compensated Absences	4,648,970	194,712	-	4,843,682	4,843,682
Total OPEB Liability*	10,285,752	-	(419,286)	9,866,466	578,558
	\$ 275,413,410	\$ 194,712	\$ (9,311,954)	\$ 266,296,168	\$ 14,624,908

*Note: Utah County implemented GASB Statement No. 75 during fiscal year 2018. The Total OPEB Liability as of January 1, 2018 differs from the December 31, 2017 liability amount presented in the County's 2017 financial statements due to the implementation.

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:

<u>Fiscal Year</u>	<u>All Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	8,725,000	11,418,062	20,143,062
2023	9,120,000	10,972,188	20,092,188
2024-2028	51,410,000	47,244,995	98,654,995
2029-2033	98,000,000	26,418,213	124,418,213
2034-2038	46,600,000	9,038,250	55,638,250
2039	9,645,000	465,459	10,110,459
Totals	<u>\$ 250,340,000</u>	<u>\$ 142,264,786</u>	<u>\$ 392,604,786</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. A limited number of employees are also eligible to have a sick leave reserve balance of hours that were accrued before January 1, 2011 paid as cash at 25 percent of the employee’s pay rate as of December 31, 2010. As of December 31, 2018, the liability for accrued compensated absences amounted to \$4,843,682. As of December 31, 2018, the County’s total other post-employment benefit (“OPEB”) liability was \$9,866,466.

NOTE 7 – PENSION AND RETIREMENT PLANS

General Information about the Pension Plan

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:

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (“Noncontributory System”) and Public Employees Contributory Retirement System (“Contributory System”) are multiple-employer, cost-sharing, retirement systems.
- Public Safety Retirement System (“Public Safety System”) is a cost-sharing, multiple-employer public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (“Tier 2 Public Employees System”) and Tier 2 Public Safety and Firefighter Contributory Retirement System (“Tier 2 Public Safety and Firefighters System”) are multiple-employer, cost-sharing, public-employee 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 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.

Summary of Benefits by System

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

NOTE 7 (Continued)

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percentage 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 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% or 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.

Contribution Rate Summary

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, 2018 are as follows:

NOTE 7 (Continued)

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Contributory System:			
11 - Local Government Division Tier 1	6.00%	14.46%	N/A
111 - Local Government Division Tier 2	N/A	15.54%	1.15%
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	10.50%	22.81%	N/A
122 - Tier 2 DB Hybrid Public Safety	N/A	21.00%	0.74%
Noncontributory			
49 - Other Division B with 2.5% COLA	N/A	32.28%	N/A
Tier 2 Defined Contribution Only:			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	9.74%	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, 2018, the employer and employee contributions to the Systems were as follows:

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 4,888,300	N/A
Contributory System	70,182	\$ 29,121
Public Safety System	4,112,470	8,020
Tier 2 Public Employees System	1,366,205	-
Tier 2 Public Safety and Firefighter	465,481	-
Tier 2 DC Only System	116,484	N/A
Tier 2 DC Public Safety and Firefighter System	19,306	N/A
Total Contributions	\$ 11,038,429	\$ 37,141

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)

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

At December 31, 2018, the County reported a net pension asset of \$17,953 and a net pension liability of \$23,585,227.

	Measurement Date: December 31, 2017				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share 31 Dec 2016	Change (Decrease)
Noncontributory System	\$ -	\$ 13,643,291	3.1139825%	3.2755727%	(0.1615902)%
Contributory System	-	223,791	2.7501520%	2.8551754%	(0.1050234)%
Public Safety System	-	9,652,669	19.9764093%	20.4961943%	(0.5197850)%
Tier 2 Public Employees System	-	65,476	0.7426385%	0.7118714%	0.0307671 %
Tier 2 Public Safety and Firefighter	17,953	-	1.5515733%	1.2755688%	0.2760045 %
	<u>\$ 17,953</u>	<u>\$ 23,585,227</u>			

The net pension asset and liability were measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017 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, 2018, the County recognized pension expense of \$8,154,860.

At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,452,130	\$ 896,322
Changes in assumptions	9,519,868	764,608
Net difference between projected and actual earnings on pension plan investments	-	8,100,797
Changes in proportion and differences between contributions and proportionate share of contributions	413,289	747,621
Contributions subsequent to the measurement date	11,038,429	-
Total	<u>\$ 26,423,715</u>	<u>\$ 10,509,348</u>

NOTE 7 (Continued)

\$11,038,429 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, 2017.

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>
2018	\$ 2,804,767
2019	3,145,528
2020	207,099
2021	(1,375,574)
2022	(16,498)
Thereafter	110,616

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 - 9.75 percent, average, including inflation
Investment Rate of Return	6.95 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, 2017 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2016.

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	40.00 %	6.15 %	2.46 %
Debt securities	20.00 %	0.40 %	0.08 %
Real assets	15.00 %	5.75 %	0.86 %
Private equity	9.00 %	9.95 %	0.89 %
Absolute return	16.00 %	2.85 %	0.46 %
Cash and cash equivalents	0.00 %	0.00 %	0.00 %
Totals	100.00 %		4.75 %
	Inflation		2.50 %
	Expected arithmetic nominal return		7.25 %

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.95 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. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

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 6.95 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 one (1) percentage-point lower (5.95 percent) or one (1) percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$36,897,863	\$13,643,291	\$ (5,691,731)
Contributory System	1,517,324	223,791	(861,254)
Public Safety System	24,868,382	9,652,669	(2,752,184)
Tier 2 Public Employees System	770,953	65,476	(478,547)
Tier 2 Public Safety and Firefighter	158,984	(17,953)	(153,133)
Total	\$64,213,506	\$23,567,274	\$ (9,936,849)

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,		
	2018	2017	2016
<i>401(k) Plan</i>			
Employer Contributions	\$340,421	\$290,228	\$229,881
Employee Contributions	-	-	-

Employee Retirement Plans other than Pension Plans

401(k) Defined Contribution Plan

Utah County participates in a 401(k) defined contribution 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 \$6,249,137, which is comprised of \$3,218,942 in employee deductions and \$3,030,195 in matching County contributions.

457 Deferred Compensation Plan

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. All elected officials and employees may elect to participate in this plan. The County does not match amounts deferred by the participants.

NOTE 8 - CONTINGENT LIABILITIES

Utah County has been named as a defendant in various lawsuits. The outcome of these lawsuits is not presently determinable.

The County is aware of a claim alleging unreported hours to Utah Retirement Systems. The County is working with outside counsel to determine if a liability exists. However, as of the date of this report, the outcome and amount of the liability is unknown and not determinable.

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. On May 1, 2018, the Board of Utah County Commissioners approved an agreement with Provo City whereby Utah County's half-ownership of the ice sheet will be transferred to Provo City over a 50-year period. For the next 10 years, the County will contribute a payment of \$50,000 per year to Provo City for a total sum of \$500,000. As of June 20, 2018, the Ice Sheet Authority was dissolved, and Provo City has full responsibility for managing the ice sheet.

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

General Information about the Plan

Plan Description

In addition to pension benefits described in Note 7, the County provides other post-employment benefits ("OPEB") through a single-employer defined benefit plan 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 and/or children.

NOTE 11 (Continued)

Health insurance premiums paid on behalf of family members of public safety employees who die in the line of duty are governed by Utah Code and can be amended at any time by the Utah State Legislature. The benefit, benefit level, and employee/employer contributions for other post-employment benefits are governed by County policy and can be amended at any time. The plan is not accounted for as a trust fund and no assets are being accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate financial report. The County currently pays for postemployment benefits other than pensions on a “pay-as-you-go” basis.

Healthcare Benefits

The County provides retiree healthcare coverage for employees hired before July 1, 2003. General employees are eligible for retiree healthcare coverage once they have 30 years of service with the County. Public safety employees are eligible for retiree healthcare coverage once they have 20 years of service with the County. Retiree healthcare coverage for both general and public safety employees ends when the retiree turns 65.

The County’s explicit subsidy depends on the years of service an active employee had as of January 2, 2004. Retirees are required to contribute the portion of insurance premiums not covered by the County’s explicit subsidy.

Tier 1 – Employees who had 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, 2019 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	N/A	N/A
SelectHealth PPO	\$87.50	\$181.20	\$87.50	\$181.20	N/A	N/A

Tier 2 – For employees who had 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 a fixed-dollar amount per month for healthcare coverage. For 2019, the amount is \$934.67. The County subsidy will increase annually according to the premium increase, but not more than 8 percent.

Tier 3 – For employees who had 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.

Tier 5 – Employees hired on or after July 1, 2003 are ineligible for the retiree healthcare coverage benefit.

NOTE 11 (Continued)

In addition to retiree healthcare coverage, 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.

Finally, as set forth in Utah Code, 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 (“HSA”) 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. Beginning 13 months after the line-of-duty death, the County is eligible for reimbursement from the Local Public Safety and Firefighter Surviving Spouse Trust Fund for healthcare costs incurred after July 1, 2018.

Post-Employment Income Benefits for Surviving Spouses and/or Children

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. If both unmarried children under the age of 21 and a spouse 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. The amount of the benefit is based on the employee’s monthly income at the time of death, plus future cost-of-living increases approved for all County employees.

Covered Employees

The County has the following employees covered by the Plan as of December 31, 2018:

Active Participants	949
Retired Participants	26

Total OPEB Liability

The County’s total OPEB liability of \$9,866,466 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date. Some of the assumptions have not been reviewed since at least 2013. Best actuarial practices call for a periodic assumption review and the County plans to complete an actuarial assumption review (also referred to as an experience study) in the future.

NOTE 11 (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.44% as of January 1, 2018 and 4.11% as of December 31, 2018 The discount rate was based on the Bond Buyer Go 20-Bond Municipal Bond Index.		
Salary Scale	2.25% per year with an additional 2.35% salary merit scale for employees with less than 12 years of service		
Inflation Rate	2.25% per year		
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none"> • Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant’s benefit at retirement; and • Annual Service Cost is a constant percentage of the participant’s salary that is assumed to increase according to the Payroll Growth. 		
Mortality	RPH-2018 Total Dataset Mortality Table fully generational using Scale MP-2018 (RPH-2018 table is created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2018 using MP-2018 improvement.)		
Trend Rates	FYE	Medical	Subsidy*
	2019	8.00%	7.50%
	2020	7.50%	7.00%
	2021	7.00%	6.50%
	2022	6.50%	6.00%
	2023	6.00%	5.50%
	2024	5.50%	5.00%
	2025	5.00%	4.50%
	2026+	4.50%	4.50%

*These rates only apply to County’s subsidy for Tier 2 employees (those who have at least 80% but less than 100% of years of service requirement for retiree health care coverage).

HSA contributions are assumed to increase 3.0% per year. These rates only apply to retirees enrolled in High Deductible Health Plans (HDHP) receiving HSA contributions.

NOTE 11 (Continued)

HRA contributions are assumed to not increase.

The cost-of-living adjustments for the spousal income benefit are assumed to be 2.0% per year.

Turnover Rate	Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. The termination rates are based on the rates used in the 2011 Utah Retirement System actuarial valuation adjusted for the County's historical termination experience.
Retirement Rate	Annual retirement rates are based on the 2017 Utah Retirement System actuarial valuation.

Changes in the Total OPEB Liability

The following table shows the changes in the County's total OPEB liability:

	<i>FY 2018</i>
Total OPEB Liability, January 1	\$10,285,752
Changes for the Year:	
Service cost	667,032
Interest	366,725
Change of benefit terms	171,326
Changes in assumptions	(817,586)
Differences between expected and actual experience	(217,477)
Benefit payments	(589,306)
Net change in total OPEB liability	<u>\$(419,286)</u>
Total OPEB Liability, December 31	<u>\$9,866,466</u>

NOTE 11 (Continued)

Sensitivity of the total OPEB liability to changes in the discount rate. The following table presents the County's total OPEB liability as of December 31, 2018, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (3.11%) or one-percentage point higher (5.11%) than the current discount rate (4.11%):

	1% Decrease (3.11%)	Current Discount Rate (4.11%)	1% Increase (5.11%)
Total OPEB Liability at December 31, 2018	\$10,673,483	\$9,866,466	\$9,125,964

Sensitivity of the total OPEB liability to changes in the health care trend rates. The following table presents the County's total OPEB liability as of December 31, 2018, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (initial rate of 7.00%, decreasing to an ultimate rate of 3.50%) or one-percentage point higher (initial rate of 9.00%, decreasing to an ultimate rate of 5.50%) than the current health care trend rate (initial rate of 8.00%, decreasing to an ultimate rate of 4.50%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability at December 31, 2018	\$9,035,592	\$9,866,466	\$10,833,484

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the County recognized OPEB expense of \$1,057,217. At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ (186,409)
Changes of assumptions or other inputs	0	(700,788)
Total	\$ 0	\$ (887,197)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31:	
2019	\$ (147,866)
2020	\$ (147,866)
2021	\$ (147,866)
2022	\$ (147,866)
2023	\$ (147,866)
Thereafter	\$ (147,867)

NOTE 12 – SUBSEQUENT EVENTS

On February 26, 2019, the County issued \$66,345,000 in Series 2019 Transportation Sales Tax Revenue Refunding Bonds for the purpose of refunding the Series 2009 Transportation Sales Tax Revenue Bonds.

On June 25, 2019, the Board of County Commissioners adopted a parameters resolution authorizing the terms and conditions of the issuance and sale of excise tax revenue refunding bonds not to exceed \$35.0 million for the purpose of refunding both the Series 2010B Taxable Excise Tax Revenue Bonds (Issuer Subsidy-Build America Bonds) and the Series 2010C Taxable Excise Tax Revenue Bonds (Issuer Subsidy-Recovery Zone Bonds). As of the date of this report, the bonds had not yet been issued.

On June 25, 2019, the Board of County Commissioners adopted a parameters resolution authorizing the terms and conditions of the issuance and sale of vehicle registration fee revenue refunding bonds not to exceed \$22.0 million for the purpose of refunding the Series 2009B Taxable Vehicle Registration Fee Revenue Bonds (Issuer Subsidy-Build America Bonds). As of the date of this report, the bonds had not yet been issued.

NOTE 13 – LEGAL COMPLIANCE

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

NOTE 14 – RESTATED NET POSITION

During the year ended December 31, 2018, the County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which became effective for financial statement reporting periods beginning after June 15, 2017. In the year of implementation, the County is required to include the OPEB-related amounts and restate the earliest Net Position presented. The implementation of this new accounting policy required a net adjustment to Net Position of \$(1,002,569).

	Business-Type Activities
Net Position as originally presented, December 31, 2017	\$328,129,070
Implementation of change in accounting principle	(1,002,569)
Net Position as restated, December 31, 2017	\$327,126,501

**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

UTAH COUNTY
Ratings for Utah County's Roads System
For the year ended December 31, 2018

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, 2018 the County had 47.77 miles of dirt roads, 140.09 miles of gravel roads, 258.78 miles of chip-seal roads, and 91.41 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>
2014	\$3,718,187	\$3,444,633
2015	\$3,913,834	\$3,802,299
2016	\$3,463,668	\$2,812,869
2017	\$3,727,910	\$4,360,025
2018	\$6,495,628	\$6,271,108

The total value of the County's roads system did not change from \$63,942,792 on December 31, 2017 to \$63,942,792 on December 31, 2018.

