

UTAH COUNTY, UTAH

Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2022




Utah County
HEART of UTAH

On the Cover

Bridal Veil Falls, Provo Canyon

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Introductory Section

Table of Contentsi
 Letter of Transmittal..... vi
 Organizational Chart..... viii
 List of Elected Officials and Appointed Department Heads..... ix

Financial Section

Independent Auditor’s Report 2
 Management’s Discussion and Analysis (MD&A) 5
Basic Financial Statements
 Government-wide Financial Statements:
 Statement of Net Position16
 Statement of Activities17
 Fund Financial Statements:
 Balance Sheet - Governmental Funds18
 Reconciliation of the Balance Sheet - Governmental Funds to the
 Government-wide Statement of Net Position19
 Statement of Revenues, Expenditures, and Changes in Fund
 Balances - Governmental Funds20
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances - Governmental Funds to the
 Government-wide Statement of Activities21
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – General Fund22
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – Health Department Fund23
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – TRCC Taxes Fund24
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – Grants/Outside Projects Fund25
 Statement of Revenues, Expenditures, and Changes in Fund
 Balance – Budget and Actual – Transportation Projects Fund26
 Statement of Net Position – Proprietary Funds27
 Statement of Revenues, Expenses, and Changes in Net Position –
 Proprietary Funds.....28
 Statement of Cash Flows – Proprietary Funds29
 Statement of Fiduciary Net Position – Fiduciary Funds.....30
 Statement of Changes in Fiduciary Net Position – Fiduciary Funds31

Notes to the Basic Financial Statements:

I. Summary of Significant Accounting Policies

A. Description of government-wide financial statements.....34

B. Reporting entity.....34

C. Basis of presentation – government-wide financial statements36

D. Basis of presentation – fund financial statements36

E. Measurement focus and basis of accounting37

F. Budgetary information38

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance39

H. Revenues and expenditures/expenses.....44

I. Estimates and assumptions.....46

II. Stewardship, Compliance, and Accountability.....46

III. Detailed Notes on All Activities and Funds

A. Deposits46

B. Investments.....47

C. External investment pools50

D. Managed investment funds50

E. Capital assets52

F. Interfund receivables, payables, and transfers.....53

G. Pension plan54

H. Employee retirement plans other than pension plan.....61

I. Other postemployment benefit (OPEB) obligations61

J. Risk management66

K. Leases66

L. Long-term liabilities.....69

M. Fund balance76

N. Discretely presented component units.....77

O. Contingencies.....78

P. Commitments and agreements.....78

Q. Conduit debt.....80

R. Subsequent events.....80

Required Supplementary Information:

Schedule of the Proportionate Share of the Net Pension Liability (Asset) – Utah Retirement Systems Pension Liability82

Schedule of Contributions – Utah Retirement Systems Pension Benefits.....84

Schedule of Changes in Total OPEB Liability and Related Ratios87

Notes to Required Supplementary Information.....88

Combining and Individual Fund Financial Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds.....91

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds94

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:

 Debt Service Fund.....97

 Capital Projects Fund.....98

 Municipal Building Authority of Utah County, Utah – Special Revenue Fund.....99

 Utah County Special Service Area No. 6 – Special Revenue Fund 100

 Utah County Special Service Area No. 7 – Special Revenue Fund..... 101

 Utah County Special Service Area No. 8 – Special Revenue Fund 102

 Utah County Special Service Area No. 9 – Special Revenue Fund 103

 Utah Valley Road Special Service District – Special Revenue Fund..... 104

 Soldier Summit Special Service District – Special Revenue Fund 105

 Children’s Justice Center – Special Revenue Fund..... 106

 Inmate Benefit – Special Revenue Fund..... 107

 Contract Law Enforcement – Special Revenue Fund 108

 Transient Room Tax (TRT) – Special Revenue Fund..... 109

 Assessing and Collecting – Special Revenue Fund..... 110

Combining Statement of Net Position – Discretely Presented Component Units..... 111

Combining Statement of Revenues, Expenses, and Changes in Net Position – Discretely Presented Component Units..... 112

Combining Statement of Cash Flows – Discretely Presented Component Units..... 113

Other Schedules:

 Schedule of Property Taxes Levied, Collected, and Treasurer’s Relief 115

 Information about Infrastructure Assets Reported Using the Modified Approach..... 120

 Schedule of Transient Room Tax (TRT) and Tourism, Recreation, Cultural, Convention, and Airport Facilities (TRCC) Tax Expenditures..... 121

Statistical Section | Net Position by Component..... 123

Changes in Net Position	124
Statement of Net Position.....	125
Statement of Activities.....	126
Fund Balances of Governmental Funds.....	127
Changes in Fund Balances of Governmental Funds	128
Balance Sheet – General Fund	130
Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund	131
Assessed Value and Actual Value of Taxable Property.....	132
Property Tax Rates – Direct and Overlapping Governments.....	133
General Utah County Property Tax Information	135
Principal Property Taxpayers.....	136
Principal Sales Taxpayers – Current Year.....	137
Tax Revenues by Source	138
Governmental Activities Sales Tax Rates By Source	138
Ratios of Outstanding Debt by Type.....	139
Ratios of General Bonded Outstanding Debt by Type	140
Legal Debt Margin Information.....	141
Outstanding Bonded Indebtedness.....	142
Pledged-Revenue Coverage	143
Demographic and Economic Statistics.....	148

INTRODUCTORY SECTION



Downtown Provo

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June 14, 2023

To the Members of the Board of Utah County Commissioners and Citizens of Utah County:

The State of Utah requires Utah County to prepare and make available a complete set of financial statements within 180 days after the close of the County's fiscal year. These financial statements must be presented in conformity with generally accepted accounting principles (GAAP) as prescribed in the State Auditor's Uniform Accounting Manual. The financial statements must also be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended December 31, 2022.

This report contains critical financial information regarding the County's activities over the past fiscal year. Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Gilbert & Stewart CPA, PC, a firm of licensed certified public accountants, have audited Utah County's financial records. The goal of the independent audit was to provide reasonable assurance that Utah County's financial statements for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The report of Gilbert & Stewart CPA, PC, resulting from their independent audit of Utah County's financial statements is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) on page 6 provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

Utah County, incorporated in 1850, is located in north-central Utah. Utah County is the second-most populous county in the state and is considered to be one of the top growth areas in the state. Utah County occupies 2,144 square miles and serves a population of 702,434. Utah County is empowered to levy a property tax on real property located within its boundaries.

Utah County operates under a commission form of government. Executive and legislative authority are vested in the Board of County Commissioners consisting of three members, all of whom are elected at large. Commissioners serve four-year terms with one Commissioner elected two years after the other two Commissioners. Utah County voters also elect an Assessor, Attorney, Clerk, Auditor, Recorder, Sheriff, Surveyor, and Treasurer. All other department heads are appointed by the Board of Commissioners. Justice Court judges are initially appointed by the Board of County Commissioners but then are retained by election.

The County provides services to incorporated and unincorporated areas within the County. The following services are provided county-wide: law enforcement, including search and rescue; property tax assessment, collection, distribution, and equalization; surveying; recording documents pertaining to real estate property; issuing marriage licenses; providing jail services; supporting the criminal justice system, including investigation and prosecution; providing health services; constructing and maintaining County parks; elections; tourism promotion; and wildland fire protection.

The following services are provided to unincorporated areas of the County: police protection; library services; structure fire protection; construction and maintenance of County roads; planning and zoning; and issuance of business licenses. Many of these municipal-type services are provided by the County through four legally separate special service areas. These service areas function, in essence, as departments of Utah County and, therefore, have been included as an integral part of Utah County's financial statements. Additional information on these four legally separate service areas can be found in the notes to the financial statements beginning on page 35.

Utah County also is financially accountable for the following legally separate entities: a nonprofit Municipal Building Authority, Soldier Summit Special Service District, and Utah Valley Road Special Service District. These three entities function, in essence, as departments of Utah County and, therefore, have been included as an integral part of Utah County's financial statements. Additional information on these three entities can be found in the notes to the financial statements beginning on page 34.

Utah County also is financially accountable for the following legally separate entities that are reported separately within the County's financial statements: Timpanogos Special Service District, North Pointe Solid Waste Special Service District, Wasatch Behavioral Health Services Special Service District, North Fork Special Service District, and Utah Valley Convention and Visitors Bureau, Inc. Additional information on these five legally separate entities can be found in the notes to the financial statements beginning on page 35.

The Board of County Commissioners is required to adopt an initial budget for the fiscal year no later than December 31 preceding the beginning of the fiscal year on January 1. The annual budget serves as the foundation for Utah County's financial planning and control. The budget is prepared by fund and department. Department heads may transfer resources within the department as they see fit with some restrictions set forth by the County's Financial Administration Ordinance. Transfers between departments require approval of the Board.