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, 2018

	<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	\$ 33,926,000	\$ 33,926,000	\$ 33,382,815	\$ (543,185)
Sales taxes	28,321,000	29,981,000	29,714,589	(266,411)
Franchise taxes	4,000	4,000	4,924	924
Licenses and permits	380,000	384,237	379,620	(4,617)
Intergovernmental	776,392	797,516	828,453	30,937
Charges for services	9,718,562	9,465,809	8,968,827	(496,982)
Fines and forfeitures	1,948,800	1,977,380	1,943,400	(33,980)
Miscellaneous revenue	501,000	694,354	1,340,774	646,420
Total revenues	<u>75,575,754</u>	<u>77,230,296</u>	<u>76,563,401</u>	<u>(666,895)</u>
Expenditures:				
Current:				
Commission	994,383	1,078,773	1,014,895	63,878
Justice court	1,363,390	1,363,390	1,143,449	219,941
Personnel	1,482,012	1,886,566	1,872,978	13,588
GIS	797,745	934,395	854,145	80,250
Records management	403,243	415,065	369,745	45,320
Clerk-Auditor	1,287,638	1,333,301	1,233,766	99,535
Attorney	7,923,906	8,657,799	8,011,187	646,612
Non-departmental & Restricted	7,287,490	3,538,937	781,344	2,757,593
Interagency	6,350,220	7,401,965	7,187,047	214,918
Community development	944,747	977,488	932,151	45,337
Elections	1,153,725	2,076,992	1,991,447	85,545
Public works	710,855	714,070	587,562	126,508
Surveyor	792,136	792,136	727,677	64,459
General government	31,491,490	31,170,877	26,707,392	4,463,485
Public safety:				
Sheriff enforcement	18,429,506	19,465,483	18,501,963	963,520
Wildland fire	2,235,763	3,305,193	2,818,545	486,648
Sheriff corrections	28,808,106	31,080,384	29,047,423	2,032,961
Public safety	49,473,375	53,851,060	50,367,931	3,483,129
Public health and welfare:				
Mosquito abatement	748,068	935,819	821,348	114,471
Indigent burials	20,000	20,000	15,897	4,103
Agricultural services	68,887	75,887	62,596	13,291
Public health and welfare	836,955	1,031,706	899,841	131,865
Parks and recreation:				
Fair	98,850	98,850	106,994	(8,144)
Extension services	453,236	461,254	412,828	48,426
Parks and recreation	552,086	560,104	519,821	40,283
Total expenditures	<u>82,353,906</u>	<u>86,613,747</u>	<u>78,494,985</u>	<u>8,118,762</u>
Excess (deficiency) of revenues over expenditures	<u>(6,778,152)</u>	<u>(9,383,451)</u>	<u>(1,931,584)</u>	<u>7,451,867</u>
Other financing sources (uses):				
Transfers in	3,671,338	3,643,244	3,721,669	78,425
Transfers out	(3,896,408)	(3,456,683)	(3,792,223)	(335,540)
Total other financing sources (uses)	<u>(225,070)</u>	<u>186,561</u>	<u>(70,554)</u>	<u>(257,115)</u>
Net change in fund balance	(7,003,222)	(9,196,890)	(2,002,139)	7,194,751
Fund balance - beginning	<u>24,909,978</u>	<u>24,909,978</u>	<u>24,909,978</u>	<u>-</u>
Fund balance - ending	<u>\$ 17,906,756</u>	<u>\$ 15,713,088</u>	<u>\$ 22,907,839</u>	<u>\$ 7,194,751</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
TRCC* Taxes Fund
Major Special Revenue Fund
Year Ended December 31, 2018

**Note: TRCC is the Tourism, Recreation, Cultural and Convention Facilities Tax.*

	<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	\$ 9,550,000	\$ 9,774,000	\$ 9,762,168	\$ (11,832)
Intergovernmental revenue	-	-	-	-
Charges for services	179,200	179,210	184,485	5,275
Miscellaneous revenue	-	579,881	733,022	153,141
Total revenues	<u>9,729,200</u>	<u>10,533,091</u>	<u>10,679,674</u>	<u>146,583</u>
Expenditures:				
Salaries, wages, and benefits	816,043	868,100	844,897	23,203
Materials, supplies, and services	17,783,812	17,699,248	4,183,827	13,515,421
Capital outlay	-	32,507	41,006	(8,499)
Total expenditures	<u>18,599,855</u>	<u>18,599,855</u>	<u>5,069,730</u>	<u>13,530,125</u>
Excess (deficiency) of revenues over expenditures	<u>(8,870,655)</u>	<u>(8,066,764)</u>	<u>5,609,945</u>	<u>13,676,709</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,737,345)	(1,737,345)	(965,576)	771,769
Total other financing sources (uses)	<u>(1,737,345)</u>	<u>(1,737,345)</u>	<u>(965,576)</u>	<u>771,769</u>
Net change in fund balance	(10,608,000)	(9,804,109)	4,644,368	14,448,477
Fund balance - beginning	<u>15,306,920</u>	<u>15,306,920</u>	<u>15,306,920</u>	<u>-</u>
Fund balance - ending	<u>\$ 4,698,920</u>	<u>\$ 5,502,811</u>	<u>\$ 19,951,288</u>	<u>\$ 14,448,477</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, 2018

	<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	\$ 71,025,000	\$ 70,998,000	\$ 69,443,694	\$ (1,554,306)
Intergovernmental revenue	6,047,723	7,188,408	6,594,214	(594,194)
Charges for services	4,435,000	4,510,602	4,915,781	405,179
Miscellaneous revenue	1,362,000	2,565,780	2,571,433	5,653
Total revenues	<u>82,869,723</u>	<u>85,262,790</u>	<u>83,525,121</u>	<u>(1,737,669)</u>
Expenditures:				
Salaries, wages, and benefits	1,102,460	1,087,702	1,152,871	(65,169)
Materials, supplies, and services	7,168,299	3,938,177	2,677,512	1,260,665
Capital outlay	67,678,810	33,207,080	6,268,383	26,938,697
Contributions to other governmental agencies	122,121,742	136,265,419	84,352,218	51,913,201
Total expenditures	<u>198,071,311</u>	<u>174,498,378</u>	<u>94,450,984</u>	<u>80,047,394</u>
Excess (deficiency) of revenues over expenditures	<u>(115,201,588)</u>	<u>(89,235,588)</u>	<u>(10,925,862)</u>	<u>78,309,726</u>
Other financing sources (uses):				
Transfers in	480,000	-	-	-
Transfers out	(14,150,538)	(14,150,538)	(14,252,999)	(102,461)
Issuance of bonds	-	-	-	-
Bond premiums (discounts)	-	-	-	-
Total other financing sources (uses)	<u>(13,670,538)</u>	<u>(14,150,538)</u>	<u>(14,252,999)</u>	<u>(102,461)</u>
Net change in fund balance	(128,872,126)	(103,386,126)	(25,178,861)	78,207,265
Fund balance - beginning	104,355,565	104,355,565	104,355,565	-
Fund balance - ending	<u>\$ (24,516,561)</u>	<u>\$ 969,439</u>	<u>\$ 79,176,704</u>	<u>\$ 78,207,265</u>

UTAH COUNTY
Required Supplementary Information
December 31, 2018

Schedule of Changes in Total OPEB Liability and Related Ratios
Last Ten Fiscal Years*

Total OPEB Liability	FY 2018
Service cost	\$ 667,032
Interest on total OPEB liability	366,725
Change of benefit terms	171,326
Changes in assumptions	(817,586)
Differences between expected and actual experience	(214,744)
Expected benefit payments	<u>(589,306)</u>
Net Change in Total OPEB Liability	\$ (416,553)
Total OPEB Liability - Beginning, January 1	\$ 10,285,752
Total OPEB Liability - Ending, December 31	<u>\$ 9,869,199</u>
Covered-Employee Payroll	\$ 56,982,425
Total OPEB Liability as a % of	
Covered-Employee Payroll	17.3%

* In accordance with GASB Statement No. 75, the County is required to disclose a 10-year history of the changes in total OPEB liability and related ratios. However, this 10-year schedule will need to be created prospectively.

UTAH COUNTY
Required Supplementary Information
December 31, 2018

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%	0.6239731%	1.2069467%
	2017	3.2755727%	2.8551754%	20.4961943%	0.7118714%	1.2755688%
	2018	3.1139825%	2.7501520%	19.9764093%	0.7426385%	1.5515733%
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)
	2017	\$ 21,033,186	\$ 936,815	\$ 12,775,219	\$ 79,409	\$ (11,073)
	2018	\$ 13,643,291	\$ 223,791	\$ 9,652,669	\$ 65,476	\$ (17,953)
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
	2017	\$ 28,577,052	\$ 685,070	\$ 14,058,214	\$ 5,837,928	\$ 1,053,894
	2018	\$ 26,596,999	\$ 558,048	\$ 13,260,890	\$ 7,269,736	\$ 1,637,523
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%
	2017	73.60%	136.75%	90.87%	1.36%	-1.05%
	2018	51.30%	40.10%	72.79%	0.90%	-1.10%
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%
	2017	87.3%	92.9%	172.6%	95.1%	103.6%
	2018	91.9%	98.2%	90.5%	97.4%	103.0%

* 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 three years.

Notes to Required Supplementary Information for fiscal year ended December 31, 2018

Changes in Assumptions:

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

UTAH COUNTY
Required Supplementary Information
December 31, 2018

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%
	2017	4,758,689	4,758,689	-	26,612,212	17.88%
	2018	4,888,300	4,888,300	-	27,368,516	17.86%
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%
	2017	80,842	80,842	-	559,072	14.46%
	2018	70,182	70,182	-	485,345	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%
	2017	4,047,466	4,047,466	-	13,263,425	30.52%
	2018	4,112,470	4,112,470	-	13,432,904	30.61%
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%
	2017	1,098,190	1,098,190	-	7,346,632	14.95%
	2018	1,366,205	1,366,205	-	8,910,468	15.33%
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%
	2017	332,806	332,806	-	1,635,522	20.35%
	2018	465,481	465,481	-	2,249,304	20.69%
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%
	2017	86,299	86,299	-	1,744,866	4.95%
	2018	116,484	116,484	-	1,740,654	6.69%
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%
	2017	14,171	14,171	-	145,795	9.72%
	2018	19,306	19,306	-	198,338	9.73%

* 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 four 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.

Notes to Required Supplementary Information for fiscal year ended December 31, 2018

Changes in Assumptions:

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

**OTHER SUPPLEMENTARY
INFORMATION**

**Utah County Government
Legal Compliance Audit Guide
For the Year Ended December 31, 2018**

TRANSIENT ROOM TAX

Establishing and promoting:		
Recreation	\$	-
Tourism		2,190,752
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		1,588,000
Total expenditures	<u>\$</u>	<u>3,778,752</u>

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

Financing tourism promotion	\$	30,691
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		2,406,823
Cultural facilities		2,501,458
Convention facilities		1,096,334
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>6,035,306</u>

**COMBINING FINANCIAL STATEMENTS
AND
SUPPLEMENTARY SCHEDULES**

UTAH COUNTY
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2018

	Special Revenue Funds														Total	
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Health Department	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		Assessing & Collecting
Assets:																
Cash and investments	\$ 781,115	\$ -	\$ 5,904,069	\$ 1,621,209	\$ 1,647,121	\$ 1,769,397	\$ 76,224	\$ 891,044	\$ 89,277	\$ 853	\$ 303	\$ 1,100,112	\$ 1,091	\$ 278,266	\$ 4,113,103	\$ 18,273,185
Receivables:																
Tax receivables	-	-	-	739,421	149,056	165,350	44,234	-	7,152	-	-	-	-	492,772	1,971,855	3,569,839
Other receivables	1,439,115	-	1,398,832	-	1,362	-	-	46	13,979	2,688,936	396,981	590	837,417	-	12,026	6,789,284
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	157,998	-	39,746	-	119,919	-	-	-	-	1,100	6,083	-	1,466	-	12,409	338,721
Total assets	\$ 2,378,228	\$ -	\$ 7,342,647	\$ 2,360,630	\$ 1,917,458	\$ 1,934,747	\$ 120,458	\$ 891,090	\$ 110,408	\$ 2,690,889	\$ 403,368	\$ 1,100,702	\$ 839,974	\$ 771,038	\$ 6,109,392	\$ 28,971,029
Liabilities and fund balances:																
Accounts payable and accruals	\$ 496,661	\$ -	\$ 890,783	\$ -	\$ 9,070	\$ -	\$ -	\$ 1,245	\$ 1,065	\$ 283,178	\$ 60,430	\$ 65,921	\$ 172,974	\$ -	\$ 349,676	\$ 2,331,003
Unearned revenues	879	-	148,619	230	50	51	13	869,946	263	157,446	-	-	-	-	2,504	1,180,002
Due to other funds	-	-	-	-	-	-	-	-	-	2,243,000	286,000	-	667,000	-	-	3,198,000
Other liabilities	-	-	-	-	6,453	89,002	-	-	-	-	-	-	-	-	847,264	942,719
Total liabilities	497,540	-	1,039,402	230	15,573	89,053	13	871,191	1,328	2,683,623	346,430	65,921	839,974	-	1,199,444	7,649,723
Deferred inflows of resources	-	-	-	264,552	57,303	59,303	15,324	-	1,993	-	-	-	-	-	483,857	882,332
Fund balances:																
Restricted for:																
Transient room tax	-	-	-	-	-	-	-	-	-	-	-	-	-	771,038	-	771,038
Assessing and collecting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,426,091	4,426,091
Public transit taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRCC tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special service areas/districts	-	-	-	2,095,848	1,844,582	1,786,391	105,121	19,899	107,087	-	-	-	-	-	-	5,958,927
Bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Committed for:																
Public health and welfare	1,880,688	-	6,303,245	-	-	-	-	-	-	-	56,937	-	-	-	-	8,240,871
Public safety	-	-	-	-	-	-	-	-	-	-	-	1,034,781	-	-	-	1,034,781
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assigned for:																
Medicaid reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	7,265	-	-	-	-	-	7,265
Total fund balances	1,880,688	-	6,303,245	2,095,848	1,844,582	1,786,391	105,121	19,899	107,087	7,265	56,937	1,034,781	-	771,038	4,426,091	20,438,973
Total liabilities and fund balance	\$ 2,378,228	\$ -	\$ 7,342,647	\$ 2,360,630	\$ 1,917,458	\$ 1,934,747	\$ 120,458	\$ 891,090	\$ 110,408	\$ 2,690,889	\$ 403,368	\$ 1,100,702	\$ 839,974	\$ 771,038	\$ 6,109,392	\$ 28,971,029

UTAH COUNTY
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Non-Major Governmental Funds
 For the Year Ended December 31, 2018

	Special Revenue Funds														Total	
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Health Department	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		Assessing & Collecting
Revenues:																
Property taxes	\$ -	\$ -	\$ -	\$ 2,151,412	\$ 530,944	\$ 480,508	\$ 106,532	\$ -	\$ 22,291	\$ 2,187,411	\$ -	\$ -	\$ -	\$ -	\$ 8,399,319	\$ 13,878,417
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,813,235
Licenses and permits	-	-	-	-	24,711	-	-	-	-	-	-	-	-	-	-	24,711
Intergovernmental	6,690,333	-	11,171,985	900,448	-	201,071	92,522	123,535	-	5,483,549	1,106,137	-	-	-	130,405	25,899,984
Charges for services	1,695,400	-	10,691,835	-	29,238	-	-	-	-	2,151,679	112,550	269,821	3,299,382	-	2,278,300	20,602,443
Fines and forfeitures	-	-	-	-	-	-	-	-	-	14,748	-	-	-	-	-	14,748
Interest	8,139	-	127,835	29,448	32,837	38,292	4,180	20,878	1,179	-	-	23,990	-	3,432	53,137	343,346
Miscellaneous revenue	20,289	335,831	106,375	-	200	-	-	-	-	215,668	151,611	-	-	-	37	830,012
Total revenues	8,414,160	335,831	22,098,030	3,081,308	617,929	719,870	203,234	144,413	97,708	10,053,056	1,370,298	293,811	3,299,382	3,816,667	10,861,197	65,406,895
Expenditures:																
Current:																
General government	-	335,841	-	-	-	89,087	-	-	-	6,401,945	-	-	-	2,190,752	11,716,199	20,733,823
Public safety	-	-	-	42	832,543	-	42	-	-	1,215,200	-	234,991	3,586,696	-	-	5,869,513
Public health and welfare	8,316,511	-	25,374,682	-	-	-	-	-	-	10,040	1,551,999	-	-	-	-	35,253,231
Roads and public improvements	-	-	-	-	-	-	-	144,413	49,819	2,425,871	-	-	-	-	-	2,620,103
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:																
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:																
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-	-	6,500	-	-	-	6,500
Public health and welfare	69,987	-	30,678	-	-	-	-	-	-	-	-	-	-	-	-	100,665
Roads and public improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	8,386,498	335,841	25,405,360	42	832,543	89,087	42	144,413	49,819	10,053,056	1,551,999	241,491	3,586,696	2,190,752	11,716,199	64,583,836
Excess/(deficiency) of revenues over/(under) expenditures	27,663	(10)	(3,307,330)	3,081,266	(214,614)	630,784	203,192	-	47,889	-	(181,700)	52,321	(287,313)	1,625,915	(855,002)	823,060
Other financing sources/(uses):																
Transfers in	452,107	10	2,851,358	-	541,500	-	-	-	-	-	201,435	-	287,313	-	-	4,333,723
Transfers out	-	-	-	(3,076,500)	-	(645,169)	(541,500)	-	-	-	-	-	-	(1,588,000)	-	(5,851,169)
Issuance of bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources/(uses)	452,107	10	2,851,358	(3,076,500)	541,500	(645,169)	(541,500)	-	-	-	201,435	-	287,313	(1,588,000)	-	(1,517,446)
Net change in fund balance	479,770	-	(455,972)	4,766	326,886	(14,385)	(338,308)	-	47,889	-	19,734	52,321	-	37,915	(855,002)	(694,386)
Fund balances - beginning	1,400,918	-	6,759,218	2,091,082	1,517,696	1,800,776	443,429	19,899	59,198	7,265	37,203	982,460	-	733,124	5,281,093	21,133,359
Fund balances - ending	\$ 1,880,688	\$ -	\$ 6,303,245	\$ 2,095,848	\$ 1,844,582	\$ 1,786,391	\$ 105,121	\$ 19,899	\$ 107,087	\$ 7,265	\$ 56,937	\$ 1,034,781	\$ -	\$ 771,038	\$ 4,426,091	\$ 20,438,973

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, 2018
With Comparative Totals for 2017

GENERAL FUND:

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 26,000	\$ 22,291	\$ (3,709)	\$ 25,020
Charges for services	65,562	74,238	8,676	72,420
Miscellaneous revenue	-	1,179	1,179	-
Total revenues	<u>91,562</u>	<u>97,708</u>	<u>6,146</u>	<u>97,440</u>
Operating Expenditures:				
Salaries, wages, and benefits	27,650	28,851	(1,201)	14,074
Materials, supplies, and services	34,898	20,968	13,930	13,076
Total expenditures	<u>62,548</u>	<u>49,819</u>	<u>12,729</u>	<u>27,150</u>
Excess (deficiency) of revenues over expenditures	29,014	47,889	18,875	70,290
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(31,600)	(50,000)	(18,400)	(35,000)
Total other financing sources (uses)	<u>(31,600)</u>	<u>(50,000)</u>	<u>(18,400)</u>	<u>(35,000)</u>
Net change in fund balance	(2,586)	(2,111)	475	35,290
Fund balance - January 1	24,198	24,198	-	(11,092)
Fund balance - December 31	<u>\$ 21,612</u>	<u>\$ 22,087</u>	<u>\$ 475</u>	<u>\$ 24,198</u>

CAPITAL PROJECTS FUND:

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
<none>	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Projects Expenditures:				
Capital outlay	67,150	-	67,150	-
Total expenditures	<u>67,150</u>	<u>-</u>	<u>67,150</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(67,150)	-	67,150	-
Other financing sources (uses):				
Transfers in	31,600	50,000	18,400	35,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>31,600</u>	<u>50,000</u>	<u>18,400</u>	<u>35,000</u>
Net change in fund balance	(35,550)	50,000	85,550	35,000
Fund balance - January 1	35,000	35,000	-	-
Fund balance - December 31	<u>\$ (550)</u>	<u>\$ 85,000</u>	<u>\$ 85,550</u>	<u>\$ 35,000</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 3,866,000	\$ 3,813,235	\$ (52,765)	\$ 3,601,373
Miscellaneous revenue	2,000	3,432	1,432	4,013
Total revenues	<u>3,868,000</u>	<u>3,816,667</u>	<u>(51,333)</u>	<u>3,605,385</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	2,788,000	2,190,752	597,248	1,790,646
Capital outlay	-	-	-	-
Total expenditures	<u>2,788,000</u>	<u>2,190,752</u>	<u>597,248</u>	<u>1,790,646</u>
Excess (deficiency) of revenues over expenditures	1,080,000	1,625,915	545,915	1,814,739
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,588,000)	(1,588,000)	-	(1,763,000)
Total other financing sources (uses)	<u>(1,588,000)</u>	<u>(1,588,000)</u>	<u>-</u>	<u>(1,763,000)</u>
Net change in fund balance	(508,000)	37,915	545,915	51,739
Fund balance - January 1	733,124	733,124	-	681,384
Fund balance - December 31	<u>\$ 225,124</u>	<u>\$ 771,038</u>	<u>\$ 545,915</u>	<u>\$ 733,124</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, 2018
With Comparative Totals for 2017

	2018			2017 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	335,841	491	335,888
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>336,332</u>	<u>335,841</u>	<u>491</u>	<u>335,888</u>
Excess (deficiency) of revenues over expenditures	(500)	(10)	490	(57)
Other financing sources (uses):				
Transfers in	500	10	(490)	57
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>500</u>	<u>10</u>	<u>(490)</u>	<u>57</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 7,450,000	\$ 8,399,319	\$ 949,319	\$ 8,100,412
Intergovernmental revenue	130,405	130,405	-	125,920
Charges for services	2,520,198	2,278,300	(241,898)	2,115,504
Miscellaneous revenue	50,019	53,174	3,155	89,514
Total revenues	<u>10,150,622</u>	<u>10,861,197</u>	<u>710,575</u>	<u>10,431,350</u>
Expenditures:				
Salaries, wages, and benefits	7,068,091	7,533,956	(465,865)	6,213,359
Materials, supplies, and services	8,102,895	4,182,243	3,920,652	4,145,552
Capital outlay	-	-	-	-
Total expenditures	<u>15,170,986</u>	<u>11,716,199</u>	<u>3,454,787</u>	<u>10,358,911</u>
Excess (deficiency) of revenues over expenditures	(5,020,364)	(855,002)	4,165,362	72,439
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	(5,020,364)	(855,002)	4,165,362	72,439
Fund balance - January 1	<u>5,281,093</u>	<u>5,281,093</u>	<u>-</u>	<u>5,208,654</u>
Fund balance - December 31	<u>\$ 260,729</u>	<u>\$ 4,426,091</u>	<u>\$ 4,165,362</u>	<u>\$ 5,281,093</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 2,098,000	\$ 2,151,412	\$ 53,412	\$ 2,119,466
Intergovernmental revenue	900,448	900,448	-	857,582
Miscellaneous revenue	18,000	29,448	11,448	18,915
Total revenues	3,016,448	3,081,308	64,860	2,995,963
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	500,500	42	500,458	43
Capital outlay	-	-	-	-
Total expenditures	500,500	42	500,458	43
Excess (deficiency) of revenues over expenditures	2,515,948	3,081,266	565,318	2,995,920
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,965,500)	(3,076,500)	(111,000)	(3,051,500)
Total other financing sources (uses)	(2,965,500)	(3,076,500)	(111,000)	(3,051,500)
Net change in fund balance	(449,552)	4,766	454,318	(55,580)
Fund balance - January 1	2,091,082	2,091,082	-	2,146,662
Fund balance - December 31	\$ 1,641,530	\$ 2,095,848	\$ 454,318	\$ 2,091,082

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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 518,000	\$ 530,944	\$ 12,944	\$ 546,188
Licenses and permits	26,100	24,711	(1,389)	22,010
Charges for services	30,100	29,238	(862)	28,138
Miscellaneous revenue	19,000	33,037	14,037	24,762
Total revenues	<u>593,200</u>	<u>617,929</u>	<u>24,729</u>	<u>621,097</u>
Expenditures:				
Salaries, wages, and benefits	207,489	202,661	4,828	185,369
Materials, supplies, and services	966,211	629,882	336,329	648,192
Capital outlay	-	-	-	-
Total expenditures	<u>1,173,700</u>	<u>832,543</u>	<u>341,157</u>	<u>833,560</u>
Excess (deficiency) of revenues over expenditures	(580,500)	(214,614)	365,886	(212,463)
Other financing sources (uses):				
Transfers in	580,500	541,500	(39,000)	250,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>580,500</u>	<u>541,500</u>	<u>(39,000)</u>	<u>250,000</u>
Net change in fund balance	-	326,886	326,886	37,537
Fund balance - January 1	<u>1,517,696</u>	<u>1,517,696</u>	<u>-</u>	<u>1,480,159</u>
Fund balance - December 31	<u>\$ 1,517,696</u>	<u>\$ 1,844,582</u>	<u>\$ 326,886</u>	<u>\$ 1,517,696</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 423,000	\$ 480,508	\$ 57,508	\$ 475,090
Intergovernmental revenue	201,071	201,071	-	192,194
Miscellaneous revenue	22,000	38,292	16,292	22,936
Total revenues	<u>646,071</u>	<u>719,870</u>	<u>73,799</u>	<u>690,221</u>
Expenditures:				
Salaries, wages, and benefits	-	89,002	(89,002)	-
Materials, supplies, and services	499,132	85	499,047	43
Capital outlay	-	-	-	-
Total expenditures	<u>499,132</u>	<u>89,087</u>	<u>410,045</u>	<u>43</u>
Excess (deficiency) of revenues over expenditures	146,939	630,784	483,845	690,178
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(677,744)	(645,169)	32,575	(567,428)
Total other financing sources (uses)	<u>(677,744)</u>	<u>(645,169)</u>	<u>32,575</u>	<u>(567,428)</u>
Net change in fund balance	(530,805)	(14,385)	516,420	122,749
Fund balance - January 1	<u>1,800,776</u>	<u>1,800,776</u>	<u>-</u>	<u>1,678,026</u>
Fund balance - December 31	<u>\$ 1,269,971</u>	<u>\$ 1,786,391</u>	<u>\$ 516,420</u>	<u>\$ 1,800,776</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 92,000	\$ 106,532	\$ 14,532	\$ 103,354
Intergovernmental revenue	92,522	92,522	-	89,470
Miscellaneous revenue	6,000	4,180	(1,820)	6,263
Total revenues	<u>190,522</u>	<u>203,234</u>	<u>12,712</u>	<u>199,087</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	185,022	203,192	18,170	199,045
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(580,500)	(541,500)	39,000	(250,000)
Total other financing sources (uses)	<u>(580,500)</u>	<u>(541,500)</u>	<u>39,000</u>	<u>(250,000)</u>
Net change in fund balance	(395,478)	(338,308)	57,170	(50,955)
Fund balance - January 1	443,429	443,429	-	494,384
Fund balance - December 31	<u>\$ 47,951</u>	<u>\$ 105,121</u>	<u>\$ 57,170</u>	<u>\$ 443,429</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 782,625	\$ 123,535	\$ (659,090)	\$ -
Miscellaneous revenue	13,300	20,878	7,578	11,683
Total revenues	<u>795,925</u>	<u>144,413</u>	<u>(651,512)</u>	<u>11,683</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	795,925	144,413	651,512	47
Capital outlay	-	-	-	-
Total expenditures	<u>795,925</u>	<u>144,413</u>	<u>651,512</u>	<u>47</u>
Excess (deficiency) of revenues over expenditures	-	-	-	11,636
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	-	-	-	11,636
Fund balance - January 1	<u>19,899</u>	<u>19,899</u>	<u>-</u>	<u>8,263</u>
Fund balance - December 31	<u>\$ 19,899</u>	<u>\$ 19,899</u>	<u>\$ -</u>	<u>\$ 19,899</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Department Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 13,906,213	\$ 11,171,985	\$ (2,734,228)	\$ 12,168,885
Charges for services	10,599,467	10,691,835	92,368	9,585,252
Miscellaneous revenue	218,163	234,209	16,046	149,328
Total revenues	<u>24,723,843</u>	<u>22,098,030</u>	<u>(2,625,813)</u>	<u>21,903,464</u>
Expenditures:				
Salaries, wages, and benefits	14,508,652	14,063,413	445,239	12,892,221
Materials, supplies, and services	15,178,751	11,311,268	3,867,483	11,146,182
Capital outlay	31,179	30,678	501	13,000
Total expenditures	<u>29,718,582</u>	<u>25,405,360</u>	<u>4,313,222</u>	<u>24,051,403</u>
Excess (deficiency) of revenues over expenditures	(4,994,739)	(3,307,330)	1,687,409	(2,147,939)
Other financing sources (uses):				
Transfers in	2,881,915	2,851,358	(30,557)	2,694,191
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,881,915</u>	<u>2,851,358</u>	<u>(30,557)</u>	<u>2,694,191</u>
Net change in fund balance	(2,112,824)	(455,972)	1,656,852	546,253
Fund balance - January 1	<u>6,759,218</u>	<u>6,759,218</u>	-	<u>6,212,965</u>
Fund balance - December 31	<u>\$ 4,646,394</u>	<u>\$ 6,303,245</u>	<u>\$ 1,656,852</u>	<u>\$ 6,759,218</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intragovernmental revenue	\$ 1,446,683	\$ 1,106,137	\$ (340,546)	\$ 903,956
Charges for services	137,786	112,550	(25,236)	20,508
Miscellaneous revenue	175,525	151,611	(23,914)	159,849
Total revenues	<u>1,759,994</u>	<u>1,370,298</u>	<u>(389,696)</u>	<u>1,084,313</u>
Expenditures:				
Salaries, wages, and benefits	1,381,369	1,326,028	55,341	1,104,713
Materials, supplies, and services	583,524	225,971	357,553	174,842
Capital outlay	-	-	-	-
Total expenditures	<u>1,964,893</u>	<u>1,551,999</u>	<u>412,894</u>	<u>1,279,555</u>
Excess (deficiency) of revenues over expenditures	(204,899)	(181,700)	23,199	(195,241)
Other financing sources (uses):				
Transfers in	204,899	201,435	(3,464)	165,229
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>204,899</u>	<u>201,435</u>	<u>(3,464)</u>	<u>165,229</u>
Net change in fund balance	-	19,734	19,734	(30,012)
Fund balance - January 1	<u>37,203</u>	<u>37,203</u>	<u>-</u>	<u>67,215</u>
Fund balance - December 31	<u>\$ 37,203</u>	<u>\$ 56,937</u>	<u>\$ 19,734</u>	<u>\$ 37,203</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 4,000,000	\$ 2,187,411	\$ (1,812,589)	\$ 2,298,496
Intergovernmental revenue	13,765,223	5,483,549	(8,281,674)	1,886,488
Charges for services	3,284,540	2,151,679	(1,132,861)	2,815,513
Fines and forfeitures	8,160	14,748	6,588	5,000
Miscellaneous revenue	291,821	215,668	(76,153)	137,664
Total revenues	<u>21,349,744</u>	<u>10,053,056</u>	<u>(11,296,688)</u>	<u>7,143,161</u>
Expenditures:				
Salaries, wages, and benefits	1,188,419	789,277	399,142	712,208
Materials, supplies, and services	9,010,538	3,053,320	5,957,218	1,146,461
Capital outlay	264,433	-	264,433	23,276
Contributions to other governmental agencies	10,886,354	6,210,459	4,675,895	5,261,217
Total expenditures	<u>21,349,744</u>	<u>10,053,056</u>	<u>11,296,688</u>	<u>7,143,161</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
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	-	-	-	-
Fund balance - January 1	<u>7,265</u>	<u>7,265</u>	<u>-</u>	<u>7,265</u>
Fund balance - December 31	<u>\$ 7,265</u>	<u>\$ 7,265</u>	<u>\$ -</u>	<u>\$ 7,265</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Charges for services	3,726,264	3,299,382	(426,882)	2,737,671
Miscellaneous revenue	-	-	-	-
Total revenues	<u>3,726,264</u>	<u>3,299,382</u>	<u>(426,882)</u>	<u>2,737,671</u>
Expenditures:				
Salaries, wages, and benefits	2,693,720	2,666,703	27,018	2,257,472
Materials, supplies, and services	1,032,544	919,993	112,551	602,595
Capital outlay	-	-	-	-
Total expenditures	<u>3,726,264</u>	<u>3,586,696</u>	<u>139,569</u>	<u>2,860,067</u>
Excess (deficiency) of revenues over expenditures	-	(287,313)	(287,313)	(122,396)
Other financing sources (uses):				
Transfers in	-	287,313	287,313	122,396
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>287,313</u>	<u>287,313</u>	<u>122,396</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Charges for services	\$ 314,459	\$ 269,821	\$ (44,638)	\$ 308,401
Miscellaneous revenue	16,835	23,990	7,155	14,143
Total revenues	<u>331,294</u>	<u>293,811</u>	<u>(37,483)</u>	<u>322,544</u>
Expenditures:				
Salaries, wages, and benefits	313,750	173,099	140,651	158,372
Materials, supplies, and services	111,220	61,892	49,328	63,851
Capital outlay	-	6,500	(6,500)	-
Total expenditures	<u>424,970</u>	<u>241,491</u>	<u>183,479</u>	<u>222,224</u>
Excess (deficiency) of revenues over expenditures	(93,676)	52,321	145,997	100,320
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	(93,676)	52,321	145,997	100,320
Fund balance - January 1	<u>982,460</u>	<u>982,460</u>	<u>-</u>	<u>882,140</u>
Fund balance - December 31	<u><u>\$ 888,784</u></u>	<u><u>\$ 1,034,781</u></u>	<u><u>\$ 145,997</u></u>	<u><u>\$ 982,460</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 10,072,018	\$ 6,690,333	\$ (3,381,685)	\$ 6,128,394
Charges for services	1,980,071	1,695,400	(284,671)	1,804,739
Miscellaneous revenue	24,262	28,428	4,166	9,217
Total revenues	<u>12,076,351</u>	<u>8,414,160</u>	<u>(3,662,191)</u>	<u>7,942,350</u>
Expenditures:				
Salaries, wages, and benefits	5,735,344	5,307,047	428,297	4,781,452
Materials, supplies, and services	7,155,375	3,009,463	4,145,912	3,150,997
Capital outlay	69,987	69,987	-	-
Total expenditures	<u>12,960,706</u>	<u>8,386,498</u>	<u>4,574,208</u>	<u>7,932,450</u>
Excess (deficiency) of revenues over expenditures	(884,355)	27,663	912,018	9,900
Other financing sources (uses):				
Transfers in	369,369	452,107	82,738	508,129
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>369,369</u>	<u>452,107</u>	<u>82,738</u>	<u>508,129</u>
Net change in fund balance	(514,986)	479,770	994,756	518,029
Fund balance - January 1	<u>1,400,918</u>	<u>1,400,918</u>	<u>-</u>	<u>882,889</u>
Fund balance - December 31	<u>\$ 885,932</u>	<u>\$ 1,880,688</u>	<u>\$ 994,756</u>	<u>\$ 1,400,918</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 20,000	\$ 576	\$ (19,424)	\$ 990
Intergovernmental revenue	3,371,637	3,155,604	(216,033)	3,165,044
Miscellaneous revenue	-	-	-	-
Total revenues	<u>3,391,637</u>	<u>3,156,180</u>	<u>(235,457)</u>	<u>3,166,034</u>
Expenditures:				
Principal	8,755,000	8,755,000	-	8,735,000
Interest	12,971,459	12,947,299	24,160	13,010,793
Fiscal charges	80,250	24,200	56,050	25,700
Other debt service appropriations	20,000	-	20,000	-
Total expenditures	<u>21,826,709</u>	<u>21,726,499</u>	<u>100,210</u>	<u>21,771,493</u>
Excess (deficiency) of revenues over expenditures	(18,435,072)	(18,570,319)	(135,247)	(18,605,460)
Other financing sources (uses):				
Transfers in	17,051,140	17,191,754	140,614	19,728,616
Transfers out	(20,000)	(576)	19,424	(990)
Total other financing sources (uses)	<u>17,031,140</u>	<u>17,191,178</u>	<u>160,038</u>	<u>19,727,626</u>
Net change in fund balance	(1,403,932)	(1,379,141)	24,791	1,122,166
Fund balance - January 1	<u>4,186,306</u>	<u>4,186,306</u>	<u>-</u>	<u>3,064,139</u>
Fund balance - December 31	<u>\$ 2,782,374</u>	<u>\$ 2,807,164</u>	<u>\$ 24,791</u>	<u>\$ 4,186,306</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, 2018
With Comparative Totals for 2017