Local economy

Major industries located within Utah County's boundaries include manufacturers of computer hardware and software, retail stores, hospitals, and financial institutions. Utah County is also home to three universities accredited by the Northwest Commission on Colleges and Universities. Because of its location in a region with a varied economic base, Utah County experiences unemployment rates consistently lower than national averages.

Between 2021 and 2022, Utah County added the most new residents (23,980) of any county within the State of Utah. Two cities within Utah County, Saratoga Springs and Eagle Mountain, are the fastest growing communities with 15,000 or more residents.

In May 2022, a new terminal opened at the Provo Airport. The Provo Airport is the second busiest airport in the State of Utah.

Long-term financial planning and relevant financial policies

Utah County has a Fund Balance Reserves Policy adopted by the Board of County Commissioners. The policy requires Utah County to maintain a general fund balance of two months, or approximately 16.7 percent, of general fund revenues. As of December 31, 2022, the County is compliant with this policy.

Utah County has a Capital Planning Policy adopted by the Board of County Commissioners. This policy requires Utah County to maintain a ten-year Capital Improvement Program that serves as its planning document to ensure County facilities, equipment, and infrastructure are well maintained and operating in peak condition. Under the guidance of a Capital Improvement Program Committee, the capital project planning process gives Utah County the ability to plan for its capital needs and allocate short- and long-term resources appropriately. Of the ten years of projects included in the Capital Improvement Program, the first three years are financially balanced to available revenues.

Major initiatives

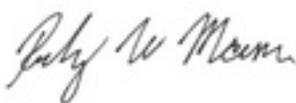
The County faces many challenges in the future related to the County's expected growth. Some of the most significant challenges are as follows:

- Constructing and maintaining roads and infrastructure.
- Identifying and addressing public safety and operational concerns.
- Maintaining levels of service for all governmental operations.

Acknowledgments

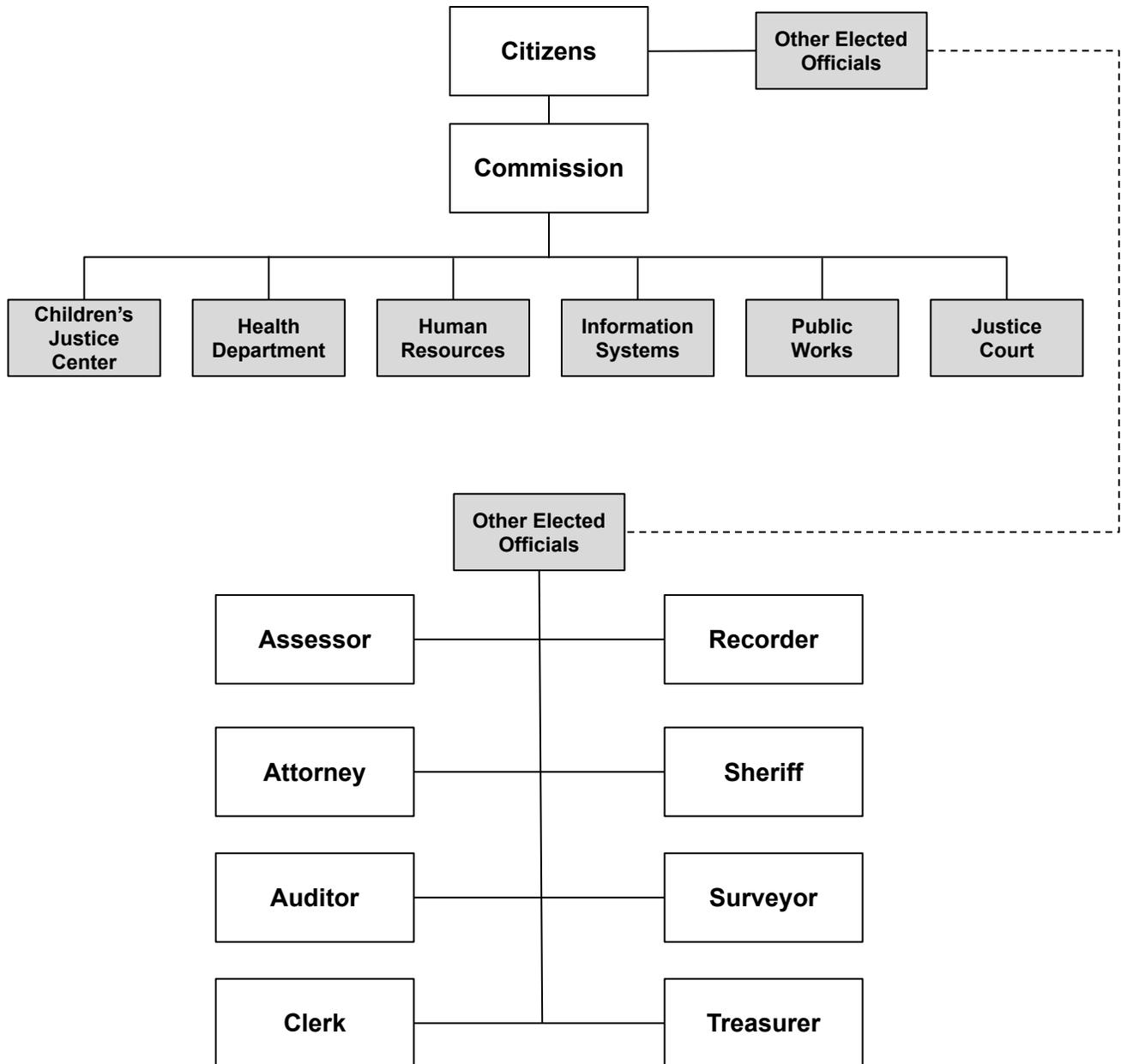
The preparation of this annual financial report could not have been accomplished without the efforts of many individuals. I particularly recognize the skill, effort, and dedication of the employees of the Division of Financial Services within my office who continue to upgrade and improve the County's accounting and financial reporting systems to improve the quality of information being reported. I also thank all of Utah County's departments for their assistance in providing the data necessary to prepare this report. Finally, credit is due to the Board of County Commissioners for their management of Utah County's finances.

Respectfully submitted,



Rodney W. Mann, Utah County Auditor

Organizational Chart



**List of Elected Officials and Appointed Department Heads
As of December 31, 2022**

Elected Officials

Commissioner, Chair	Thomas V. Sakievich
Commissioner, Vice Chair	Amelia Powers Gardner
Commissioner	William C. Lee
Assessor	Kris Poulson
Attorney	David O. Leavitt
Clerk/Auditor	Josh Daniels
Recorder	Andrea Allen
Sheriff	Mike Smith
Surveyor	Anthony Canto
Treasurer	Kim Jackson

Appointed Department Heads

Children's Justice Center Executive Director	Rebecca Martell
Health Department, Director	Eric Edwards
Human Resources Director	Ralf Barnes
Information Systems Director	Patrick Wawro
Public Works Director / Engineer	Richard Nielson
Justice Court Judge (retained by election)	K. Shawn Patten



FINANCIAL SECTION



Aerial Photo of Utah Valley

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
Utah County
Provo, Utah

Opinions

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, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements as listed in the table of contents.

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, 2022 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Utah County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Utah County's internal control. Accordingly, no such opinion is expressed.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Utah County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Utah County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are 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 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Audit Standards, we have also issued our report dated June 28, 2023 on our consideration of Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contract, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Utah County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Audit Standards in considering Utah County's internal control over financial reporting and compliance.

Gilbert & Stewart

Gilbert & Stewart CPA PC

Provo, Utah
June 28, 2023



Management's Discussion and Analysis



Alpine Loop Scenic Byway, American Fork Canyon

Photo courtesy of Utah Valley Convention & Visitors Bureau • VisitUtahValley.com

Management's Discussion and Analysis

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, 2022. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found beginning at page vi of this report.

Financial Highlights

- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$388,914,696, an increase of \$54,787,711 in comparison with the prior year. The main reason for this increase was the accumulation of unspent transportation sales taxes and planned contributions to the Capital Projects fund for projects approved by the Board of County Commissioners per the County's Capital Planning Policy.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$34,681,627. This amount is compliant with the County's Fund Balance Reserves Policy.
- The County's total outstanding bonded debt decreased by \$10,605,000 during the current fiscal year. The primary reason for this decrease was scheduled debt service payments. In addition, the County defeased its Series 2013 Excise Tax Revenue Bonds.
- The County's unrestricted net assets, meaning assets that may be used to meet the County's ongoing obligations to its citizens and creditors, increased from \$172,175,190 to \$245,227,884. Other net assets are either restricted in their use or are capital assets, such as roads or buildings, that are utilized by the County to provide services to its citizens and are not available for future spending.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Utah 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) the notes to the financial statements. This report also includes 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, such as changes in property and sales tax bases, condition of the County's capital assets, and legislative changes.
- 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.