	2018			2017 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenue	277,802	340,413	\$ 62,611	141,874
Total revenues	<u>277,802</u>	<u>340,413</u>	<u>62,611</u>	<u>141,874</u>
Expenditures:				
Materials, supplies, and services	50,000	24,923	25,077	70,421
Capital outlay	10,472,000	507,077	9,964,923	1,140,598
Total expenditures	<u>10,522,000</u>	<u>532,000</u>	<u>9,990,000</u>	<u>1,211,019</u>
Excess (deficiency) of revenues over expenditures	(10,244,198)	(191,587)	10,052,611	(1,069,145)
Other financing sources (uses):				
Transfers in	822,000	28,814	(793,186)	1,140,598
Total other financing sources (uses)	<u>822,000</u>	<u>28,814</u>	<u>(793,186)</u>	<u>1,140,598</u>
Net change in fund balance	(9,422,198)	(162,773)	9,259,425	71,452
Fund balance - January 1	<u>9,629,141</u>	<u>9,629,141</u>	<u>-</u>	<u>9,557,688</u>
Fund balance - December 31	<u>\$ 206,943</u>	<u>\$ 9,466,367</u>	<u>\$ 9,259,425</u>	<u>\$ 9,629,141</u>

UTAH COUNTY
Combining Statement of Net Position
Internal Service Funds
December 31, 2018

	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	\$ 3,895,000	\$ 72,670	\$ 1,226,181	\$ 588,221	\$ 743,747	\$ 1,982,510	\$ 8,508,329
Accounts receivable	169,679	44,071	2,429	71,963	124,167	97,975	510,283
Inventory	147,821	109,367	2,589	18,711	31,750	4,110	314,349
Prepaid expenses	-	-	24,348	12,809	25,885	101,228	164,269
Total current assets	<u>4,212,500</u>	<u>226,108</u>	<u>1,255,546</u>	<u>691,705</u>	<u>925,548</u>	<u>2,185,823</u>	<u>9,497,230</u>
Noncurrent assets:							
Net pension asset	220	241	-	321	(327)	182	637
Capital assets:							
Equipment, vehicles, furniture	19,353,920	862,696	1,067,703	2,640,208	1,164,864	1,654,282	26,743,672
Accumulated depreciation	(11,137,460)	(471,326)	(959,054)	(2,508,914)	(738,837)	(1,340,759)	(17,156,350)
Net capital assets	<u>8,216,461</u>	<u>391,370</u>	<u>108,649</u>	<u>131,293</u>	<u>426,027</u>	<u>313,523</u>	<u>9,587,322</u>
Total noncurrent assets	<u>8,216,681</u>	<u>391,611</u>	<u>108,649</u>	<u>131,614</u>	<u>425,700</u>	<u>313,705</u>	<u>9,587,959</u>
Total assets	12,429,180	617,718	1,364,196	823,319	1,351,248	2,499,528	19,085,189
Deferred outflows of resources:							
Pension-related deferred outflows	245,377	255,262	41,203	42,729	878,776	918,877	2,382,224
Total assets and deferred outflows of resources	<u>12,674,557</u>	<u>872,980</u>	<u>1,405,399</u>	<u>866,048</u>	<u>2,230,024</u>	<u>3,418,405</u>	<u>21,467,413</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES							
Current liabilities:							
Accounts payable and accruals	330,093	146,151	42,819	78,994	728,980	564,944	1,891,981
Unearned revenues	57,954	-	-	-	8,622	-	66,576
Due to other funds	-	-	-	-	-	-	-
Total current liabilities	<u>388,047</u>	<u>146,151</u>	<u>42,819</u>	<u>78,994</u>	<u>737,602</u>	<u>564,944</u>	<u>1,958,557</u>
Noncurrent liabilities:							
Net pension liability	217,772	268,203	34,755	52,523	735,591	824,708	2,133,552
Total noncurrent liabilities	<u>217,772</u>	<u>268,203</u>	<u>34,755</u>	<u>52,523</u>	<u>735,591</u>	<u>824,708</u>	<u>2,133,552</u>
Total liabilities	605,819	414,354	77,574	131,517	1,473,193	1,389,652	4,092,109
Deferred inflows of resources:							
Pension-related deferred inflows	108,773	79,467	19,757	17,330	307,687	358,782	891,796
Total liabilities and deferred inflows of resources	<u>714,592</u>	<u>493,821</u>	<u>97,331</u>	<u>148,847</u>	<u>1,780,880</u>	<u>1,748,434</u>	<u>4,983,905</u>
NET POSITION							
Restricted - invested in capital assets, net of related debt	8,216,461	391,370	108,649	131,293	426,027	313,523	9,587,322
Unrestricted	3,743,505	(12,210)	1,199,418	585,908	23,118	1,356,447	6,896,186
Total net position	<u>11,959,965</u>	<u>379,159</u>	<u>1,308,067</u>	<u>717,201</u>	<u>449,144</u>	<u>1,669,970</u>	<u>16,483,508</u>
Total liabilities and net position	<u>\$ 12,674,557</u>	<u>\$ 872,980</u>	<u>\$ 1,405,399</u>	<u>\$ 866,048</u>	<u>\$ 2,230,024</u>	<u>\$ 3,418,405</u>	<u>\$ 21,467,413</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, 2018

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Operating revenues:							
Charges to other funds	\$ 5,749,907	\$ 2,051,860	\$ 554,829	\$ 548,972	\$ 5,452,938	\$ 3,456,314	\$ 17,814,820
Charges to outside agencies	103,121	585,782	58,199	37,171	609,044	67,053	1,460,370
Other revenues	115,735	1,920	-	-	5,036	903	123,593
Total operating revenues	<u>5,968,762</u>	<u>2,639,563</u>	<u>613,028</u>	<u>586,143</u>	<u>6,067,018</u>	<u>3,524,270</u>	<u>19,398,784</u>
Operating expenses:							
Salaries, wages, and benefits	1,029,102	1,084,482	274,175	91,793	2,534,848	2,733,229	7,747,629
Materials, supplies, and services	1,759,551	1,572,926	241,829	679,983	3,249,726	981,804	8,485,819
Depreciation	2,472,322	146,652	41,568	99,294	138,143	115,691	3,013,668
Total operating expenses	<u>5,260,975</u>	<u>2,804,059</u>	<u>557,572</u>	<u>871,069</u>	<u>5,922,716</u>	<u>3,830,723</u>	<u>19,247,115</u>
Operating income (loss)	<u>707,788</u>	<u>(164,496)</u>	<u>55,455</u>	<u>(284,926)</u>	<u>144,302</u>	<u>(306,454)</u>	<u>151,668</u>
Non-operating revenues (expenses):							
Interest income	75,277	216	26,205	18,964	43,148	42,528	206,338
Intergovernmental income	-	-	-	-	-	-	-
Intergovernmental expenses	-	-	-	-	-	-	-
Gain (loss) on sale of fixed assets	263,678	-	-	-	22,955	26,635	313,267
Total non-operating income (loss)	<u>338,955</u>	<u>216</u>	<u>26,205</u>	<u>18,964</u>	<u>66,103</u>	<u>69,163</u>	<u>519,605</u>
Net income (loss) before operating transfers	<u>1,046,743</u>	<u>(164,281)</u>	<u>81,661</u>	<u>(265,963)</u>	<u>210,405</u>	<u>(237,291)</u>	<u>671,274</u>
Transfers:							
Transfers in	-	-	-	-	-	-	-
Transfers out	(15,173)	-	-	-	(302,000)	-	(317,173)
Total transfers	<u>(15,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302,000)</u>	<u>-</u>	<u>(317,173)</u>
Net income (loss)	1,031,569	(164,281)	81,661	(265,963)	(91,595)	(237,291)	354,101
Net position at beginning of year	10,928,396	543,440	1,226,407	983,164	540,739	1,907,261	16,129,407
Net position at end of year	<u>\$ 11,959,965</u>	<u>\$ 379,159</u>	<u>\$ 1,308,067</u>	<u>\$ 717,201</u>	<u>\$ 449,144</u>	<u>\$ 1,669,970</u>	<u>\$ 16,483,508</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, 2018

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Cash flows from operating activities:							
Receipts from customers and users	\$ 5,951,270	\$ 2,649,201	\$ 635,055	\$ 536,770	\$ 6,065,061	\$ 3,622,540	\$ 19,459,899
Payments to suppliers	(1,814,042)	(1,729,119)	(252,562)	(632,759)	(3,011,556)	(620,148)	(8,060,186)
Payments to employees	(1,083,864)	(1,090,069)	(275,289)	(93,147)	(2,580,173)	(2,789,620)	(7,912,161)
Net cash provided (used) by operating activities	<u>3,053,364</u>	<u>(169,986)</u>	<u>107,205</u>	<u>(189,135)</u>	<u>473,332</u>	<u>212,772</u>	<u>3,487,552</u>
Cash flows from non-capital financing activities:							
Transfers in	-	-	-	-	-	-	-
Transfers out	(15,173)	-	-	-	(302,000)	-	(317,173)
Net cash provided (used) by non-capital financing activities	<u>(15,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(302,000)</u>	<u>-</u>	<u>(317,173)</u>
Cash flows from capital and related financing activities:							
Payments for acquisitions of capital assets	(2,339,006)	(67,140)	(3,310)	(9,651)	(13,666)	(78,410)	(2,511,183)
Proceeds from sales of capital assets	263,678	-	-	-	22,955	26,635	313,267
Intergovernmental revenue	-	-	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(2,075,328)</u>	<u>(67,140)</u>	<u>(3,310)</u>	<u>(9,651)</u>	<u>9,288</u>	<u>(51,775)</u>	<u>(2,197,916)</u>
Cash flows from investing activities:							
Interest received	75,277	216	26,205	18,964	43,148	42,528	206,338
Net change in cash and cash equivalents	1,038,140	(236,910)	130,100	(179,822)	223,769	203,525	1,178,802
Cash and cash equivalents - beginning	<u>2,856,860</u>	<u>309,580</u>	<u>1,096,081</u>	<u>768,043</u>	<u>519,978</u>	<u>1,778,985</u>	<u>7,329,527</u>
Cash and cash equivalents - ending	<u>\$ 3,895,000</u>	<u>\$ 72,670</u>	<u>\$ 1,226,181</u>	<u>\$ 588,221</u>	<u>\$ 743,747</u>	<u>\$ 1,982,510</u>	<u>\$ 8,508,329</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ 707,788	\$ (164,496)	\$ 55,455	\$ (284,926)	\$ 144,302	\$ (306,454)	\$ 151,668
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	2,472,322	146,652	41,568	99,294	138,143	115,691	3,013,668
(Increase) decrease in accounts receivable	(75,446)	9,638	22,028	(49,372)	(1,953)	98,271	3,165
(Increase) decrease in prepaid expenses	1,640	-	(24,348)	(4,718)	(6,946)	(11,736)	(46,108)
(Increase) decrease in inventory	(14,613)	39,541	(2,298)	(9,068)	(4,150)	34,891	44,303
Increase (decrease) in accounts payable	(41,518)	(195,734)	15,912	61,011	249,266	338,501	427,438
Increase (decrease) in accrued payroll	(30,000)	5,312	3,586	1,801	28,409	24,126	33,234
Increase (decrease) in unearned revenue	57,954	-	-	-	(4)	-	57,950
Increase (decrease) in amounts due to other funds	-	-	-	-	-	-	-
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(24,762)	(10,899)	(4,699)	(3,155)	(73,734)	(80,517)	(197,766)
Total adjustments	<u>2,345,577</u>	<u>(5,490)</u>	<u>51,749</u>	<u>95,791</u>	<u>329,030</u>	<u>519,226</u>	<u>3,335,884</u>
Net cash provided (used) by operating activities	<u>\$ 3,053,364</u>	<u>\$ (169,986)</u>	<u>\$ 107,205</u>	<u>\$ (189,135)</u>	<u>\$ 473,332</u>	<u>\$ 212,772</u>	<u>\$ 3,487,552</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, 2018

	<u>Balance January 1 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31 2018</u>
AUDITOR'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 4,878,232	\$ 117,287,863	\$ (119,518,690)	\$ 2,647,404
Accounts receivable	68,312	1,621,318	(1,750,051)	(60,421)
Prepaid expenses	6,033	49,010	(56,221)	(1,178)
Total assets	<u>\$ 4,952,577</u>	<u>\$ 118,958,191</u>	<u>\$ (121,324,963)</u>	<u>\$ 2,585,806</u>
Liabilities:				
Accounts payable	\$ 2,353,007	\$ 3,539,863	\$ (5,658,012)	\$ 234,858
Due to other governments	2,599,570	63,185,721	(63,434,344)	2,350,948
Total liabilities	<u>\$ 4,952,577</u>	<u>\$ 66,725,584</u>	<u>\$ (69,092,356)</u>	<u>\$ 2,585,806</u>
TREASURER'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 100,078,169	\$ 579,389,083	\$ (586,837,760)	\$ 92,629,491
Taxes receivable	747,139	21,910	(64,769)	704,280
Total assets	<u>\$ 100,825,308</u>	<u>\$ 579,410,993</u>	<u>\$ (586,902,529)</u>	<u>\$ 93,333,771</u>
Liabilities:				
Due to other governments	\$ 100,825,308	\$ 579,410,993	\$ (586,902,529)	\$ 93,333,771
Total liabilities	<u>\$ 100,825,308</u>	<u>\$ 579,410,993</u>	<u>\$ (586,902,529)</u>	<u>\$ 93,333,771</u>
TOTALS - ALL AGENCY FUNDS				
Current assets:				
Cash	\$ 104,956,400	\$ 696,676,946	\$ (706,356,451)	\$ 95,276,895
Accounts receivable	68,312	1,621,318	(1,750,051)	(60,421)
Taxes receivable	747,139	21,910	(64,769)	704,280
Prepaid expenses	6,033	49,010	(56,221)	(1,178)
Total assets	<u>\$ 105,777,885</u>	<u>\$ 698,369,184</u>	<u>\$ (708,227,492)</u>	<u>\$ 95,919,577</u>
Liabilities:				
Accounts payable	\$ 2,353,007	\$ 3,539,863	\$ (5,658,012)	\$ 234,858
Due to other governments	103,424,878	642,596,714	(650,336,873)	95,684,719
Total liabilities	<u>\$ 105,777,885</u>	<u>\$ 646,136,577</u>	<u>\$ (655,994,885)</u>	<u>\$ 95,919,577</u>

UTAH COUNTY
Combining Statement of Net Position
Discretely Presented Component Units
December 31, 2018

	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	\$ 43,982,007	\$ 3,517,854	\$ 2,127,439	\$ 432,361	\$ 5,574,280	\$ 55,633,941
Investments	-	-	-	215,309	55,841	271,150
Restricted cash	-	-	-	-	-	-
Accounts and notes receivable	2,115,908	686,327	124,694	113	4,937,336	7,864,378
Taxes receivable	-	-	329,986	-	-	329,986
Inventory	262,279	-	-	9,105	-	271,384
Other current assets	98,767	26,693	-	18,515	770,997	914,972
Total current assets	46,458,961	4,230,874	2,582,119	675,403	11,338,454	65,285,811
Noncurrent assets:						
Notes receivable	-	-	-	-	286,774	286,774
Net pension asset	-	-	661	-	-	661
Other noncurrent assets	43,938,437	-	-	-	-	43,938,437
Capital assets:						
Land, easements, water rights, construction in progress	2,834,599	2,207,049	622,769	-	1,272,164	6,936,581
Depreciable assets, net of accumulated depreciation/amortization	121,618,555	4,715,854	7,852,430	37,187	11,850,165	146,074,191
Net capital assets	124,453,154	6,922,903	8,475,199	37,187	13,122,329	153,010,772
Total noncurrent assets	168,391,591	6,922,903	8,475,860	37,187	13,409,103	197,236,644
Total assets	214,850,552	11,153,777	11,057,979	712,590	24,747,557	262,522,455
Deferred outflows of resources	797,036	544,061	61,869	-	5,414,359	6,817,325
Total assets and deferred outflows of resources	215,647,588	11,697,838	11,119,848	712,590	30,161,916	269,339,780
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS						
Current liabilities:						
Accounts payable	461,195	276,871	12,808	22,531	426,490	1,199,895
Accrued interest payable	346,623	-	67,115	-	-	413,738
Accrued expenses	440,135	136,984	29,964	100,564	2,033,642	2,741,289
Unearned revenue	-	27,449	-	-	-	27,449
Current portion of long-term debt	2,040,000	-	352,867	-	12,574	2,405,441
Other current liabilities	-	-	-	30,199	879,450	909,649
Total current liabilities	3,287,953	441,304	462,754	153,294	3,352,156	7,697,461
Noncurrent liabilities:						
Bonds, notes, and leases payable	75,556,009	-	4,806,156	-	-	80,362,165
Net pension liability	931,156	458,249	65,000	-	6,207,092	7,661,497
Compensated absences and OPEB	-	-	-	-	746,256	746,256
Other long-term liabilities	-	172,072	-	-	-	172,072
Total noncurrent liabilities	76,487,165	630,321	4,871,156	-	6,953,348	88,941,990
Total liabilities	79,775,118	1,071,625	5,333,910	153,294	10,305,504	96,639,451
Deferred inflows of resources	427,335	210,702	39,781	-	4,194,980	4,872,798
Total liabilities and deferred inflows of resources	80,202,453	1,282,327	5,373,691	153,294	14,500,484	101,512,249
Net position:						
Restricted - Invested in capital assets, net of related debt	76,478,154	6,922,903	5,248,416	-	13,122,329	101,771,802
Restricted	14,815,150	184,491	-	240,759	-	15,240,400
Unrestricted	44,151,831	3,308,117	497,741	318,537	2,539,103	50,815,329
Total net position	\$ 135,445,135	\$ 10,415,511	\$ 5,746,157	\$ 559,296	\$ 15,661,432	\$ 167,827,531

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Units
Year Ended December 31, 2018

	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	\$ 17,328,072	\$ 8,875,476	\$ 1,339,212	\$ 2,282,222	\$ 35,295,874	\$ 65,120,856
Operating expenses:						
Cost of services	8,112,988	8,784,654	995,104	2,276,551	35,165,432	55,334,729
Depreciation	4,824,465	567,791	244,207	15,325	581,811	6,233,599
Total operating expenses	<u>12,937,453</u>	<u>9,352,445</u>	<u>1,239,311</u>	<u>2,291,876</u>	<u>35,747,243</u>	<u>61,568,328</u>
Operating income (loss)	<u>4,390,619</u>	<u>(476,969)</u>	<u>99,901</u>	<u>(9,654)</u>	<u>(451,369)</u>	<u>3,552,528</u>
Nonoperating revenues (expenses):						
Interest revenue	1,525,900	74,350	45,267	-	120,301	1,765,818
Interest expense and fiscal charges	(3,934,549)	-	(137,305)	-	-	(4,071,854)
Other revenues (expenses)	8,001,816	246,235	160,986	3,323	520,479	8,932,839
Total nonoperating revenues (expenses)	<u>5,593,167</u>	<u>320,585</u>	<u>68,948</u>	<u>3,323</u>	<u>640,780</u>	<u>6,626,803</u>
Net income (loss)	9,983,786	(156,384)	168,849	(6,331)	189,411	10,179,331
Net position - beginning	<u>125,461,349</u>	<u>10,571,895</u>	<u>5,577,308</u>	<u>565,627</u>	<u>15,472,021</u>	<u>157,648,200</u>
Net position - ending	<u>\$ 135,445,135</u>	<u>\$ 10,415,511</u>	<u>\$ 5,746,157</u>	<u>\$ 559,296</u>	<u>\$ 15,661,432</u>	<u>\$ 167,827,531</u>

UTAH COUNTY
Combining Statement of Cash Flows
Discretely Presented Component Units
For the Year Ended December 31, 2018

	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	\$ 17,475,524	\$ 8,917,341	\$ 1,489,288	\$ 2,385,363	\$ 34,441,588	\$ 64,709,104
Payments to suppliers and others	(4,814,361)	(6,749,425)	(400,211)	(1,322,024)	(8,902,925)	(22,188,946)
Payments to employees	(4,269,307)	(2,126,046)	(540,289)	(968,865)	(26,702,341)	(34,606,848)
Net cash provided (used) by operating activities	<u>8,391,856</u>	<u>41,870</u>	<u>548,788</u>	<u>94,474</u>	<u>(1,163,678)</u>	<u>7,913,310</u>
Cash flows from non-capital financing activities:						
Property taxes collected and other	-	-	-	-	20,601	20,601
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,601</u>	<u>20,601</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(611,191)	(447,106)	(1,708,005)	(9,900)	(2,472,443)	(5,248,645)
Proceeds from sales of capital assets	387,000	128,989	-	-	3,593	519,582
Proceeds from issuance of debt	-	-	-	-	-	-
Interest paid on noncurrent liabilities	(4,121,851)	-	(144,199)	-	-	(4,266,050)
Principal paid on noncurrent liabilities	(1,980,000)	-	(356,118)	-	-	(2,336,118)
Impact fees, capital facility fees, and other	7,167,889	-	-	-	-	7,167,889
Net cash provided (used) by capital and related financing activities	<u>841,847</u>	<u>(318,117)</u>	<u>(2,208,322)</u>	<u>(9,900)</u>	<u>(2,468,850)</u>	<u>(4,163,342)</u>
Cash flows from investing activities:						
Receipt (payment) of note receivable	-	-	-	-	18,522	18,522
Land lease receipts and other	1,406,207	225,848	-	-	459,626	2,091,681
Net sales (purchases) of investments	-	-	-	937	325,058	325,995
Interest and dividends received	1,518,924	74,350	45,267	-	120,301	1,758,842
Net cash provided (used) by investing activities	<u>2,925,131</u>	<u>300,198</u>	<u>45,267</u>	<u>937</u>	<u>923,507</u>	<u>4,195,040</u>
Net change in cash and cash equivalents	12,158,834	23,951	(1,614,267)	85,511	(2,688,420)	7,965,609
Cash and cash equivalents - beginning	<u>31,823,173</u>	<u>3,493,903</u>	<u>3,741,706</u>	<u>346,850</u>	<u>8,262,700</u>	<u>47,668,332</u>
Cash and cash equivalents - ending	<u>\$ 43,982,007</u>	<u>\$ 3,517,854</u>	<u>\$ 2,127,439</u>	<u>\$ 432,361</u>	<u>\$ 5,574,280</u>	<u>\$ 55,633,941</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 4,390,619	\$ (476,969)	\$ 99,901	\$ (6,331)	\$ (451,369)	\$ 3,555,851
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization expense	4,824,465	567,791	244,207	15,325	581,811	6,233,599
Net (gain) loss on investments	-	-	-	(1,755)	-	(1,755)
Other noncash expenses	-	8,588	-	-	6,789	15,377
(Increase) decrease in accounts receivable	147,452	23,016	208,171	111,327	(922,122)	(432,156)
(Increase) decrease in prepaid expenses	3,364	-	5,034	1,275	-	9,673
(Increase) decrease in inventory	(261,127)	-	-	1,829	-	(259,298)
(Increase) decrease in other assets	-	874	-	-	50,426	51,300
Increase (decrease) in accounts payable	(556,494)	(24,426)	(7,112)	(36,642)	(1,216,410)	(1,841,084)
Increase (decrease) in accrued expenses	(34,917)	(52,022)	3,594	19,200	582,266	518,121
Increase (decrease) in unearned revenue	-	18,849	-	-	-	18,849
Change in net position assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(121,506)	(23,831)	(5,007)	-	(141,483)	(291,827)
Increase (decrease) in other liabilities	-	-	-	(9,754)	346,414	336,660
Total adjustments	<u>4,001,237</u>	<u>518,839</u>	<u>448,887</u>	<u>100,805</u>	<u>(712,309)</u>	<u>4,357,459</u>
Net cash provided (used) by operating activities	<u>\$ 8,391,856</u>	<u>\$ 41,870</u>	<u>\$ 548,788</u>	<u>\$ 94,474</u>	<u>\$ (1,163,678)</u>	<u>\$ 7,913,310</u>

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2018

Taxing Unit	<a> Year-End Real Property Value	 Year-End Centrally Assessed Value	<c> <a> + Total Real & Centrally Assessed Value	<d> Total Personal Property Value	<e> <c> + <d> Total Taxable Value	<f> Current Year Tax Rate	<g> Prior Year Tax Rate	<h> <c> * <f> Real & Cent. Assessed Taxes Charged	<i> <d> * <g> Personal Property Taxes Charged	<j> <h> + <i> Total Taxes Charged
Alpine City	1,148,305,221	15,900,563	1,164,205,784	7,494,196	1,171,699,980	0.001179	0.001305	1,372,599	9,780	1,382,379
Alpine School Charter	24,874,905,344	1,272,470,292	26,147,375,636	1,609,154,073	27,756,529,709	0.000069	0.000080	1,804,169	128,732	1,932,901
Alpine School District	24,874,905,344	1,272,470,292	26,147,375,636	1,609,154,073	27,756,529,709	0.006964	0.007087	182,090,324	11,404,075	193,494,399
American Fork City	2,244,488,155	55,782,189	2,300,270,344	114,274,031	2,414,544,375	0.002077	0.002082	4,777,662	237,919	5,015,580
Benjamin Cemetery Maintenance District	77,293,721	10,630,414	87,924,135	2,538,026	90,462,161	0.000133	0.000150	11,694	381	12,075
Bluffdale	-	2,989,860	2,989,860	410,568	3,400,428	0.001442	0.001751	4,311	719	5,030
Cedar Fort Town	27,037,226	2,367,168	29,404,394	479,923	29,884,317	0.000817	0.000924	24,023	443	24,467
Cedar Hills City	548,158,220	7,917,679	556,075,899	5,989,365	562,065,264	0.001923	0.002024	1,069,334	12,122	1,081,456
Central Utah Water Conservancy District	38,763,343,472	1,943,028,262	40,706,371,734	2,385,025,313	43,091,397,047	0.000400	0.000400	16,282,549	954,010	17,236,559
Draper City	232,383,811	5,954,730	238,338,541	10,186	238,348,727	0.001352	0.001460	322,234	15	322,249
Eagle Mountain City	1,476,833,235	75,834,551	1,552,667,786	10,640,684	1,563,308,470	0.000924	0.001011	1,434,665	10,758	1,445,423
Elk Ridge City	241,228,679	2,414,783	243,643,462	818,913	244,462,375	0.001841	0.001949	448,548	1,596	450,144
Fairfield Town	14,400,715	745,097	15,145,812	31,738	15,177,550	0.000976	0.001043	14,782	33	14,815
Genola Town	76,020,917	7,621,132	83,642,049	1,286,179	84,928,228	0.001045	0.001045	87,406	1,344	88,750
Goshen Town	32,482,556	2,183,606	34,666,162	322,520	34,988,682	0.000637	0.000678	22,082	219	22,301
Highland City	1,525,119,413	37,220,252	1,562,339,665	12,749,264	1,575,088,929	0.001327	0.001428	2,073,225	18,206	2,091,431
Jordan Valley Water Conservancy District	221,754,000	7,690,752	229,444,752	420,754	229,865,506	0.000400	0.000400	91,778	168	91,946
Lehi City	5,435,544,143	106,448,308	5,541,992,451	893,335,460	6,435,327,911	0.001678	0.001830	9,299,463	1,634,804	10,934,267
Lehi Metropolitan Water District	5,435,544,143	106,448,308	5,541,992,451	893,335,460	6,435,327,911	0.000009	0.000010	49,878	8,933	58,811
Lindon City	1,354,025,367	28,145,903	1,382,171,270	130,236,520	1,512,407,790	0.001392	0.001451	1,923,982	188,973	2,112,956
Mapleton City	802,510,741	10,977,527	813,488,268	6,528,132	820,016,400	0.002523	0.002729	2,052,431	17,815	2,070,246
Nebo School Charter	8,057,024,153	522,053,176	8,579,077,329	462,711,860	9,041,789,189	0.000102	0.000086	875,066	39,793	914,859
Nebo School District	8,057,024,153	522,053,176	8,579,077,329	462,711,860	9,041,789,189	0.000990	0.009212	77,125,905	4,262,502	81,388,407
North Fork Special Service District	271,138,813	2,570,878	273,709,691	7,674,006	281,383,697	0.000572	0.000641	156,562	4,919	161,481
North Utah County Water Conservancy District	13,718,413,128	938,991,237	14,657,404,365	1,131,110,819	15,788,515,184	0.000019	0.000021	278,491	23,753	302,244
Orem City	5,838,683,555	145,267,692	5,983,951,247	323,165,599	6,307,116,846	0.001281	0.001346	7,665,442	434,981	8,100,422
Orem Metropolitan Water District	5,838,683,555	145,267,692	5,983,951,247	323,165,599	6,307,116,846	0.000030	0.000031	179,519	10,018	189,537
Payson City	963,020,019	17,697,917	980,717,936	70,295,101	1,051,013,037	0.001280	0.001280	1,255,319	89,978	1,345,297
Pleasant Grove City	2,186,750,325	46,987,893	2,233,738,218	57,554,200	2,291,292,418	0.001884	0.002029	4,208,363	116,777	4,325,140
Pole Canyon Basic Local District	547,897	780,501	1,328,398	-	1,328,398	0.000222	0.000227	295	-	295
Provo City	5,848,687,428	148,687,343	5,997,374,771	313,431,646	6,310,806,417	0.001888	0.002089	11,323,044	654,759	11,977,802
Provo City School District	5,831,413,975	148,504,794	5,979,918,769	313,159,380	6,293,078,149	0.007487	0.007244	44,771,652	2,268,527	47,040,178
Provo School Charter	5,831,413,975	148,504,794	5,979,918,769	313,159,380	6,293,078,149	0.000089	0.000083	532,213	25,992	558,205
Salem City	515,181,704	11,241,316	526,423,020	7,242,125	533,665,145	0.001524	0.001633	802,269	11,826	814,095
Santaquin City	493,765,895	18,348,422	512,114,317	5,700,117	517,814,434	0.001644	0.001734	841,916	9,884	851,800
Saratoga Springs City	1,747,776,365	29,351,205	1,777,127,570	23,413,891	1,800,541,461	0.001731	0.001822	3,076,208	42,660	3,118,868
Soldier Summit Special Service District	3,223,181	1,152,815	4,375,996	86,066	4,462,062	0.003046	0.003141	13,329	270	13,600
South Valley Sewer District	230,428,711	8,944,497	239,373,208	420,754	239,793,962	0.000296	0.000316	70,854	133	70,987
Spanish Fork City	2,199,594,612	27,236,923	2,226,831,535	172,952,124	2,399,783,659	0.000955	0.000955	2,126,624	165,169	2,291,793
Springville City	2,000,609,825	40,061,183	2,040,671,008	160,099,704	2,200,770,712	0.001914	0.002087	3,905,844	334,128	4,239,972
Springville Drainage District	607,839,903	3,862,890	611,702,793	24,512,994	636,215,787	0.000329	0.000357	201,250	8,751	210,001
Traverse Ridge Special Service District	221,754,000	4,700,892	226,454,892	10,186	226,465,078	0.000540	0.000585	122,286	6	122,292
Unified Fire Service Area (Salt Lake County)	1,476,833,235	75,834,551	1,552,667,786	10,640,684	1,563,308,470	0.001836	0.001809	2,850,698	19,249	2,869,947
Multi-County (State) Assessing & Collecting	38,763,343,472	1,943,028,262	40,706,371,734	2,385,025,313	43,091,397,047	0.000009	0.000010	366,357	23,850	390,208
Utah County Local Assessing & Collecting	38,763,343,472	1,943,028,262	40,706,371,734	2,385,025,313	43,091,397,047	0.000170	0.000180	6,920,083	429,305	7,349,388
Utah County	38,763,343,472	1,943,028,262	40,706,371,734	2,385,025,313	43,091,397,047	0.000732	0.000779	29,797,064	1,857,935	31,654,999
Utah County Service Area #6	1,069,784,728	486,634,876	1,556,419,604	51,258,452	1,607,678,056	0.001236	0.001294	1,923,735	66,328	1,990,063
Utah County Service Area #7	693,111,101	54,691,726	747,802,827	35,454,939	783,257,766	0.000589	0.000611	440,456	21,663	462,119
Utah County Service Area #8	1,069,784,728	486,634,876	1,556,419,604	51,258,452	1,607,678,056	0.000276	0.000290	429,572	14,865	444,437
Utah County Service Area #9	373,450,446	430,764,531	804,214,977	15,717,447	819,932,424	0.000127	0.000135	102,135	2,122	104,257
Vineyard Town	597,510,649	608,453,933	1,205,964,582	15,088,897	1,221,053,479	0.003957	0.004015	4,772,002	60,582	4,832,584
Woodland Hills City	143,439,968	556,211	143,996,179	215,778	144,211,957	0.004337	0.004613	624,511	995	625,507
TOTAL								433,016,201	25,632,767	458,648,968