Both the Statement of Net Position and the Statement of Activities distinguish functions of Utah 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 Utah 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 Behavioral Health Services 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 18 individual governmental funds in addition to the general fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Health Department fund, TRCC (Tourism, Recreation, Cultural, Convention, and Airport Facilities) Taxes fund, Grants/Outside Projects fund, Transportation Projects fund, Capital Projects fund, and Debt Service fund, all of which are considered to be major funds. Data from the other 12 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

Utah County adopts an annual appropriated budget for each individual governmental fund, including the general fund. A budgetary comparison statement has been provided to demonstrate compliance with the budgets.

- **Proprietary funds.** Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Utah County uses internal service funds to account for its fleet of vehicles, Jail food service, building maintenance, telephone systems, radio systems, information systems, administrative services/equipment replacement, and risk management. Because these services predominantly benefit governmental functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.
- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support Utah County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Utah County maintains two different types of fiduciary funds. The private-purpose trust fund is used to report resources held in trust for prisoners to make purchases at the jail commissary. The custodial funds report resources not in a trust that are held by Utah County for other parties outside of Utah County's reporting entity.

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 Utah County's progress in funding its obligations to provide pension and other postemployment benefits (OPEB) to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and OPEB.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of Utah County's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$724,904,464 at the close of the most recent fiscal year.

Utah County's Total Net Position

	<u>Governmental Activities</u>	
	<u>2022</u>	<u>2021</u>
Assets:		
Current and other assets	\$ 587,926,695	\$ 472,260,235
Capital assets	<u>505,828,494</u>	<u>495,127,878</u>
Total assets	<u>1,093,755,189</u>	<u>967,388,113</u>
Total deferred outflow of resources	<u>27,525,414</u>	<u>28,502,152</u>
Liabilities:		
Long-term liabilities outstanding	209,869,470	235,016,721
Other liabilities	<u>139,158,097</u>	<u>104,792,119</u>
Total liabilities	<u>349,027,567</u>	<u>339,808,840</u>
Total deferred inflows of resources	<u>47,348,572</u>	<u>29,362,237</u>
Net position:		
Net investment in capital assets	223,429,256	234,108,748
Restricted	256,247,324	220,435,250
Unrestricted	<u>245,227,884</u>	<u>172,175,190</u>
Total net position	<u>\$ 724,904,464</u>	<u>\$ 626,719,188</u>

Current and other assets increased in governmental activities by approximately \$116 million from the prior year. The main reason for this increase was an increase in cash and investments principally due to unspent transportation-related sales taxes, TRCC sales taxes, and deferred grant revenues. In addition, the County had a significant increase in its net pension asset.

Other liabilities in governmental activities increased by \$34.4 million from the previous year. A significant portion of this change is related to unearned revenue from coronavirus-related relief grants from the U.S. Department of the Treasury. In 2022, the County received a second (and final) tranche of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) authorized by the American Rescue Plan Act. The federal government advanced funding for this multi-year grant to the County but not all of the grant revenues had been spent by the end of the year. At the end of the fiscal year, there was \$96.4 million in deferred SLFRF grant revenues. The County must obligate these funds by December 31, 2024, and spend them by December 31, 2026.

Long-term liabilities, which consist of bonds, notes, leases, and postemployment benefits obligations, decreased by \$25.1 million from the previous year. The main reasons for this decrease were (1) scheduled debt service payments, (2) the defeasance of the Series 2013 Excise Tax Revenue Bonds, and (3) a decrease in the total liability for other postemployment benefits with a significant portion of the decrease resulting from a change in actuarial assumptions related to the discount rate.

The largest portion of the County's net position, \$223,429,256, reflects its investment in capital assets (e.g. land, infrastructure, rights of way, construction in progress, buildings, machinery, equipment, and leased assets), net of accumulated depreciation/

amortization and less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide a variety of 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, \$256,247,324, represents resources that are subject to external restrictions on how they may be used. As of the end of the current year, Utah County's unrestricted net position was a surplus balance of \$245,227,884. This unrestricted balance 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 reports 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 \$98,185,276 from the prior fiscal year.

Utah County's Change in Net Position

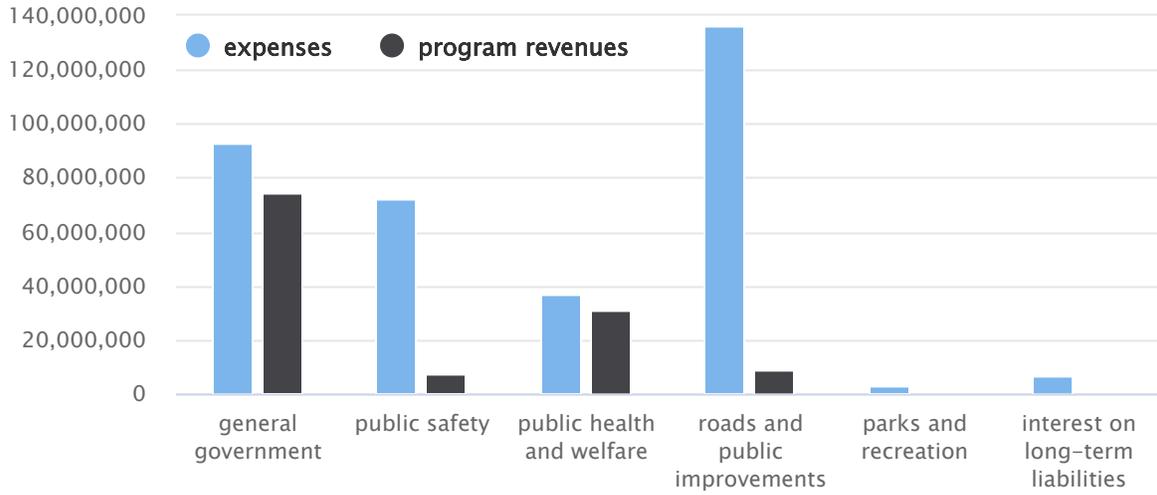
	Governmental Activities	
	2022	2021
Revenues:		
Program revenues:		
Charges for services	\$ 48,291,360	\$ 54,609,855
Operating grants and contributions	73,487,346	62,856,505
General revenues:		
Property taxes	72,538,185	70,650,601
Other taxes	231,026,546	204,966,250
Other general revenues	<u>19,321,682</u>	<u>4,041,654</u>
Total revenues	<u>444,665,119</u>	<u>397,124,865</u>
Expenses:		
General government	92,642,037	67,585,056
Public safety	71,896,275	66,068,024
Public health and welfare	36,669,778	36,493,931
Roads and public improvements	135,957,122	113,683,798
Parks and recreation	2,705,060	2,139,504
Interest on long-term debt	<u>6,609,571</u>	<u>5,658,676</u>
Total expenses	<u>346,479,843</u>	<u>291,628,989</u>
Increase (decrease) in net position	<u>98,185,276</u>	<u>105,495,876</u>
Net position - beginning	<u>626,719,188</u>	<u>521,223,312</u>
Net position - ending	<u>\$ 724,904,464</u>	<u>\$ 626,719,188</u>

Governmental Activities. During the current fiscal year, net position for governmental activities increased by \$98,185,276 from the prior fiscal year for an ending balance of \$724,904,464 .

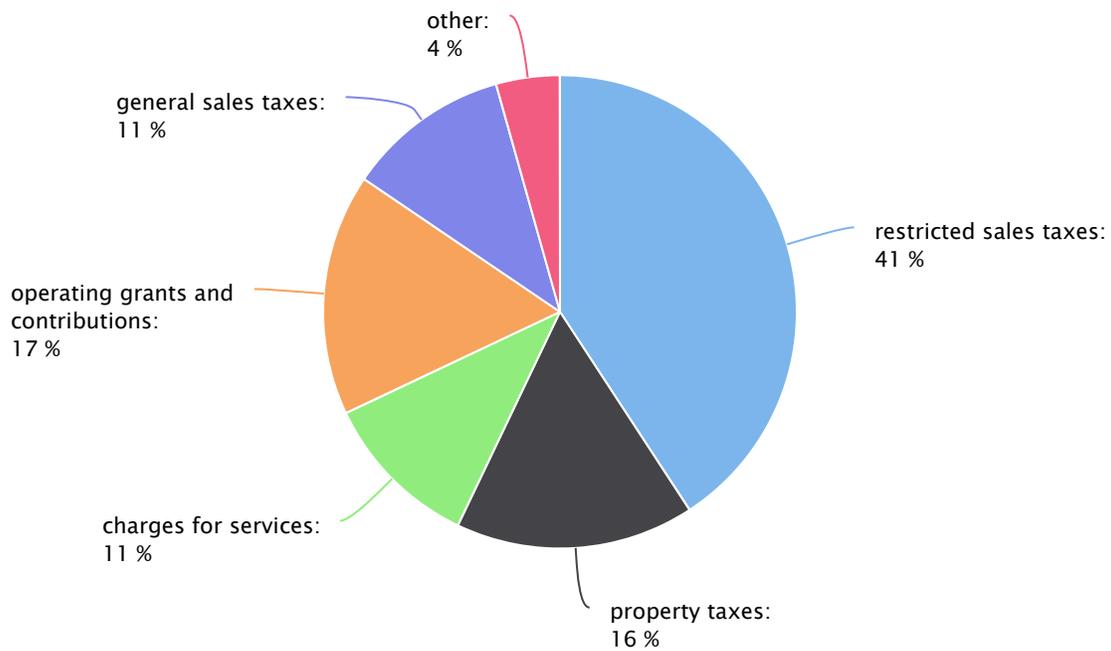
Operating grants were the largest source of program revenues in the current fiscal year. This is a result of several funding sources made available to the County from the federal government for responding to the COVID-19 pandemic. The County received two tranches of funding for emergency rental assistance: an initial deposit of \$19.2 million in January 2021 and a second deposit of \$6.1 million in May 2021. The Emergency Rental Assistance program helps renters who are unable to pay their rent and utilities during the pandemic. The County contracted with the State of Utah's Department of Workforce Services to administer the Emergency Rental Assistance program on behalf of the County's residents. During the current fiscal year, the County spent and recognized revenue of \$13.6 million for this grant. In May 2021 and July 2022, the County also received two tranches of \$61.8 million each from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) authorized by the American Rescue Plan Act. During the current fiscal year, the County spent and recognized revenue of \$23.6 million for this grant.