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2018

Taxing Unit	Treasurer's Relief					<k> / <j> Collection Rate	Other Collections		Delinquent Collections			Total All Collections	
	Unpaid Taxes	Abate-ments	Other	Total Relief	<k> Current Year Taxes Collected		Fee-in-Lieu / Age-Base	Misc. Collections & Pers. Prop. Realloc.	Tax	Interest / Penalty	Tax Increments Paid		Refunds Paid
Alpine City	136,193	3,965	1,217	141,375	1,241,003	89.77%	107,918	11,990	106,034	2,470			1,469,415
Alpine School Charter	116,590	9,746	8,227	134,563	1,798,339	93.04%	154,984	34,236	85,435	2,041	143,424		1,931,611
Alpine School District	11,767,091	983,673	(479,813)	12,270,951	181,223,448	93.66%	14,149,265	4,032,250	9,720,326	313,846	14,160,295		195,278,840
American Fork City	300,407	26,834	(53,857)	273,384	4,742,197	94.55%	343,196	62,472	266,019	10,978	439,332		4,985,530
Benjamin Cemetery Maintenance District	654	159	8	821	11,254	93.20%	1,170	2,158	580	24			15,186
Bluffdale	-	-	47	47	4,983	99.06%	-	(89)	-	-			4,894
Cedar Fort Town	1,232	170	87	1,488	22,979	93.92%	4,287	1,198	678	52			29,193
Cedar Hills City	43,717	5,405	918	50,039	1,031,417	95.37%	114,667	41,534	37,501	722			1,225,841
Central Utah Water Conservancy District	1,084,914	89,836	(69,353)	1,105,398	16,131,161	93.59%	1,223,560	377,914	882,502	28,836	1,149,257		17,494,717
Draper City	18,826	4,430	(847)	22,410	299,839	93.05%	26,458	1,011	18,249	849			346,406
Eagle Mountain City	48,806	16,516	(2,405)	62,917	1,382,506	95.65%	152,806	25,873	37,326	1,468	33,499		1,566,480
Elk Ridge City	33,142	4,420	158	37,720	412,424	91.62%	38,701	1,641	25,024	626			478,416
Fairfield Town	2,099	227	9	2,335	12,481	84.24%	2,197	152	2,139	73			17,042
Genola Town	7,227	1,085	(183)	8,129	80,621	90.84%	8,653	9,407	4,824	134			103,639
Goshen Town	1,939	480	82	2,500	19,801	88.79%	3,197	83	1,677	64			24,822
Highland City	132,290	9,114	395	141,800	1,949,631	93.22%	198,568	25,415	121,376	3,582			2,298,571
Jordan Valley Water Conservancy District	5,478	1,311	(154)	6,635	85,311	92.78%	6,788	270	3,958	146			96,472
Lehi City	564,797	42,375	82,530	689,701	10,244,566	93.69%	695,916	287,602	448,752	11,043	1,953,697		9,734,182
Lehi Metropolitan Water District	3,029	227	578	3,834	54,977	93.48%	3,787	1,514	2,422	60	10,349		52,410
Lindon City	157,783	4,444	(32,028)	130,200	1,982,756	93.84%	131,823	40,587	173,022	6,719	95,157		2,239,750
Mapleton City	168,466	5,891	3,417	177,774	1,892,472	91.41%	157,463	182,823	165,924	3,261			2,401,943
Nebo School Charter	63,320	6,226	(1,608)	67,939	846,921	92.57%	59,248	36,184	38,669	758	10,870		970,908
Nebo School District	5,580,891	548,731	61,613	6,191,236	75,197,171	92.39%	6,045,533	2,747,214	4,741,070	153,681	958,078		87,926,592
North Fork Special Service District	16,295	134	179	16,607	144,874	89.72%	768	163	14,504	360			160,669
North Utah County Water Conservancy District	17,786	1,295	710	19,790	282,454	93.45%	21,811	4,385	15,701	461	35,721		289,091
Orem City	538,675	38,790	(66,184)	511,281	7,589,141	93.69%	661,543	54,296	388,973	17,778	848,419		7,863,313
Orem Metropolitan Water District	12,615	908	(1,608)	11,915	177,621	93.71%	15,296	1,354	8,862	398	19,843		183,688
Payson City	74,154	10,486	(2,121)	82,519	1,262,778	93.87%	107,141	13,572	43,360	1,693			1,428,543
Pleasant Grove City	284,932	25,159	(9,188)	300,903	4,024,237	93.04%	386,622	67,308	263,654	7,356	182,195		4,566,982
Pole Canyon Basic Local District	116	-	5	121	174	59.04%	30	732	121	2			1,059
Provo City	758,587	42,106	(26,002)	774,691	11,203,112	93.53%	803,235	39,661	787,751	27,762	210,900		12,650,619
Provo City School District	3,008,230	166,973	(320,602)	2,854,601	44,185,577	93.93%	2,876,406	385,664	2,780,495	90,817	725,367		49,593,592
Provo School Charter	35,760	1,985	(3,265)	34,479	523,726	93.82%	33,269	5,162	26,048	577	9,016		579,765
Salem City	42,377	9,851	2,094	54,321	759,774	93.33%	76,404	86,275	77,266	1,184			1,000,903
Santaquin City	49,089	8,787	1,294	59,170	792,630	93.05%	87,802	7,614	58,911	2,108			949,065
Saratoga Springs City	187,794	35,216	8,864	231,874	2,886,994	92.57%	301,399	194,304	143,085	4,118			3,529,900
Soldier Summit Special Service District	3,512	-	(3)	3,509	10,091	74.20%	-	127	1,644	29			11,891
South Valley Sewer District	4,121	970	(184)	4,907	66,081	93.09%	5,328	215	3,304	130			75,059
Spanish Fork City	125,766	14,701	(5,590)	134,878	2,156,916	94.11%	179,280	45,959	123,332	4,409	81,005		2,428,891
Springville City	309,554	27,492	27,828	364,874	3,875,099	91.39%	298,807	22,070	274,146	11,098	24,898		4,456,322
Springville Drainage District	10,175	1,086	814	12,075	197,926	94.25%	11,725	2,354	12,819	430	3,805		221,450
Traverse Ridge Special Service District	7,396	1,770	(128)	9,037	113,254	92.61%	9,727	383	6,918	382			130,664
Unified Fire Service Area (Salt Lake County)	96,978	32,818	(2,596)	127,200	2,742,747	95.57%	280,237	52,343	70,798	2,619			3,148,744
Multi-County (State) Assessing & Collecting	24,411	2,021	(1,477)	24,955	365,253	93.60%	28,810	7,426	22,231	733			424,453
Utah County Local Assessing & Collecting	461,089	38,180	3,555	502,824	6,846,564	93.16%	544,186	150,596	419,924	13,843			7,975,112
Utah County	1,985,393	164,401	(70,810)	2,078,983	29,576,016	93.43%	2,347,855	729,487	1,709,481	927,032	2,245,469		33,044,401
Utah County Service Area #6	202,553	4,507	(18,460)	188,600	1,801,464	90.52%	64,790	148,346	131,833	4,869			2,151,301
Utah County Service Area #7	38,788	2,010	(8,791)	32,006	430,113	93.07%	28,569	33,761	37,091	1,400			530,934
Utah County Service Area #8	45,230	1,007	(4,101)	42,136	402,301	90.52%	14,508	33,092	29,488	1,089			480,477
Utah County Service Area #9	12,303	30	(14)	12,318	91,939	88.19%	459	7,960	5,926	233			106,517
Vineyard Town	199,103	4,114	(59,489)	143,729	4,688,855	97.03%	125,889	90,890	63,131	2,212	2,628,107		2,342,870
Woodland Hills City	40,705	5,813	(676)	45,841	579,666	92.67%	34,615	1,989	38,830	1,392			656,491
TOTAL	28,832,374	2,407,872	(1,036,908)	30,203,339	428,445,629		32,976,696	10,110,927	24,443,135	1,667,945	25,968,704	-	471,675,628

**SUPPLEMENTAL STATISTICAL
INFORMATION**

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978
Restricted	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378	101,109	107,132
Unrestricted	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690	10,667	15,552
Total governmental activities net position	<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>	<u>\$ 328,129</u>	<u>\$ 385,662</u>
Business-type activities										
None										
Total business-type activities net position	<u>\$ -</u>									
Primary government										
Invested in capital assets, net of related debt	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978
Restricted	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378	101,109	107,132
Unrestricted	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690	10,667	15,552
Total primary government net position	<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>	<u>\$ 328,129</u>	<u>\$ 385,662</u>

Source: Utah County Statements of Net Position at December 31, 2009 through 2018.

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses										
Governmental activities:										
General government	\$ 32,490	\$ 26,063	\$ 22,277	\$ 31,836	\$ 37,695	\$ 38,498	\$ 37,907	\$ 39,400	\$ 41,393	\$ 47,470
Public safety	39,441	40,388	43,146	44,994	46,787	48,865	48,362	51,135	55,342	56,047
Public health and welfare	26,904	28,268	30,297	31,462	33,660	32,924	32,988	32,301	34,600	35,890
Roads and public improvements	5,942	4,738	10,168	59,278	37,657	44,088	48,453	61,128	82,785	24,269
Parks and recreation	5,690	5,319	3,185	5,157	3,699	1,772	1,760	2,100	4,464	5,797
Interest on long-term liabilities	4,435	11,379	11,398	12,662	12,593	12,326	11,950	11,505	12,957	12,803
Total governmental activities expenses	<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>	<u>231,541</u>	<u>182,276</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	<u>-</u>									
Total primary government expenses	<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>	<u>\$ 231,541</u>	<u>\$ 182,276</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 20,275	\$ 10,791	\$ 15,887	\$ 14,152	\$ 11,876	\$ 13,163	\$ 15,303	\$ 15,224	\$ 16,339	\$ 17,787
Public safety	8,922	9,606	9,657	12,461	13,673	12,955	13,132	13,543	8,402	7,969
Public health	6,431	6,309	6,415	7,692	11,371	11,107	10,397	11,833	11,390	12,387
Highways and streets	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term liabilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	16,209	22,439	23,575	26,923	24,326	30,521	28,501	28,832	30,744	35,354
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<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>	<u>66,875</u>	<u>73,497</u>
Total primary government program revenues	<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>	<u>\$ 66,875</u>	<u>\$ 73,497</u>

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (expense)/revenue										
Governmental activities	\$ (63,065)	\$ (67,010)	\$ (64,937)	\$ (124,161)	\$ (110,845)	\$ (110,727)	\$ (114,087)	\$ (128,137)	\$ (164,666)	\$ (108,779)
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	<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>	<u>\$ (164,666)</u>	<u>\$ (108,779)</u>
General Revenues and Other Changes in Net position										
Governmental activities:										
Taxes										
Property taxes	\$ 38,404	\$ 38,872	\$ 40,167	\$ 40,093	\$ 42,611	\$ 40,610	\$ 42,949	\$ 44,528	\$ 44,474	\$ 48,402
Sales taxes	50,591	55,366	59,556	48,403	80,375	84,809	90,067	96,055	105,973	112,734
Investment earnings	1,228	1,810	765	935	578	556	695	1,183	2,538	3,503
Capital charges	-	-	-	-	-	-	-	-	-	-
Miscellaneous	667	4,488	4,171	1,059	2,015	2,840	1,688	1,858	1,416	2,676
Total governmental activities	<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>	<u>154,401</u>	<u>167,315</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>\$ 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>	<u>\$ 154,401</u>	<u>\$ 167,315</u>
Change in Net position										
Governmental activities	\$ 27,825	\$ 33,526	\$ 39,722	\$ (33,671)	\$ 14,734	\$ 18,088	\$ 21,312	\$ 15,487	\$ (10,265)	\$ 58,536
Business-type activities ¹	-	-	-	-	-	-	-	-	-	-
Total primary government	<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>	<u>\$ (10,265)</u>	<u>\$ 58,536</u>

Source: Utah County Statements of Activities for years ended December 31, 2009 through 2018.

Notes:

¹The County has no business-type activities.

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

Year	Property Tax^a	Option Sales Tax	Local Sales Tax	Transient Room (Hotel) Sales Tax	Tourism (Restaurant) Sales Tax	Tourism (Car Rental) Sales Tax	Section 2216 Sales Tax (Fixed Guideway)²	Section 2218 Sales Tax (Roads & Public Transit)	Total
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
2017	43,241	26,181	1,635	3,601	8,038	1,140	1,963	20,431	106,230
2018	45,074	27,992	1,722	3,813	8,584	1,178	2,083	22,200	112,646

^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

Year	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax³	Section 2218 Sales Tax
2009	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25% ⁴
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%
2017	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2018	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%

³ 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).

⁴ 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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ 3,503	\$ 3,532	\$ 3,590	\$ 3,737	\$ 3,687	\$ 3,828
Assigned	373	2,723	1,472	8,315	8,587	7,442	7,574	7,428	4,666	4,666
Unassigned	11,430	11,831	15,861	13,949	13,822	17,407	16,323	16,924	16,557	14,414
Total general fund	<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>	<u>\$ 24,910</u>	<u>\$ 22,908</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 1,947	\$ 1,825	\$ 1,887	\$ 444	\$ 431	\$ 50	\$ 373	\$ 681	\$ 733	\$ 771
Assessing and collecting	7,152	6,509	5,271	3,384	3,676	4,055	4,505	5,209	5,281	4,426
Public transit tax	162,395	144,203	37,013	39,582	44,521	51,213	57,085	68,789	75,602	79,177
TRCC tax	5,043	7,435	8,392	4,122	5,711	6,333	7,479	11,635	15,307	19,951
Special service areas	5,459	7,260	7,874	6,958	5,854	6,248	5,588	5,796	5,932	5,959
Bond proceeds	-	38,789	35,316	10,262	10,047	9,421	8,142	56,461	28,754	-
Debt service	7,931	5,006	3,729	1,588	-	-	-	-	-	-
Other purposes	-	-	-	-	-	-	-	-	-	-
Committed for:										
Public health and welfare	5,284	4,960	5,455	5,685	6,293	6,732	5,882	7,163	8,197	8,241
Public safety	-	-	433	534	640	720	797	882	983	1,035
Capital projects	7,569	6,014	8,563	8,014	7,396	6,596	8,503	9,462	9,629	9,466
Debt service	9,258	9,585	9,580	9,593	9,579	9,593	5,314	3,064	4,186	2,807
Assigned	110	97	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	7	7	7
Total all other governmental funds	<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>	<u>\$ 154,611</u>	<u>\$ 131,840</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2009 through 2018.

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>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues										
Taxes	\$ 88,996	\$ 97,280	\$ 99,723	\$ 88,497	\$ 122,271	\$ 125,999	\$ 132,574	\$ 140,517	\$ 151,516	\$ 160,001
Licenses and permits	293	346	296	267	330	323	384	505	416	404
Intergovernmental	29,587	26,190	30,565	32,609	27,774	29,994	29,074	29,494	30,484	36,478
Charges for services	19,104	19,579	21,747	25,349	30,604	35,560	35,294	37,238	33,853	34,672
Fines and forfeitures	2,853	3,030	3,230	3,002	2,862	2,832	2,582	2,262	2,122	1,958
Interest	1,228	1,786	767	935	578	556	695	1,183	2,535	3,503
Miscellaneous	666	1,469	3,865	1,059	1,688	1,878	1,684	1,791	1,416	2,656
Total revenues	<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>	<u>222,342</u>	<u>239,672</u>
Expenditures										
General government	59,364	81,985	57,133	55,754	41,998	43,589	44,001	43,621	46,698	47,877
Public safety	38,227	39,152	42,077	43,840	45,642	47,968	49,334	52,038	53,658	56,244
Public health	26,518	27,744	30,083	31,061	33,318	32,606	33,903	33,205	34,225	36,254
Roads and public improvements	5,741	4,410	115,119	78,012	39,844	44,428	48,666	61,455	82,775	97,099
Parks and recreation	5,382	5,012	2,879	4,850	1,433	1,465	1,503	1,843	4,097	5,561
Debt service:										
Principal	5,280	9,277	9,327	10,805	9,945	8,590	13,390	10,550	8,735	8,755
Interest and fiscal charges	4,079	11,365	11,682	12,900	12,879	12,691	12,277	11,669	13,036	12,972
Total expenditures	<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>	<u>243,224</u>	<u>264,762</u>
Excess of revenues over (under) expenditures	(1,864)	(29,265)	(108,107)	(85,504)	1,048	5,805	(787)	(1,391)	(20,882)	(25,090)

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Other financing sources (uses)										
Transfers in	18,823	29,086	25,549	31,783	25,623	26,401	28,866	25,040	28,228	25,276
Transfers out	(15,221)	(22,831)	(22,886)	(28,698)	(22,993)	(22,982)	(26,264)	(22,566)	(25,064)	(24,959)
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	-	-	-	-	-
Total other financing sources (uses)	<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>	<u>3,164</u>	<u>317</u>
Net change in fund balances	<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>	<u>\$ (17,718)</u>	<u>\$ (24,773)</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2009 through 2018.

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
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%
2017	34,696,335	1,696,147	2,473,985	38,866,467	0.000779	30,413	28,577	93.96%
2018	38,763,344	1,943,028	2,385,025	43,091,397	0.000732	31,655	29,576	93.43%

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						
2009	\$ 15,419,124	\$ 8,869,273	\$ 357,417	\$ 2,123,419	\$ 939,209	\$ 27,708,442	na	0.001203	\$ 50,066,172	na	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%
2017	23,045,191	11,281,823	369,321	2,457,976	1,696,147	38,850,458	10.7%	0.000969	56,883,482	-7.3%	68.3%
2018	25,975,653	12,352,584	435,106	2,385,025	1,943,028	43,091,397	10.9%	0.000911	63,673,572	11.9%	67.7%

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

	2018	2017	2016	2015	2014
County-wide rates¹:					
General Fund	0.000732	0.000779	0.000834	0.000870	0.000916
Bond Debt Service Fund	na	na	na	na	na
State Assessing & Collecting	0.000009	0.000010	0.000011	0.000012	0.000013
Local Assessing & Collecting	0.000170	0.000180	0.000204	0.000216	0.000220
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ²	0.000911	0.000969	0.001049	0.001098	0.001149
Other County rates³:					
Law Enforcement - Service Area 6	0.001236	0.001294	0.001379	0.001404	0.001440
Urban Structure Fire - Service Area 7	0.000589	0.000611	0.000831	0.000835	0.000854
Planning - Service Area 8	0.000276	0.000290	0.000309	0.000310	0.000323
Rural Structure Fire - Service Area 9	0.000127	0.000135	0.000139	0.000143	0.000145
Soldier Summit Special Service District	0.003046	0.003141	0.003385	0.003444	0.003857
School district rates:					
Alpine School Charter	0.000069	0.000080	na	na	na
Alpine School District	0.006964	0.007087	0.007718	0.008177	0.008096
Nebo School Charter	0.000102	0.000086	na	na	na
Nebo School District	0.008990	0.009212	0.009298	0.009326	0.009183
Provo City School District	0.007487	0.007244	0.007883	0.007568	0.006636
Provo School Charter	0.000089	0.000083	na	na	na
City and town rates:					
Alpine	0.001179	0.001305	0.001388	0.001478	0.001611
American Fork	0.002077	0.002082	0.002261	0.002362	0.002540
Bluffdale	0.001442	0.001751	0.001218	0.001309	0.001419
Cedar Fort	0.000817	0.000924	0.001037	0.001099	0.001163
Cedar Hills	0.001923	0.002024	0.002186	0.002315	0.002410
Draper	0.001352	0.001460	0.001560	0.001701	0.001791
Eagle Mountain	0.000924	0.001011	0.001081	0.001118	0.001192
Elk Ridge	0.001841	0.001949	0.002180	0.002356	0.002360
Fairfield	0.000976	0.001043	0.001012	0.000918	0.000801
Genola	0.001045	0.001045	0.000902	0.000949	0.000972
Goshen	0.000637	0.000678	0.000799	0.000855	0.000885
Highland	0.001327	0.001428	0.001494	0.001568	0.001681
Lehi	0.001678	0.001830	0.002005	0.002090	0.002172
Lindon	0.001392	0.001451	0.001630	0.001741	0.001862
Mapleton	0.002523	0.002729	0.002729	0.002729	0.003052
Orem	0.001281	0.001346	0.001550	0.001652	0.001716
Payson	0.001280	0.001280	0.001279	0.001280	0.001268
Pleasant Grove	0.001884	0.002029	0.001775	0.001875	0.001997
Provo	0.001888	0.002089	0.002239	0.002377	0.002775
Salem	0.001524	0.001633	0.001697	0.001839	0.001896
Santaquin	0.001644	0.001734	0.001909	0.002075	0.002176
Saratoga Springs	0.001731	0.001822	0.001994	0.002083	0.002233
Spanish Fork	0.000955	0.000955	0.001031	0.001091	0.001123
Springville	0.001914	0.002087	0.002262	0.001896	0.002054
Vineyard	0.003957	0.004015	0.003446	0.002878	0.002816
Woodland Hills	0.004337	0.004613	0.004839	0.004615	0.005262
Other taxing district rates:	0.000009-0.001836	0.000010-0.001809	0.000011-0.001884	0.000011-0.001997	0.000011-0.002097