As shown in the following chart, revenues generated by Utah County's programs are not sufficient to cover the costs. Utah County relies on property taxes, sales taxes, investment income, and other general revenues to cover the costs associated with various programs.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the County’s Funds

As noted earlier, Utah 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 as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or Utah County itself.

At the end of the current fiscal year, Utah County’s governmental funds reported combined fund balances of \$388,914,696, an increase of \$54,787,711 in comparison with the prior year. The main reasons for this increase were unspent transportation sales taxes and planned contributions to the Capital Projects fund. Of the total combined fund balance amount, \$34,681,627, or 9 percent, constitutes unassigned fund balance, which is available for spending at the County’s discretion. The remainder of the fund balance is either restricted for particular purposes, \$262,486,683, or committed for particular purposes, \$91,746,386.

Analysis of Individual Funds

The general fund is the chief operating fund of Utah County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$34,681,627. 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 35 percent of total general fund expenditures while total fund balance represents approximately 57 percent of total general fund expenditures.

The fund balance of the County’s general fund increased by \$1,558,655 during the current fiscal year. The County’s Fund Balance Reserves Policy requires the County to maintain a committed fund balance in the general fund of 11.7 percent of annual operating revenues in addition to the restricted 5 percent of annual operating revenues required by the State of Utah. If the fund balance in the general fund falls below the policy guidelines, the County is required to create a plan to restore the balance to the minimum requirement within three fiscal years. The County remains compliant with its Fund Balance Reserves Policy. The total general fund revenue for the current fiscal year was significantly impacted by one-time funding of \$10 million from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program authorized by the American Rescue Plan Act. The SLFRF program provided a \$10 million revenue loss standard allowance that the County utilized for eligible public safety costs.

The Health Department fund, a major fund, had a decrease of \$2,224,526 in fund balance during the current fiscal year. Over the past two years, the Health Department focused on pandemic-related activities that were funded by COVID-19 grants provided by the federal government. As the public health emergency drew to a close, the County transitioned back to non-emergency operations. Even though the County’s general fund contribution grew by over \$1 million, the Health Department fees and grants are insufficient to cover the non-emergency operations.

The TRCC (Tourism, Recreation, Cultural, Convention, and Airport Facilities) Taxes fund, a major fund, had an increase of \$1,435,440 in fund balance during the current fiscal year. The increase in fund balance is attributable to unexpended sales tax revenues. In accordance with statute, the County has created a Tourism Tax Advisory Board (TTAB) that advises the Board of County Commissioners on the best use of revenues collected from both the TRCC taxes and transient room tax. The TTAB provides the Board of County Commissioners with a prioritized list of proposed expenditures based on projected available tax revenues. Some projects prioritized by the TTAB and approved by the Board of County Commissioners were not completed by the end of the current fiscal year. For example, in October 2020, the Board of County Commissioners approved \$2.9 million of TRCC taxes to help fund a Waterfront Project in Vineyard. The project was not completed as of December 31, 2022, so the \$2.9 million is kept in reserves. At the end of 2022, the County had committed \$24.7 million of TRCC sales taxes to projects that were not completed by the end of the year.

Provo Airport	\$ 10,000,000
Vineyard Waterfront Project	2,954,766
Saratoga Springs North Marina	2,580,000
Provo Regional Sports Park	2,500,000
Provo Rock Canyon	1,953,397
Orem Lakeside Park	1,744,000
Dry Creek Trail	1,500,000
American Fork Boat Harbor	1,456,643
Total Obligated TRCC Projects	\$ 24,688,806

The Grants/Outside Projects fund, a major fund, had an increase of \$590,871 in fund balance during the current fiscal year. The increase in fund balance is attributable to the receipt of opioid litigation settlement funds. The County will receive, on average, approximately \$800,000 annually from 2022-2038 from opioid litigation settlements. These funds may be used to support treatment of Opioid Use Disorder and any co-occurring Substance Use Disorder or Mental Health conditions through evidence-based or evidence-informed programs or strategies.

The Transportation Projects fund, a major fund, had an increase of \$28,348,104 in fund balance during the current fiscal year. The increase in fund balance is attributable to the sales tax revenues not being spent during the year. Projects funded by the Section 2218 sales tax must be recommended by the Metropolitan Planning Organization (MPO). In 2022, the MPO had recommended project budgets of approximately \$73 million, but only \$21 million was expended. Most of these projects are reimbursements to municipalities for road projects within their boundaries so the timing of the project expenditures is not within the County's control.

The Capital Projects fund, a major fund, had an increase of \$18,836,824 in fund balance during the current fiscal year. In 2019, the Board of County Commissioners approved a Capital Planning Policy that requires the Board to formally adopt a ten-year capital projects plan and fund the first three years of that plan. In 2022, the Board formally amended the plan originally adopted in 2020, and funding was transferred from the general fund to the capital projects at the end of the year to comply with the policy.

The Debt Service fund, the remaining major governmental fund, is utilized by the County to account for debt service payments related to long-term bond obligations, including principal, interest, fiscal agent fees, and arbitrage calculation services. The County has no general obligation bonds so the only source of revenue for this fund is transfers from other funds. Most of the County's bonds are related to transportation projects funded by restricted transportation sales taxes. Because the transfers from other funds exactly match the debt service payments, the fund does not maintain a fund balance.

Internal service funds. Unrestricted net position of the internal service funds at the end of the year amounted to \$26,652,319. The total increase in net position was \$10,151,010. The major reason for this increase is the transfer of \$3 million from the general fund to the Risk Management fund for future catastrophe losses related to potential flooding due to record snowpack. In addition, several vehicles in the Sheriff's Office were added to the replacement schedule in the Motor Pool fund. Catch-up contributions were charged to the Sheriff's Office, resulting in additional revenue that increased the net position of the Motor Pool fund.

General Fund Budgetary Highlights

Original budget compared to final budget. During 2022, the total appropriations increased by \$16 million from the original adopted budget to the final amended budget. The major reason for this change was to accommodate a transfer to the Capital Projects fund for funding future capital projects and a transfer to the Risk Management fund for funding future catastrophe losses from potential flood damage due to record snowpack in the winter and spring of 2022-2023. In addition, due to favorable economic conditions, the County revised its sales tax projection upward by \$3.4 million.

Final budget compared to actual results. The County budgeted a contribution to fund balance of \$2.4 million and the actual contribution to fund balance was \$1.6 million.

Capital Assets and Debt Administration

Capital assets. Utah County's investment in capital assets for its governmental activities as of December 31, 2022, amounts to \$505,828,494 (net of accumulated depreciation and amortization). This investment in capital assets includes land, rights of way, construction in progress, infrastructure, buildings, improvements other than buildings, machinery, equipment, and leased assets.

Major capital asset events include the regularly scheduled replacement of vehicles by the Motor Pool division of Public Works. These purchases totaled \$6 million during the current year.

Additional information on the County's capital assets can be found in the Notes to the Financial Statements.

Utah County's Capital and Right-to-Use Assets
(net of depreciation/amortization)

	Governmental Activities	
	2022	2021
Capital assets:		
Land	\$ 54,075,565	\$ 48,997,453
Rights of way	235,740	211,740
Construction in progress	338,405	7,084
Infrastructure	324,841,425	322,543,824
Buildings	97,306,636	99,224,896
Improvements other than buildings	2,959,074	3,205,591
Equipment	23,908,745	18,829,172
Leased buildings	2,098,601	2,053,263
Leased land	42,887	54,855
Leased equipment	21,416	-
Total capital assets	<u>\$ 505,828,494</u>	<u>\$ 495,127,878</u>

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$184,230,000. The full amount of the debt is secured 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 \$10,605,000 (5 percent) during the current fiscal year. The main reason for the decrease in total debt was scheduled debt service payments. In addition, the County defeased the Series 2013 Excise Tax Revenue Bonds (Bonds). On December 15, 2022, the County irrevocably deposited in escrow monies which were calculated to be sufficient to pay the principal, premium (if any), and interest requirements on the Bonds when due through the redemption date, June 1, 2024.

Utah County's Outstanding Debt
General Obligation and Revenue Bonds

	Governmental Activities	
	2022	2021
General Obligation Bonds	\$ -	\$ -
Revenue Bonds	184,230,000	194,835,000
Total Outstanding Debt	<u>\$ 184,230,000</u>	<u>\$ 194,835,000</u>

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 2022 was 2.4 percent (seasonally adjusted). This compares favorably to both the State's unemployment rate of 2.4 percent and to the national unemployment rate of 3.5 percent (Source: Utah Department of Workforce Services).

- Utah County's estimated population in 2022 was 702,434, an increase of 2.5 percent from the 2021 estimated population. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). Economists estimate that Utah County's population will grow to 1 million by 2040 (Source: Kem C. Gardner Policy Institute).
- Utah County's County option sales taxes grew significantly during 2022. Revenues collected from the County option sales tax increased by 13 percent from \$41.3 million in 2021 to \$46.7 million in 2022.
- 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.

These factors were considered in preparing the County's budget for 2023.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$34,681,627. The 2023 budget adopted by the Board of County Commissioners was a structurally balanced budget, meaning the budget did not utilize fund balance or other one-time revenues to balance total revenue to expenditures.

Requests for Information

This financial report is designed to provide a general overview of Utah 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:

Utah County Auditor's Office
Attention: Division of Financial Services
100 East Center Street, Suite 3600
Provo, Utah, 84606
or via email to accounting@utahcounty.gov

Basic Financial Statements



Lehi, Utah

Photo courtesy of Larry Kettenring, Senior HR Business Partner, Utah County Office of Human Resources Management

Statement of Net Position
December 31, 2022

	Primary Government	Component
	Governmental Activities	Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and investments	\$ 491,553,366	\$ 104,619,682
Receivables:		
Taxes receivable	35,081,177	44,040
Other receivables	17,134,922	13,442,559
Leases receivable	2,652,957	-
Inventories	773,230	236,822
Other current assets	12,579,919	2,739,856
Capital assets (net of depreciation/amortization):		
Land	54,075,565	11,622,255
Rights of way and water rights	235,740	437,671
Construction in progress	338,405	12,517,005
Buildings	97,306,636	19,549,507
Improvements other than buildings	2,959,074	110,875,835
Equipment	23,908,745	14,792,353
Right to use assets	2,162,904	-
Infrastructure	324,841,425	-
Intangible assets	-	10,018
Net pension asset	28,151,124	11,744,174
Other noncurrent assets	-	7,760,330
Total assets	1,093,755,189	310,392,107
Deferred outflows of resources	27,525,414	7,662,895
Total assets and deferred outflows of resources	1,121,280,603	318,055,002
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts payable and accruals	\$ 20,060,266	\$ 5,889,057
Accrued interest	656,938	83,552
Unearned revenues	106,683,733	5,868,023
Other current liabilities	1,231,230	1,494,541
Bonds, notes, and leases - due within one year	10,525,930	3,054,988
Noncurrent liabilities:		
Bonds and notes - due in more than one year	194,468,933	23,561,281
Leases payable - due in more than one year	1,801,550	306,957
Other noncurrent liabilities	-	533,155
Net pension liability	-	-
Compensated absences and other postemployment benefits	13,598,987	1,048,206
Total liabilities	349,027,567	41,839,760
Deferred inflows of resources	47,348,572	17,244,226
Total liabilities and deferred inflows of resources	396,376,139	59,083,986
Net Position:		
Net investment in capital assets	223,429,256	143,109,764
Restricted for:		
Debt service, capital projects, donor restrictions	-	2,094,646
Special service areas/districts	12,198,744	-
Assessing and collecting property tax	5,889,306	-
Recorder	15,332,194	-
Transient room tax	4,406,102	-
Public transit taxes	176,540,777	-
TRCC taxes	41,880,201	-
Unrestricted	245,227,884	113,766,606
Total net position	\$ 724,904,464	\$ 258,971,016

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

Statement of Activities
Year Ended December 31, 2022

Functions/Programs of 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	\$ 92,642,037	\$ 23,865,129	\$ 50,200,494	\$ -	\$ (18,576,414)	\$ (18,576,414)	\$ -
Public safety	71,896,275	6,363,795	1,057,421	-	(64,475,059)	(64,475,059)	-
Public health	36,669,778	12,885,393	18,208,361	-	(5,576,024)	(5,576,024)	-
Highways and streets	135,957,122	5,177,043	4,021,070	-	(126,759,009)	(126,759,009)	-
Parks and recreation	2,705,060	-	-	-	(2,705,060)	(2,705,060)	-
Interest on long-term liabilities	6,609,571	-	-	-	(6,609,571)	(6,609,571)	-
Total governmental activities, primary government	<u>\$ 346,479,843</u>	<u>\$ 48,291,360</u>	<u>\$ 73,487,346</u>	<u>\$ -</u>	<u>\$ (224,701,137)</u>	<u>\$ (224,701,137)</u>	<u>\$ -</u>
Component Units							
Timpanogos Special Service District	\$ 16,387,542	\$ 20,500,321	\$ 200,000	\$ -	\$ -	\$ -	\$ 4,312,779
North Pointe Solid Waste Special Service District	10,983,590	10,771,103	-	-	-	-	(212,487)
North Fork Special Service District	3,582,497	2,964,522	1,303,778	-	-	-	685,803
Utah Valley Convention and Visitors Bureau	1,966,434	-	2,252,113	-	-	-	285,679
Wasatch Behavioral Health Special Service District	51,269,462	2,409,343	60,914,038	-	-	-	12,053,919
	<u>\$ 84,189,525</u>	<u>\$ 36,645,289</u>	<u>\$ 64,669,929</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,125,693</u>
General revenues:							
Property taxes					72,538,185	72,538,185	175,693
Sales and franchise taxes					210,163,701	210,163,701	-
TRCC taxes					14,851,930	14,851,930	-
Transient room tax					6,010,915	6,010,915	-
Earnings on investments					5,868,488	5,868,488	1,550,261
Impact fees and other revenues					-	-	8,977,012
Miscellaneous					13,453,194	13,453,194	1,974,555
Total general revenues					<u>322,886,413</u>	<u>322,886,413</u>	<u>12,677,521</u>
Change in net position					98,185,276	98,185,276	29,803,214
Net position - beginning					<u>626,719,188</u>	<u>626,719,188</u>	<u>229,167,802</u>
Net position - ending					<u>\$ 724,904,464</u>	<u>\$ 724,904,464</u>	<u>\$ 258,971,016</u>