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

	2013	2012	2011	2010	2009
County-wide rates¹:					
General Fund	0.001006	0.001116	0.001098	0.001036	0.000785
Bond Debt Service Fund	na	0.000011	0.000045	0.000072	0.000093
State Assessing & Collecting	0.000158	0.000168	0.000172	0.000162	0.000142
Local Assessing & Collecting	0.000095	0.000029	0.000027	0.000024	0.000183
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ²	0.001259	0.001324	0.001342	0.001294	0.001203
Other County rates³:					
Law Enforcement - Service Area 6	0.001472	0.001442	0.001372	0.001378	0.001400
Urban Structure Fire - Service Area 7	0.000877	0.000875	0.000761	0.000670	0.000661
Planning - Service Area 8	0.000329	0.000374	0.000548	0.000573	0.000559
Rural Structure Fire - Service Area 9	0.000148	0.000155	0.000293	0.000300	0.000283
Soldier Summit Special Service District	0.003317	0.003657	0.003876	0.004476	0.003233
School district rates:					
Alpine School Charter	na	na	na	na	na
Alpine School District	0.008699	0.008828	0.008812	0.008220	0.007541
Nebo School Charter	na	na	na	na	na
Nebo School District	0.009526	0.009615	0.009370	0.009173	0.008701
Provo City School District	0.007094	0.007319	0.007153	0.006706	0.006639
Provo School Charter	na	na	na	na	na
City and town rates:					
Alpine	0.001773	0.001916	0.001870	0.001226	0.001121
American Fork	0.002750	0.002812	0.002794	0.002630	0.002423
Bluffdale	0.001523	0.001618	na	na	na
Cedar Fort	0.001279	0.001268	0.001244	0.001311	0.001280
Cedar Hills	0.002873	0.003183	0.003153	0.002994	0.002768
Draper	0.001887	0.002009	0.001996	0.001896	0.001818
Eagle Mountain	0.001380	0.001668	0.001636	0.001510	0.001400
Elk Ridge	0.002526	0.002715	0.002621	0.002494	0.002343
Fairfield	0.001634	0.001665	0.001808	0.001921	0.001895
Genola	0.001045	0.001024	0.000957	0.000953	0.000993
Goshen	0.000922	0.000936	0.000981	0.000980	0.000978
Highland	0.001886	0.002005	0.002004	0.001948	0.001804
Lehi	0.002432	0.002585	0.002519	0.002370	0.001789
Lindon	0.002043	0.002107	0.002080	0.001873	0.001686
Mapleton	0.003466	0.003639	0.003570	0.003416	0.003085
Orem	0.001871	0.001921	0.001879	0.001739	0.001676
Payson	0.001353	0.001380	0.001323	0.001272	0.001213
Pleasant Grove	0.002237	0.002315	0.002256	0.002085	0.001943
Provo	0.002956	0.003032	0.002843	0.002394	0.002307
Salem	0.002020	0.002106	0.002003	0.001336	0.001228
Santaquin	0.002408	0.001817	0.001830	0.001677	0.001571
Saratoga Springs	0.002761	0.003054	0.003120	0.002744	0.002436
Spanish Fork	0.001221	0.001221	0.001186	0.001134	0.001076
Springville	0.002159	0.002190	0.002103	0.002213	0.001538
Vineyard	0.002740	0.002758	0.002249	0.001815	0.001695
Woodland Hills	0.006272	0.005519	0.005469	0.005213	0.004530
Other taxing district rates:	0.000012-0.002192	0.000013-0.003773	0.000013-0.003803	0.000012-0.003171	0.000009-0.002635

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	2018		2008		Percentage of Total County Taxable Assessed Values ²
		Taxable Assessed Value	Rank	Taxable Assessed Value	Rank	
PacifiCorp	Electricity	\$ 952,825	1	\$ 317,208	1	1.09%
IM Flash Technologies LLC	Semiconductor	319,618	2	236,014	2	0.81%
Questar Gas	Natural Gas	269,951	3	101,055	4	0.35%
University Mall Shopping Center LC	Retail	179,654	4	57,770	10	0.20%
Union Pacific Railroad	Transportation	177,781	5	---	---	---
Walmart Real Estate Business Trust	Retail	100,233	7	---	---	---
Nu Skin International Inc	Personal care	94,714	6	---	---	---
CenturyLink Inc (formerly Qwest Corp)	Telecommunications	91,491	9	137,347	3	0.47%
Sir Properties Trust	Real Estate	85,061	8	---	---	---
Adobe Systems Inc	Computer software	77,341	10	---	---	---
Novell Inc	Computer software	---	---	91,452	5	0.32%
TCU-Canyon Park LLC	Real Estate	---	---	69,865	6	0.24%
Kern River Gas	Natural Gas	---	---	61,503	7	0.21%
Provo Mall LLC	Retail	---	---	59,731	8	0.21%
Ivory Development LLC	Real Estate	---	---	58,155	9	0.20%
Totals		<u>\$2,348,669</u>		<u>\$1,190,100</u>		<u>4.10%</u>

Source: Utah County Treasurer

Notes:

¹ Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$43,091,397 (amount expressed in thousands).

² Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$29,014,739 (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, 2018 (January 1, 2018 through December 31, 2018), the ten largest sales and use tax collectors provided approximately 23 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				
2009	\$ 9,020	\$ 164,055	\$ 629		\$ 173,704	1.30%	\$ 344
2010	6,695	202,515	307		209,517	1.53%	403
2011	4,220	195,920	-		200,140	1.35%	377
2012	1,680	239,330	-		241,010	1.49%	447
2013	-	234,865	-		234,865	1.37%	426
2014	-	226,770	-		226,770	1.21%	404
2015	-	213,380	-		213,380	1.04%	373
2016	-	267,830	-		267,830	1.22%	454
2017	-	259,095	-		259,095	1.12%	427
2017	-	250,340	-		250,340	na	402

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 116 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
2009	\$ 9,020	\$ 7,931	\$ 1,089	0.00%	504,801	\$ 2
2010	6,695	5,006	1,689	0.01%	519,994	3
2011	4,220	3,729	491	0.00%	530,658	1
2012	1,680	1,588	92	0.00%	539,704	-
2013	-	-	-	0.00%	551,333	-
2014	-	-	-	0.00%	560,751	-
2015	-	-	-	0.00%	572,650	-
2016	-	-	-	0.00%	590,082	-
2017	-	-	-	0.00%	606,503	-
2018	-	-	-	0.00%	622,213	-

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 109 for property value data.

² See the Schedule of Demographic and Economic Statistics on page 116 for personal income and population data.

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt limit (2%) ¹	\$ 851,335	\$ 819,641	\$ 779,312	\$ 730,620	\$ 771,032	\$ 869,669	\$ 932,699	\$ 1,039,237	\$ 1,154,112	\$ 1,286,884
Total net debt applicable to limit	<u>1,089</u>	<u>1,689</u>	<u>491</u>	<u>92</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<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>	<u>\$ 1,154,112</u>	<u>\$ 1,286,884</u>
Total net debt applicable to the limit as a percentage of debt limit	0.13%	0.21%	0.06%	0.01%	0.00%	0.00%	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 2018:**

	<u>Taxable Value²</u>	<u>Adjusted Fair Market Value¹</u>
Residential values	\$ 25,975,653	\$ 47,228,461
Non-residential values	17,115,744	17,115,744
Totals	<u>\$ 43,091,397</u>	<u>\$ 64,344,205</u>
Debt limit (adjusted fair market value x 0.02)		\$ 1,286,884
Debt applicable to limit:		
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		<u>-</u>
Total net debt applicable to limit		<u>-</u>
Legal debt margin		<u>\$ 1,286,884</u>

UTAH COUNTY
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population</u>	<u>Personal Income (amounts expressed in thousands)³</u>	<u>Per Capita Personal Income³</u>	<u>Median Age</u>	<u>School Enrollment</u>	<u>County Unemployment Rate</u>
2009	504,801 ¹	\$13,373,688	\$26,493	24.6 ¹	105,874 ¹	7.5% ⁶
2010	519,994 ²	\$13,692,759	\$26,333	24.6 ⁴	108,556 ¹	7.2% ⁶
2011	530,658 ²	\$14,829,683	\$27,935	24.3 ⁴	111,736 ¹	5.5% ⁶
2012	539,704 ²	\$16,225,925	\$30,060	24.2 ⁴	115,507 ¹	4.6% ⁶
2013	551,333 ²	\$17,107,938	\$31,013	24.2 ⁴	131,293 ⁵	3.9% ⁶
2014	560,751 ²	\$18,671,591	\$33,288	24.3 ⁴	135,125 ⁵	3.3% ⁶
2015	572,650 ²	\$20,456,524	\$35,698	24.5 ⁴	139,108 ⁵	3.2% ⁶
2016	590,082 ²	\$22,025,557	\$37,301	24.6 ⁴	143,244 ⁵	3.0% ⁶
2017	606,503 ²	\$23,134,496	\$38,149	24.7 ⁴	144,431 ⁵	2.8% ⁶
2018	622,213 ²	na	na	24.9 ⁴	146,840 ⁵	2.7% ⁶

Sources:

¹ Utah County's 2017 Financial Statements.

² U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2018. Release Date: April 2019. Retrieved June 2019.

³ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Table CAINC1, 6 March 2019. Estimates are in current dollars (not adjusted for inflation). Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2010-2017 reflect county population estimates available as of March 2018. Retrieved June 2019. Statistics for 2018 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, 2018. Release Date: June 2019. Retrieved June 2019.

⁵ Utah State Board of Education, Data & Statistics (as of fall enrollment for each year). Enrollment for Kindergarten-Grade 12 for Utah County. Retrieved June 2019.

⁶ Utah Department of Workforce Services. Utah County unemployment rate, seasonally adjusted, as of December for each year. Retrieved June 2019.

UTAH COUNTY
Principal Employers
Most Current Year and Five Years Ago

Employer	Industry	2018 ¹			2013 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	5.15% - 6.86%	15,000-19,999	1	6.30% - 8.40%
Alpine School District	Public Education	7,000-9,999	2	2.40% - 3.43%	5,000-6,999	2	2.10% - 2.94%
Utah Valley University	Higher Education (Public)	5,000-6,999	3	1.72% - 2.40%	4,000-4,999	3	1.68% - 2.10%
Utah Valley Hospital	Healthcare	5,000-6,999	4	1.72% - 2.40%	4,000-4,999	4	1.68% - 2.10%
Vivint Inc	Building Equipment Contractors	3,000-3,999	5	1.03% - 1.37%	2,000-2,999	7	0.84% - 1.26%
Nebo School District	Public Education	3,000-3,999	6	1.03% - 1.37%	3,000-3,999	5	1.26% - 1.68%
State of Utah	State Government	2,000-2,999	7	0.69% - 1.03%	2,000-2,999	6	0.84% - 1.26%
Walmart	Retail	2,000-2,999	8	0.69% - 1.03%	2,000-2,999	8	0.84% - 1.26%
Rbd Acquisition	Services to Buildings and Dwellings	2,000-2,999	9	0.69% - 1.03%	---	---	---
Young Living Essential Oils	Direct Selling Establishments	2,000-2,999	10	0.69% - 1.03%	---	---	---
Bluefin Office Group	Office Supplies	---	---	---	2,000-2,999	9	0.84% - 1.26%
Provo School District	Public Education	---	---	---	1,000-1,999	10	0.42% - 0.84%

Notes:

¹ Source: Utah Department of Workforce Services, Updated September 2018.

² 2013 table originally presented in Utah County's 2013 Financial Statements.

³ Annual average employed labor force (not seasonally adjusted) for 2018 was 291,391 and for 2013 was 238,194. 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
2018	\$ 27,992,175	\$ 1,722,414	\$ 29,714,589	6.8%
2017	26,181,125	1,634,714	27,815,838	9.7%
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	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
2018	\$ 2,083,470	\$ 21,699,860	\$ 23,783,330	6.2%
2017	1,962,717	20,430,702	22,393,420	11.4%
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	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

Year	Total Motor Vehicle Registrations⁵	% Change from Prior Year	Total Pledged Fees⁶	% Change from Prior Year
2018	448,831	5.1%	\$ 4,836,036	22.0%
2017	427,029	4.7%	3,964,465	-4.2%
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	na	3,270,300	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.

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) ⁷	Restaurant Tax ⁸	Short-Term Lease Tax ⁹	Total Pledged Taxes	% Change from Prior Year
2018	\$ 897,232	\$ 8,584,096	\$ 1,178,072	\$10,659,400	6.3%
2017	847,382	8,037,995	1,139,700	10,025,076	5.8%
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	na

⁷ 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%.

⁸ The Restaurant Tax levy was raised to 1.00% effective April 1, 2007.

⁹ The County began levying the Short-Term Lease Tax effective April 1, 2004.

Source: Utah State Tax Commission

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

Year	Total Transient Room Tax Collections^{10,11}	Pledged Taxes	% Change from Prior Year
2018	\$ 3,813,235	\$ 1,121,540	5.9%
2017	3,601,373	1,059,227	8.5%
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 ¹²	11.5%
2010	1,705,311	502,024 ¹²	-0.4%
2009	1,714,580	504,251 ¹²	na

¹⁰ 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 121).

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%.

¹¹ 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 2009 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.

¹² 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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assets and deferred outflows of resources					
Assets:					
Cash and investments	\$ 126,531,446	\$ 132,621,385	\$ 203,590,533	\$ 188,095,541	\$ 156,382,465
Receivables:					
Taxes receivable	20,121,279	18,794,382	21,412,033	20,770,460	21,501,860
Other receivables	12,877,575	11,151,686	10,606,495	12,383,250	10,975,408
Inventories	545,373	496,582	381,574	358,651	314,349
Other current assets	1,168,970	1,162,248	885,755	787,214	4,257,491
Capital assets, net of depreciation					
Land	44,176,139	46,489,657	46,489,657	46,939,657	47,074,157
Rights of way and water rights	211,740	211,740	211,740	211,740	211,740
Buildings	118,137,772	115,881,659	113,716,479	112,119,299	109,513,264
Improvements other than buildings	4,088,859	3,735,273	3,435,091	4,210,870	3,957,006
Equipment	8,765,092	9,405,618	10,238,277	10,909,644	10,438,260
Infrastructure	237,413,904	237,413,904	238,104,879	239,045,217	311,835,068
Construction-in-progress	-	-	-	-	-
Net pension asset	-	31,623	18,996	11,073	17,953
Total assets	<u>574,038,149</u>	<u>577,395,757</u>	<u>649,091,509</u>	<u>635,842,616</u>	<u>676,479,021</u>
Deferred outflows of resources	364,708	11,348,840	22,403,935	28,655,514	26,496,655
Total assets and deferred outflows of resources	<u>574,402,857</u>	<u>588,744,597</u>	<u>671,495,444</u>	<u>664,498,130</u>	<u>702,975,676</u>
Liabilities and deferred inflows of resources					
Liabilities:					
Accounts payable and accruals	\$ 11,855,382	\$ 8,729,007	\$ 13,803,700	\$ 15,647,407	\$ 12,315,745
Accrued interest	904,871	819,625	896,811	955,550	924,444
Unearned revenues	1,401,807	5,229,789	6,212,414	6,290,497	3,132,201
Revenue bonds payable--due within one year	9,331,866	7,425,000	8,976,866	8,892,668	9,202,668
Other liabilities	-	-	-	2,820,010	3,567,758
Noncurrent liabilities:					
Revenue bonds payable--due more than one year	219,443,222	207,718,222	260,374,490	251,586,020	242,383,352
Compensated absences and other post-employment benefits	11,524,328	11,099,572	11,112,139	11,112,139	11,692,531
Net pension liability	-	21,942,088	28,962,503	34,824,628	23,585,228
Total liabilities	<u>254,461,476</u>	<u>262,963,303</u>	<u>330,338,923</u>	<u>332,128,919</u>	<u>306,803,927</u>
Deferred inflows of resources	-	2,874,110	2,762,189	4,240,141	10,509,348
Total liabilities and deferred inflows of resources	<u>254,461,476</u>	<u>265,837,413</u>	<u>333,101,112</u>	<u>336,369,060</u>	<u>317,313,275</u>
Net position					
Invested in capital assets, net of related debt	\$ 192,534,460	\$ 197,175,004	\$ 202,325,789	\$ 216,352,739	\$ 262,978,181
Restricted for:					
Debt service	11,130,082	5,314,340	3,064,139	4,186,306	2,807,164
Assessing and collecting property taxes	4,055,274	4,505,426	5,208,654	5,281,093	4,426,091
Transient room tax	50,038	373,131	681,384	733,124	771,038
Public transit tax	54,349,105	54,349,105	68,789,479	75,601,550	79,176,704
Restaurant tax	6,333,286	7,479,185	11,635,060	15,306,920	19,951,288
Unrestricted	51,489,136	53,710,993	46,689,827	10,667,338	15,551,935
Total net position	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>	<u>\$ 328,129,070</u>	<u>\$ 385,662,401</u>