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

Balance Sheet
Governmental Funds
December 31, 2022

	Major Funds						Total Nonmajor Funds	Total Governmental Funds	
	General	Health Department	TRCC Taxes	Grants/Outside Projects	Transportation Projects	Capital Projects			Debt Service
Assets									
Cash and investments	\$ 45,576,919	\$ 4,448,498	\$ 43,099,900	\$ 100,341,500	\$ 159,709,046	\$ 67,624,518	\$ 6,500	\$ 38,487,200	\$ 459,294,081
Receivables	1,103,384	4,081,128	47,532	6,135,939	1,983,318	-	-	2,281,475	15,632,776
Tax receivables	19,385,965	-	2,530,439	-	9,247,565	-	-	3,917,208	35,081,177
Due from other funds	1,712,000	-	-	-	-	-	-	-	1,712,000
Prepaid items	195,777	60,776	84,328	2,800	10,228,399	-	-	303,734	10,875,814
Total assets	\$ 67,974,045	\$ 8,590,402	\$ 45,762,199	\$ 106,480,239	\$ 181,168,328	\$ 67,624,518	\$ 6,500	\$ 44,989,617	\$ 522,595,848
Liabilities									
Accounts payable and accruals	1,400,664	193,756	1,792,295	6,646,116	1,744,771	27,566	6,500	295,009	12,106,677
Accrued liabilities	1,208,532	455,740	290,127	68,711	27,672	-	-	391,696	2,442,478
Compensated absences	4,330,674	-	43,227	-	82,862	-	-	558,533	5,015,296
Deposits payable	1,883,262	-	-	-	-	-	-	316,093	2,199,355
Due to other funds	-	-	-	-	-	-	-	1,712,000	1,712,000
Unearned revenues	753,515	1,010,400	1,756,349	98,571,564	2,772,246	-	-	1,634,743	106,498,817
Total liabilities	9,576,647	1,659,896	3,881,998	105,286,391	4,627,551	27,566	6,500	4,908,074	129,974,623
Deferred Inflows of Resources									
Unavailable revenue-property taxes	2,876,314	-	-	-	-	-	-	830,215	3,706,529
Lease related	-	-	-	-	-	-	-	-	-
Total deferred inflows of resources	2,876,314	-	-	-	-	-	-	830,215	3,706,529
Fund Balances (Deficits)									
Restricted:									
Transient room tax	-	-	-	-	-	-	-	4,406,102	4,406,102
Assessing and collecting	-	-	-	-	-	-	-	5,889,306	5,889,306
Recorder services	-	-	-	-	-	-	-	15,332,194	15,332,194
Public transit taxes	-	-	-	-	176,540,777	-	-	-	176,540,777
TRCC taxes	-	-	41,880,201	-	-	-	-	-	41,880,201
Special service areas/districts	-	-	-	-	-	-	-	12,198,744	12,198,744
Statutory minimum balance	6,239,359	-	-	-	-	-	-	-	6,239,359
Committed:									
Public health and welfare	-	6,930,506	-	1,193,848	-	-	-	263,180	8,387,534
Public safety	-	-	-	-	-	-	-	1,161,802	1,161,802
Capital projects	-	-	-	-	-	67,596,952	-	-	67,596,952
County policy minimum balance	14,600,098	-	-	-	-	-	-	-	14,600,098
Unassigned (deficits)	34,681,627	-	-	-	-	-	-	-	34,681,627
Total fund balances	55,521,084	6,930,506	41,880,201	1,193,848	176,540,777	67,596,952	-	39,251,328	388,914,696
Total liabilities, deferred inflows of resources, and fund balances	\$ 67,974,045	\$ 8,590,402	\$ 45,762,199	\$ 106,480,239	\$ 181,168,328	\$ 67,624,518	\$ 6,500	\$ 44,989,617	\$ 522,595,848

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

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position**

December 31, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$	388,914,696	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those capital assets consist of:			
Land	\$	54,075,565	
Construction in progress		338,405	
Rights of way		235,740	
Buildings, net of accumulated depreciation of \$51,387,917		97,306,636	
Improvements other than buildings, net of accumulated depreciation of \$6,469,588		2,959,074	
Equipment, net of accumulated depreciation of \$33,179,440		23,908,745	
Right to use assets, net of accumulated amortization of \$962,596		2,162,904	
Infrastructure		<u>324,841,425</u>	505,828,494
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.			(656,938)
Net pension assets and deferred outflows of resources are not available financial resources and, therefore, are not reported in the funds.			
Net pension assets		28,151,124	
Deferred outflows of resources related to pensions		<u>25,744,696</u>	53,895,820
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.			
Unamortized premium on revenue bonds		(21,020,262)	
Unamortized discount on revenue bonds		690,393	
Deferred amount on refunding		<u>1,780,718</u>	(18,549,151)
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.			
			3,706,529
Internal service funds are used by management to provide a method of charging individual funds and departments for use of fleet, jail kitchen, facilities maintenance, telephone systems, radio systems, information systems support and development, administrative services/equipment replacement, and risk management. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position. The unrestricted net position of internal service funds at year-end is:			
			26,652,319
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds:			
Revenue bonds payable		(184,230,000)	
Net pension liability		-	
Leases payable		(2,236,544)	
Compensated absences and OPEB		<u>(1,072,189)</u>	(187,538,733)
Deferred inflows of resources do not require current financial resources and, therefore, are not reported in the funds.			
Deferred inflows - pension related		(44,802,312)	
Deferred inflows - lease related		<u>(2,546,260)</u>	(47,348,572)
Net position of governmental activities			<u>\$ 724,904,464</u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
 For the Year Ended December 31, 2022

	Major Funds							Total Nonmajor Funds	Total Governmental Funds
	General	Health Department	TRCC Taxes	Grants/ Outside Projects	Transportation Projects	Capital Projects	Debt Service		
Revenues									
Property taxes	\$ 55,552,264	\$ -	\$ -	\$ 2,607,824	\$ -	\$ -	\$ -	\$ 14,609,276	\$ 72,769,364
Sales taxes	49,638,359	-	14,851,930	-	160,519,781	-	-	6,010,915	231,020,985
Franchise taxes	5,561	-	-	-	-	-	-	-	5,561
Licenses and permits	626,960	-	-	-	-	-	-	294,276	921,236
Intergovernmental	10,396,397	18,218,211	-	35,730,051	4,021,070	137,298	3,454,816	1,573,693	73,531,536
Charges for services	5,491,288	12,875,543	4,445,813	2,061,782	-	-	-	12,847,230	37,721,656
Fines and forfeitures	1,758,757	9,850	-	-	-	-	-	34,341	1,802,948
Investment earnings	730,307	60,370	760,195	-	2,635,464	1,037,069	-	645,083	5,868,488
Fees	-	-	-	2,668,477	5,088,330	-	-	88,713	7,845,520
Payments in lieu of taxes	585,786	-	-	-	-	-	-	1,335,508	1,921,294
Miscellaneous	1,484	31,862	1,080,581	2,649,197	6,492,111	-	19	689,377	10,944,631
Total revenues	<u>124,787,163</u>	<u>31,195,836</u>	<u>21,138,519</u>	<u>45,717,331</u>	<u>178,756,756</u>	<u>1,174,367</u>	<u>3,454,835</u>	<u>38,128,412</u>	<u>444,353,219</u>
Expenditures									
Current:									
General government	31,347,684	-	13,909,176	39,296,722	-	6,221	-	17,810,015	102,369,818
Public safety	64,598,974	-	-	2,612,206	-	-	-	9,940,925	77,152,105
Public health and welfare	1,328,392	37,357,766	-	4,150	-	-	-	2,194,248	40,884,556
Roads and public improvements	-	-	-	901,684	132,929,212	-	-	64,879	133,895,775
Parks and recreation	-	-	1,908,802	250,000	-	-	-	-	2,158,802
Debt service:									
Principal	-	-	-	-	-	-	10,605,000	-	10,605,000
Interest	-	-	-	-	-	-	8,137,568	-	8,137,568
Fiscal charges	-	-	-	-	-	-	31,800	-	31,800
Issuance costs	-	-	-	-	-	-	-	-	-
Capital outlay:									
General government	286,600	-	1,003,974	1,269,993	-	71,225	-	580,143	3,211,935
Public safety	500,554	-	-	153,872	-	137,299	-	-	791,725
Public health and welfare	-	514,921	-	-	-	-	-	-	514,921
Roads and public improvements	-	-	-	-	7,411,502	122,798	-	-	7,534,300
Parks and recreation	-	-	188,706	-	-	-	-	-	188,706
Total expenditures	<u>98,062,204</u>	<u>37,872,687</u>	<u>17,010,658</u>	<u>44,488,627</u>	<u>140,340,714</u>	<u>337,543</u>	<u>18,774,368</u>	<u>30,590,210</u>	<u>387,477,011</u>
Excess (deficiency) of revenues over expenditures	<u>26,724,959</u>	<u>(6,676,851)</u>	<u>4,127,861</u>	<u>1,228,704</u>	<u>38,416,042</u>	<u>836,824</u>	<u>(15,319,533)</u>	<u>7,538,202</u>	<u>56,876,208</u>
Other Financing Sources (Uses)									
Transfers in	663,366	4,000,000	-	-	-	18,000,000	15,319,533	967,346	38,950,245
Transfers out	(26,396,950)	-	(2,702,840)	(663,366)	(10,075,342)	-	-	(2,306,934)	(42,145,432)
Refunding bonds issued	-	-	-	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-
Leases issued (as lessee)	66,646	429,200	-	-	-	-	-	-	495,846
Sale of general capital assets	492,778	23,125	8,277	25,533	7,404	-	-	43,051	600,168
Insurance recoveries	7,856	-	2,142	-	-	-	-	678	10,676
Total other financing sources (uses)	<u>(25,166,304)</u>	<u>4,452,325</u>	<u>(2,692,421)</u>	<u>(637,833)</u>	<u>(10,067,938)</u>	<u>18,000,000</u>	<u>15,319,533</u>	<u>(1,295,859)</u>	<u>(2,088,497)</u>
Net change in fund balances	<u>1,558,655</u>	<u>(2,224,526)</u>	<u>1,435,440</u>	<u>590,871</u>	<u>28,348,104</u>	<u>18,836,824</u>	<u>-</u>	<u>6,242,343</u>	<u>54,787,711</u>
Fund balances - beginning	<u>53,962,429</u>	<u>9,155,032</u>	<u>40,444,761</u>	<u>602,977</u>	<u>148,192,673</u>	<u>48,760,128</u>	<u>-</u>	<u>33,008,985</u>	<u>334,126,985</u>
Fund balances - ending	<u>\$ 55,521,084</u>	<u>\$ 6,930,506</u>	<u>\$ 41,880,201</u>	<u>\$ 1,193,848</u>	<u>\$ 176,540,777</u>	<u>\$ 67,596,952</u>	<u>\$ -</u>	<u>\$ 39,251,328</u>	<u>\$ 388,914,696</u>