Source: Utah County Statements of Net Position at December 31, 2014 through 2018.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net (expenses)/revenues by function ¹ :					
Governmental activities:					
General government	\$ (25,333,999)	\$ (22,604,531)	\$ (24,176,044)	\$ (25,053,679)	\$ (29,683,836)
Public safety	(31,657,768)	(31,203,225)	(33,479,139)	(42,697,469)	(42,095,367)
Public health and welfare	(4,962,752)	(4,917,959)	(2,578,201)	(4,912,908)	(5,640,848)
Roads and public improvements	(34,673,151)	(41,650,786)	(54,298,571)	(74,580,833)	(12,758,697)
Parks and recreation	(1,771,513)	(1,759,817)	(2,100,331)	(4,464,337)	(5,797,461)
Interest on long-term liabilities	(12,326,231)	(11,950,131)	(11,504,694)	(12,957,564)	(12,802,726)
Total net (expenses)/revenues	<u>(110,725,414)</u>	<u>(114,086,449)</u>	<u>(128,136,980)</u>	<u>(164,666,790)</u>	<u>(108,778,935)</u>
General revenues:					
Property taxes	\$ 40,609,534	\$ 42,948,851	\$ 44,528,176	\$ 44,473,978	\$ 48,402,475
Sales taxes	75,094,950	79,157,753	84,038,280	93,194,377	99,158,282
TRCC taxes	7,170,014	7,980,664	8,696,787	9,177,694	9,762,168
Transient room tax	2,543,118	2,928,424	3,320,110	3,601,373	3,813,235
Earnings on investments	556,431	694,866	1,182,935	2,538,252	3,503,161
Other revenues	-	-	-	-	-
Miscellaneous revenues	2,840,125	1,687,691	1,857,840	1,415,854	2,675,514
Total general revenues	<u>128,814,172</u>	<u>135,398,249</u>	<u>143,624,128</u>	<u>154,401,528</u>	<u>167,314,835</u>
Change in net position	18,088,758	21,311,800	15,487,148	(10,265,262)	58,535,900
Net position - beginning	301,852,623	301,595,384 ²	322,907,184	338,394,332	327,126,501 ³
Net position - ending	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>	<u>\$ 328,129,070</u>	<u>\$ 385,662,401</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.

³ Beginning net position in 2018 restated due to implementation of GASB Statement No. 75.

Source: Utah County Statements of Activities at December 31, 2014 through 2018.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
ASSETS					
Cash and investments	\$ 26,818,140	\$ 29,283,300	\$ 30,968,967	\$ 28,989,868	\$ 27,229,108
Receivables:					
Taxes	11,625,910	10,424,192	12,171,799	11,597,439	11,863,925
Other	3,060,994	1,652,726	839,499	1,597,020	1,233,938
Due from other funds	2,824,900	3,071,000	1,761,000	1,747,000	3,196,000
Other assets	108,703	130,406	91,522	121,183	112,460
Total assets	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>	<u>\$ 44,052,510</u>	<u>\$ 43,635,432</u>
LIABILITIES					
Accounts payable and accruals	\$ 2,927,006	\$ 3,402,002	\$ 3,833,493	\$ 4,183,488	\$ 5,851,137
Unearned revenues	1,039,001	1,297,568	1,355,723	1,448,562	1,120,274
Other liabilities	10,450,539	10,450,539	10,627,041	12,351,077	11,792,832
Total liabilities	<u>14,416,546</u>	<u>15,150,109</u>	<u>15,816,257</u>	<u>17,983,126</u>	<u>18,764,243</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,641,278</u>	<u>1,924,316</u>	<u>1,928,024</u>	<u>1,159,405</u>	<u>1,963,349</u>
FUND BALANCES					
Restricted:					
Statutory minimum balance	3,531,824	3,590,196	3,736,802	3,687,256	3,828,171
Assigned:					
Retiree health insurance	-	-	-	-	-
Medicaid reserve	600,000	600,000	600,000	600,000	600,000
Assessing and collecting taxes	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
DDAPT carryforward	-	132,531	132,531	-	-
Presidential election (2020)	-	-	-	1,000,000	1,000,000
Unassigned	17,407,400	16,322,872	16,924,179	16,556,960	14,413,906
Total fund balances	<u>28,380,824</u>	<u>27,487,199</u>	<u>28,088,506</u>	<u>24,909,978</u>	<u>22,907,839</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>	<u>\$ 44,052,510</u>	<u>\$ 43,635,432</u>

Source: Utah County Balance Sheets at December 31, 2014 through 2018.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
REVENUES					
Property taxes	\$ 28,530,647	\$ 29,328,754	\$ 30,712,289	\$ 31,870,975	\$ 33,382,815
Sales taxes	22,762,600	24,107,617	25,359,745	27,815,838	29,714,589
Franchise taxes	4,704	3,745	4,024	3,145	4,924
Licenses and permits	301,961	357,424	472,814	393,746	379,620
Intergovernmental	863,929	849,037	903,826	796,225	828,453
Charges for services	14,003,922	14,205,191	14,291,738	10,056,386	8,968,827
Fines and forfeitures	2,822,054	2,545,799	2,227,427	2,116,978	1,943,400
Interest	138,561	152,308	255,615	331,279	476,297
Miscellaneous	1,208,885	254,039	537,404	360,546	864,477
Total revenues	<u>70,637,263</u>	<u>71,803,914</u>	<u>74,764,881</u>	<u>73,745,119</u>	<u>76,563,401</u>
EXPENDITURES					
Current:					
General government	21,011,255	22,886,799	24,225,961	26,836,350	26,707,392
Public safety	43,456,681	44,662,897	46,895,476	48,207,864	50,130,902
Public health and welfare	867,902	921,060	841,909	949,275	899,841
Parks and recreation	422,158	379,352	480,147	607,866	519,821
Capital outlay:					
General government	16,879	5,599	29,374	28,484	-
Public safety	87,145	25,765	37,488	98,491	237,029
Public health and welfare	-	-	23,071	-	-
Parks and recreation	-	-	6,825	-	-
Total expenditures	<u>65,862,019</u>	<u>68,881,472</u>	<u>72,540,250</u>	<u>76,728,331</u>	<u>78,494,985</u>
Excess (deficiency) of revenues over expenditures	<u>4,775,244</u>	<u>2,922,442</u>	<u>2,224,631</u>	<u>(2,983,212)</u>	<u>(1,931,584)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	3,429,861	4,148,274	3,452,317	3,618,928	3,721,669
Transfers out	(5,736,583)	(7,964,341)	(5,075,641)	(3,814,245)	(3,792,223)
Total other financing sources (uses)	<u>(2,306,722)</u>	<u>(3,816,067)</u>	<u>(1,623,324)</u>	<u>(195,317)</u>	<u>(70,554)</u>
Net change in fund balances	2,468,522	(893,625)	601,307	(3,178,528)	(2,002,139)
Fund balances - beginning	<u>25,912,302</u>	<u>28,380,824</u>	<u>27,487,199</u>	<u>28,088,506</u>	<u>24,909,978</u>
Fund balances - ending	<u>\$ 28,380,824</u>	<u>\$ 27,487,199</u>	<u>\$ 28,088,506</u>	<u>\$ 24,909,978</u>	<u>\$ 22,907,839</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2014 through 2018.

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	\$ 2,715,000
2010 ²	Energy/Qualified Energy Conservation Bonds	4,940,000	February 1, 2027	3,435,000
Total				<u>\$ 6,150,000</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	\$ 3,015,000
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>\$ 36,215,000</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	\$ 62,030,000
2012 ⁷	Transportation	51,675,000	December 1, 2039	44,900,000
2009B ^{8,9}	Transportation	85,490,000	December 1, 2034	79,615,000
Total				<u>\$ 186,545,000</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	\$ 21,430,000
Total				<u>\$ 21,430,000</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, 2018

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UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2018

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>				
Direct				
Foster Grandparents/Senior Companion Cluster				
Foster Grandparent Program	94.011		\$ 218,817	
Senior Companion Program	94.016		168,484	
Total Corp for National and Community Service/and Cluster			<u>387,301</u>	
<u>U.S. Department of Agriculture</u>				
Passed Through Utah Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	15-2700142	1,059,994	
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	15-2700142	256,725	
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	15-2700142	417,166	
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Noncash Commodities)	10.557		5,441,484	
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	15-2700142	287,151	
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	15-2700142	113,426	
Special Supplemental Nutrition Program for Women, Infants, and Children - Technology Services	10.557	15-2700142	55,424	
Special Supplemental Nutrition Program for Women, Infants, and Children - Infrastructure	10.557	15-2700142	250,000	
Total CFDA	10.557		<u>7,881,370</u>	
Passed Through Utah Department of Finance				
Forest Service Schools and Roads Cluster				
Schools and Roads--Grants to States	10.665	SRS2013	53,823	
Schools and Roads--Grants to States	10.665	SRS2015	173,346	
Schools and Roads--Grants to States	10.665	SRS2016	9,321	
Total CFDA and Cluster	10.665		<u>236,490</u>	
Total U.S. Department of Agriculture			<u>8,117,860</u>	
<u>U.S. Department of Transportation</u>				
Passed through Utah Highway Safety Office				
Highway Safety Cluster				
State & Community Highway Safety	20.600		25,000	
Passed through Utah Highway Safety Office				
National Priority Safety Programs	20.616		7,500	
Total Cluster			<u>32,500</u>	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP-USA-2013	3,828	
Total U.S. Department of Transportation			<u>36,328</u>	
<u>U.S. Department of Health and Human Services</u>				
Direct				
Drug-free Communities Support Program Grants	93.276		110,242	
Food and Drug Administration--Research	93.103		2,821	
Passed Through NAMI of Utah				
Block Grants for Community Mental Health Services	93.958		2,797	
Passed Through Utah Department of Human Services				
Block Grants for Prevention & Treatment of Substance Abuse	93.959	16-0080	1,787,615	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	15-1949	34,776	
Total CFDA	93.959		<u>1,822,391</u>	
Community-Based Child Abuse Prevention	93.590	16-1468	65,908	
Opiod STR	93.788	160080	554,284	
				183,081

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

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>				
Passed Through Utah Department of Health				
Affordable Care Act Abstinence Education Program	93.235	172700336	128,764	74,725
Domestic Ebola Supplement to ELC	93.815	162700881	2,353	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	15-2700566	3,000	
National State Based Tobacco Control Programs	93.305	16-2700063	76,378	
Maternal and Child Health Services Block Grant to the States	93.994	16-2700347	108,016	
Maternal and Child Health Services Block Grant to the States	93.994	18-2700965	42,546	
Total CFDA	93.994		150,562	
Preventive Health & Health Services Block Grant	93.991	19-2700381	92,194	
National Bioterrorism Hospital Preparedness Program	93.889	18-2700127	14,389	
National Bioterrorism Hospital Preparedness Program	93.889	192700042	100,723	
Total CFDA	93.889		115,112	
Injury Prevention and Control Research	93.136	192700281	2,000	
Injury Prevention and Control Research	93.136	17-2700453	31,594	
Total CFDA	93.136		33,594	
Prevention and Public Health Fund - Capacity Building Assistance	93.539	172700655	59,578	
State Physical Activity and Nutrition Program	93.439	192700381	477	
Medicaid Cluster				
Medical Assistance Program	93.778	16-2700973	71,490	
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-2700282	16,631	
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	182700671	21,664	
Cancer Prevention and Control Programs for State, Territorial, and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752	16-2700968	122,010	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	162700143	15,360	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	182700965	21,561	
Total CFDA	93.758		36,921	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	16-0080	44,468	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	16-2700143	48,780	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

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>				
Public Health Emergency Preparedness	93.069	18-2700127	224,060	
Public Health Emergency Preparedness	93.069	192700042	336,631	
Total CFDA	93.069		560,691	
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	16-2700953	282,007	
Empowering Older Adults and Adults with Disabilities through Chronic Disease Self-Management Education Programs Financed by PPHF	93.734	192700281	5,200	
Assistance Programs for Chronic Disease Prevention and Control	93.945	192700281	1,925	
Assistance Programs for Chronic Disease Prevention and Control	93.945	16-2700554	4,900	
Total CFDA	93.945		6,825	
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	152700192	29,353	
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	3,112	
Total CFDA	93.521		32,465	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	182700732	38,713	
Environmental Public Health and Emergency Response	93.070	15-2700376	69,657	
Passed Through Mountainland Assoc. of Governments Social Services Block Grant	93.667		20,515	
477 Cluster				
Passed Through Utah State University Temporary Assistance for Needy Families--Cluster	93.558		5,568	
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			4,639,726	
<u>U.S. Dept. of Justice</u>				
Passed Through Utah Commission on Criminal and Juvenile Justice				
Crime Victim Assistance - VOCA	16.575	15V17073	188,058	
Crime Victim Assistance - VOCA	16.575	15V17075	342,184	
Crime Victim Assistance - VOCA	16.575	AD Voca BP01-93	51,759	
Crime Victim Assistance - VOCA	16.575	AD Voca BP0124	41,768	
Crime Victim Assistance - Victim/Witness Coordinator	16.575	15V17074	52,705	
Crime Victim Assistance - Victim Witness Coordinator	16.575	16V17074	15,864	
Total CFDA	16.575		692,338	
Passed Through Utah Dept of Human Services Drug Court Discretionary Grant	16.585	160080	221,963	
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-SA18	7,000	
Total U.S. Department of Justice			921,301	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>Environmental Protection Agency</u>				
Passed Through Utah Dept. of Environmental Quality				
Performance Partnership Grants	66.605	190080	30,366	
Performance Partnership Grants	66.605	180396	63,492	
Total CFDA and Environmental Protection Agency	66.605		<u>93,858</u>	
<u>U.S. Department of Homeland Security</u>				
Direct				
National Cyber Security Awareness	97.128		6,034	
Passed Through Utah Department of Public Safety				
Emergency Management Performance Grants	97.042	EMPG-2017-DEM-025	93,000	
Homeland Security Grant Program	97.067	DEM 2017 SHSP-00	30,262	
Homeland Security Grant Program	97.067	DEM 2016 SHSP-00	71,945	
Homeland Security Grant Program	97.067	DEM 2015 SHSP-00	36,863	
Homeland Security Grant Program	97.067	16-SHSP-Bomb Squad	108,032	
Total CFDA	97.067		<u>247,102</u>	63,462
Total U.S. Department of Homeland Security			<u>346,136</u>	
<u>U.S. Department of Housing & Urban Development</u>				
Direct				
CDBG Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		1,452,901	
Passed Through Mountainlands Association of Governments				
Community Development Block Grants Entitlement Grants	14.218		60,189	
Total CFDA, Cluster, and U.S. Department of HUD	14.218		<u>1,513,090</u>	1,452,901
<u>Executive Office of the President</u>				
Passed through Orem City				
High Intensity Drug Trafficking Areas Program	95.001		64,926	
<u>Election Assistance Commission</u>				
Passed Through Utah office of the Lt. Governor				
2018 HAVA Election Security Grants	90.404		160,540	
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 16,281,066</u>	<u>\$ 1,774,169</u>

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2018

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, 2017. 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 through the Homeland Security Grant Program. 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 28, 2019

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, 2018, 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 28, 2019.

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 28, 2019



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 28, 2019

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, 2018. 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, 2018.

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, 2018, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated June 28, 2019, 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 28, 2019

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018

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; and State Targeted Response to the Opioid Crisis 93.778.
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



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BEN H PROBST, CPA
RONALD J. STEWART, CPA

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

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, 2018.

General state compliance requirements were tested for the year ended December 31, 2018 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
- Enterprise Fund Transfers
- Tax Levy Revenue Recognition

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, 2018.

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 28, 2019 as items 2018-1 and 2018-2. 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 dated June 28, 2019 as items 2018-1 and 2018-2. 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 28, 2019

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2018



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

June 28, 2019

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, 2018. 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 2018. 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 28, 2019.

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

2018-1 General Compliance- Fund Balance

Finding: Utah State law prohibits excess fund balances in certain funds. We noted during our audit that fund balances are in excess of allowed amounts in Utah County Service Area No. 7 and Utah County Service Area No. 8.

Recommendation: We recommend that the County budget to remove the excess fund balances in these funds.

County's Response: We will work to bring the fund balances in these funds into compliance with state law.

2018-2 Utah State Retirement Systems-Leave of Absence

Finding: Utah state law requires notification be sent to Utah State Retirement System (URS) for all participants that are on leave of absence. The County could not provide information to document that the proper notification was sent the URS.

Recommendation: We recommend that the County retain all notifications sent to URS regarding leave of absence to properly document that the notifications were sent.

County's Response: We concur with the finding and will retain all of the required documentation.

Utah State Compliance Findings – Prior Year

None reported

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 2017. The controls over the new system need to be tested and reviewed to help ensure that the system is adequately designed.
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. With 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. 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.

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