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

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**
Year Ended December 31, 2022

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	54,787,711
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>		
Capital outlays	\$ 13,973,011	
Depreciation expense	<u>(4,953,168)</u>	9,019,843
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds</p>		
		101,813
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Expenses	(117,203)	
Changes in compensated absences and OPEB liabilities	128,309	
Net pension expense	<u>14,418,894</u>	14,430,000
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, disposals, and annexations).</p>		
		(2,229,770)
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Issuance of refunding bonds	-	
Principal paid on bonds	10,605,000	
Payment to escrow agent	-	
Premium	<u>1,486,327</u>	12,091,327
<p>The internal service funds are used by management to charge the costs of fleet management, jail kitchen services, facilities maintenance, telephone systems, radio systems, information systems, administrative services/equipment replacement, and risk management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>		
		9,984,352
Change in net position of governmental activities	\$	<u>98,185,276</u>

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

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund**

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes:				
Property	\$ 56,450,000	\$ 56,450,000	\$ 55,552,264	\$ (897,736)
Sales	46,950,000	50,339,000	49,638,359	(700,641)
Franchise	4,000	4,000	5,561	1,561
Licenses and permits	600,000	623,000	626,960	3,960
Intergovernmental	288,900	288,900	10,396,397	10,107,497
Charges for services	5,687,100	5,307,400	5,491,288	183,888
Fines and forfeitures	1,527,100	1,770,600	1,758,757	(11,843)
Investment earnings	200,000	200,000	730,307	530,307
Payments in lieu of taxes	530,000	585,800	585,786	(14)
Miscellaneous	1,000	1,000	1,484	484
Total revenues	<u>112,238,100</u>	<u>115,569,700</u>	<u>124,787,163</u>	<u>9,217,463</u>
Expenditures				
Current:				
General government:				
Justice court	1,440,200	1,545,508	1,309,136	236,372
Clerk	1,112,460	1,575,909	1,288,370	287,539
Attorney	11,572,390	12,087,217	11,061,708	1,025,509
Non-departmental	17,049,870	6,873,112	2,386,265	4,486,847
Interagency	11,041,140	11,041,140	10,742,305	298,835
Elections	3,188,010	3,456,943	2,722,491	734,452
Public works	1,424,260	1,484,632	835,798	648,834
Surveyor	1,217,470	1,306,583	1,288,211	18,372
Total general government	<u>48,045,800</u>	<u>39,371,044</u>	<u>31,634,284</u>	<u>7,736,760</u>
Public safety:				
Sheriff enforcement	24,693,210	30,209,377	28,101,375	2,108,002
Wildland fire	1,666,900	1,907,902	1,726,308	181,594
Sheriff corrections	35,141,840	37,515,427	35,271,845	2,243,582
Total public safety	<u>61,501,950</u>	<u>69,632,706</u>	<u>65,099,528</u>	<u>4,533,178</u>
Public health and welfare:				
Mosquito abatement	1,242,490	1,245,210	1,247,318	(2,108)
Indigent burials	30,580	30,580	23,908	6,672
Agricultural services	68,760	68,760	57,166	11,594
Total public health and welfare	<u>1,341,830</u>	<u>1,344,550</u>	<u>1,328,392</u>	<u>16,158</u>
Total expenditures	<u>110,889,580</u>	<u>110,348,300</u>	<u>98,062,204</u>	<u>12,286,096</u>
Excess (deficiency) of revenues over expenditures	1,348,520	5,221,400	26,724,959	(3,068,633)
Other Financing Sources (Uses)				
Transfers in	-	700,000	663,366	(36,634)
Transfers out	(1,548,520)	(18,174,770)	(26,396,950)	(8,222,180)
Leases issued (as lessee)	-	-	66,646	66,646
Sale of general capital assets	200,000	550,000	492,778	(57,222)
Insurance recoveries	-	-	7,856	7,856
Total other financing sources (uses)	<u>(1,348,520)</u>	<u>(16,924,770)</u>	<u>(25,166,304)</u>	<u>(8,241,534)</u>
Net change in fund balance*	-	(11,703,370)	1,558,655	13,262,025
Fund balance-beginning	<u>53,962,429</u>	<u>53,962,429</u>	<u>53,962,429</u>	<u>-</u>
Fund balance-ending	<u>\$ 53,962,429</u>	<u>\$ 42,259,059</u>	<u>\$ 55,521,084</u>	<u>\$ 13,262,025</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

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

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Department Fund

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 24,746,210	\$ 24,733,171	\$ 18,218,211	\$ (6,514,960)
Charges for services	12,735,470	12,735,470	12,875,543	140,073
Fines and forfeitures	3,600	3,600	9,850	6,250
Investment earnings	-	-	60,370	60,370
Miscellaneous	66,730	66,730	31,862	(34,868)
Total revenues	<u>37,552,010</u>	<u>37,538,971</u>	<u>31,195,836</u>	<u>(6,343,135)</u>
Expenditures				
Personnel services	27,739,750	27,616,577	23,611,491	4,005,086
Materials, supplies, and services	16,339,270	20,076,057	13,192,501	6,883,556
Capital outlay	11,000	87,984	514,921	(426,937)
Contributions to other governmental agencies	648,610	958,012	553,774	404,238
Total expenditures	<u>44,738,630</u>	<u>48,738,630</u>	<u>37,872,687</u>	<u>10,865,943</u>
Excess (deficiency) of revenues over expenditures	(7,186,620)	(11,199,659)	(6,676,851)	(17,209,078)
Other Financing Sources (Uses)				
Transfers in	-	4,000,000	4,000,000	-
Leases issued (as lessee)	-	-	429,200	429,200
Sale of general capital assets	-	-	23,125	23,125
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>4,000,000</u>	<u>4,452,325</u>	<u>452,325</u>
Net change in fund balance*	(7,186,620)	(7,199,659)	(2,224,526)	4,975,133
Fund balance-beginning	<u>9,155,032</u>	<u>9,155,032</u>	<u>9,155,032</u>	<u>-</u>
Fund balance-ending	<u>\$ 1,968,412</u>	<u>\$ 1,955,373</u>	<u>\$ 6,930,506</u>	<u>\$ 4,975,133</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

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

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
TRCC Taxes Fund

For the Year Ended December 31, 2022

Note: TRCC is the acronym for Tourism, Recreation, Cultural, Convention, and Airport Facilities Taxes and includes the restaurant and short-term motor vehicle (e.g. car rental) sales taxes.

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Sales taxes	\$ 14,100,000	\$ 14,100,000	\$ 14,851,930	\$ 751,930
Charges for services	362,670	362,670	4,445,813	4,083,143
Investment earnings	400,000	400,000	760,195	360,195
Miscellaneous	-	-	1,080,581	1,080,581
Total revenues	<u>14,862,670</u>	<u>14,862,670</u>	<u>21,138,519</u>	<u>6,275,849</u>
Expenditures				
Personnel services	892,170	1,047,367	2,621,947	(1,574,580)
Materials, supplies, and services	46,163,900	43,580,104	13,196,031	30,384,073
Capital outlay	600,500	562,020	1,192,680	(630,660)
Contributions to other governmental agencies	-	-	-	-
Total expenditures	<u>47,656,570</u>	<u>45,189,491</u>	<u>17,010,658</u>	<u>28,178,833</u>
Excess (deficiency) of revenues over expenditures	(32,793,900)	(30,326,821)	4,127,861	(21,902,984)
Other Financing Sources (Uses)				
Transfers out	(281,880)	(2,751,880)	(2,702,840)	49,040
Sale of general capital assets	-	-	8,277	8,277
Insurance recoveries	-	-	2,142	2,142
Total other financing sources (uses)	<u>(281,880)</u>	<u>(2,751,880)</u>	<u>(2,692,421)</u>	<u>59,459</u>
Net change in fund balance*	(33,075,780)	(33,078,701)	1,435,440	34,514,141
Fund balance-beginning	<u>40,444,761</u>	<u>40,444,761</u>	<u>40,444,761</u>	<u>-</u>
Fund balance-ending	<u>\$ 7,368,981</u>	<u>\$ 7,366,060</u>	<u>\$ 41,880,201</u>	<u>\$ 34,514,141</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

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

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Grants/Outside Projects Fund

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 5,300,000	\$ 5,300,000	\$ 2,607,824	\$ (2,692,176)
Intergovernmental	145,235,770	161,571,874	35,730,051	(125,841,823)
Charges for services	3,337,190	3,337,190	2,061,782	(1,275,408)
Investment earnings	-	-	-	-
Fees	2,500,000	2,500,000	2,668,477	168,477
Miscellaneous	288,370	379,597	2,649,197	2,269,600
Total revenues	156,661,330	173,088,661	45,717,331	(127,371,330)
Expenditures				
Personnel services	2,748,510	4,471,591	2,996,898	1,474,693
Materials, supplies, and services	140,765,810	82,669,074	2,869,926	79,799,148
Capital outlay	32,000	515,880	1,423,865	(907,985)
Contributions to other governmental agencies	13,115,010	85,334,116	37,197,938	48,136,178
Total expenditures	156,661,330	172,990,661	44,488,627	128,502,034
Excess (deficiency) of revenues over expenditures	-	98,000	1,228,704	1,130,704
Other Financing Sources (Uses)				
Transfers out	-	(700,000)	(663,366)	36,634
Sale of general capital assets	-	-	25,533	25,533
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	-	(700,000)	(637,833)	62,167
Net change in fund balance*	-	(602,000)	590,871	1,192,871
Fund balance-beginning	602,977	602,977	602,977	-
Fund balance-ending	\$ 602,977	\$ 977	\$ 1,193,848	\$ 1,192,871

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

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

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Projects Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Sales taxes	\$ 168,875,000	\$ 168,875,000	\$ 160,519,781	\$ (8,355,219)
Intergovernmental	4,200,000	6,300,000	4,021,070	(2,278,930)
Investment earnings	652,400	652,400	2,635,464	1,983,064
Fees	6,000,000	6,000,000	5,088,330	(911,670)
Miscellaneous	2,500	2,500	6,492,111	6,489,611
Total revenues	179,729,900	181,829,900	178,756,756	(3,073,144)
Expenditures				
Personnel services	1,266,550	1,398,781	1,390,557	8,224
Materials, supplies, and services	26,083,980	28,477,366	3,376,020	25,101,346
Capital outlay	146,143,010	90,440,792	7,411,502	83,029,290
Contributions to other governmental agencies	116,997,300	172,273,901	128,162,635	44,111,266
Total expenditures	290,490,840	292,590,840	140,340,714	152,250,126
Excess (deficiency) of revenues over expenditures	(110,760,940)	(110,760,940)	38,416,042	149,176,982
Other Financing Sources (Uses)				
Transfers out	(13,459,060)	(13,459,060)	(10,075,342)	3,383,718
Sale of general capital assets	20,000	20,000	7,404	(12,596)
Total other financing sources (uses)	(13,439,060)	(13,439,060)	(10,067,938)	3,371,122
Net change in fund balance*	(124,200,000)	(124,200,000)	28,348,104	152,548,104
Fund balance-beginning	148,192,673	148,192,673	148,192,673	-
Fund balance-ending	<u>\$ 23,992,673</u>	<u>\$ 23,992,673</u>	<u>\$ 176,540,777</u>	<u>\$ 152,548,104</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

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

**Statement of Net Position
Proprietary Funds
December 31, 2022**

	Governmental Activities - Internal Service Funds								Total Internal Service Funds
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services	Risk Management	
Assets									
Current assets:									
Cash and cash equivalents	\$ 7,141,728	\$ 218,978	\$ 555,157	\$ 844,774	\$ 1,789,159	\$ 2,460,227	\$ 10,930,583	\$ 8,318,679	\$ 32,259,285
Accounts receivable	147,198	118,738	659,949	20,992	90,844	368,158	96,267	-	1,502,146
Leases receivable, current portion	-	-	374,512	-	35,012	-	-	-	409,524
Inventories	253,161	267,146	52,000	29,477	22,201	149,245	-	-	773,230
Prepaid items	230,371	-	373,949	-	16,084	703,423	380,278	-	1,704,105
Total current assets	7,772,458	604,862	2,015,567	895,243	1,953,300	3,681,053	11,407,128	8,318,679	36,648,290
Noncurrent assets:									
Net pension asset	311,020	318,632	750,891	75,940	33,002	1,587,759	2,352,515	-	5,429,759
Leases receivable, noncurrent portion	-	-	1,497,014	-	746,419	-	-	-	2,243,433
Capital assets:									
Equipment, vehicles, furniture, improvements	26,476,981	973,434	3,850,701	1,701,555	2,958,141	3,194,014	846,727	-	40,001,553
Less accumulated depreciation	(15,577,147)	(823,918)	(1,532,513)	(1,450,749)	(2,667,617)	(2,194,832)	(126,339)	-	(24,373,115)
Lease assets:									
Communication sites	-	-	-	-	181,584	-	-	-	181,584
Less accumulated amortization	-	-	-	-	(46,569)	-	-	-	(46,569)
Total noncurrent assets	11,210,854	468,148	4,566,093	326,746	1,204,960	2,586,941	3,072,903	-	23,436,645
Total assets	18,983,312	1,073,010	6,581,660	1,221,989	3,158,260	6,267,994	14,480,031	8,318,679	60,084,935
Deferred Outflows Of Resources									
Pension related	284,433	291,394	686,703	69,448	30,181	1,452,033	2,151,415	-	4,965,607
Liabilities									
Current liabilities:									
Accounts payable	76,007	3,319	490,758	66	887	97,774	76,950	5,783	751,544
Accrued liabilities	20,958	26,460	54,716	6,037	3,063	90,089	1,887,628	1,702,491	3,791,442
Compensated absences	72,779	57,449	224,316	25,915	11,071	186,734	389,862	-	968,126
Leases payable, current portion	-	-	-	-	15,950	-	-	-	15,950
Unearned revenue	-	-	184,916	-	-	-	-	-	184,916
Total current liabilities	169,744	87,228	954,706	32,018	30,971	374,597	2,354,440	1,708,274	5,711,978
Noncurrent liabilities:									
Net pension liability	-	-	-	-	-	-	-	-	-
Leases payable, noncurrent portion	-	-	-	-	119,538	-	-	-	119,538
Net OPEB liability	129,504	49,760	148,412	18,310	952	182,548	6,013,889	-	6,543,375
Total noncurrent liabilities	129,504	49,760	148,412	18,310	120,490	182,548	6,013,889	-	6,662,913
Total liabilities	299,248	136,988	1,103,118	50,328	151,461	557,145	8,368,329	1,708,274	12,374,891
Deferred Inflows Of Resources									
Pension related	494,986	507,100	1,195,037	120,858	52,523	2,526,907	3,744,010	-	8,641,421
Lease related	-	-	1,817,779	-	728,481	-	-	-	2,546,260
Total deferred inflows of resources	494,986	507,100	3,012,816	120,858	781,004	2,526,907	3,744,010	-	11,187,681
Net Position									
Net investment in capital assets	11,000,302	252,442	742,966	275,336	(427,770)	1,512,067	1,480,308	-	14,835,651
Unrestricted	7,473,209	467,874	2,409,463	844,915	2,683,746	3,123,908	3,038,799	6,610,405	26,652,319
Total net position	\$ 18,473,511	\$ 720,316	\$ 3,152,429	\$ 1,120,251	\$ 2,255,976	\$ 4,635,975	\$ 4,519,107	\$ 6,610,405	\$ 41,487,970

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

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds

For the Year Ended December 31, 2022

	Governmental Activities - Internal Service Funds							Total Internal Service Funds	
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services		Risk Management
Operating revenues:									
Charges for services	\$ 8,738,503	\$ 3,375,802	\$ 7,861,250	\$ 606,423	\$ 1,162,990	\$ 7,065,444	\$ 9,394,690	\$ 2,150,524	\$40,355,626
Miscellaneous	146,905	5,808	40,954	-	824	48,441	221,629	32,328	496,889
Total operating revenues	<u>8,885,408</u>	<u>3,381,610</u>	<u>7,902,204</u>	<u>606,423</u>	<u>1,163,814</u>	<u>7,113,885</u>	<u>9,616,319</u>	<u>2,182,852</u>	<u>40,852,515</u>
Operating expenses:									
Personnel services	1,074,337	1,255,675	2,684,931	292,137	123,471	4,213,817	6,875,267	81,657	16,601,292
Materials, supplies, and services	2,861,136	1,826,893	3,586,474	256,591	321,594	1,543,137	2,984,369	1,325,695	14,705,889
Depreciation	3,773,601	85,283	290,731	141,348	36,687	335,019	100,251	-	4,762,920
Total operating expenses	<u>7,709,074</u>	<u>3,167,851</u>	<u>6,562,136</u>	<u>690,076</u>	<u>481,752</u>	<u>6,091,973</u>	<u>9,959,887</u>	<u>1,407,352</u>	<u>36,070,101</u>
Operating income (loss)	<u>1,176,334</u>	<u>213,759</u>	<u>1,340,068</u>	<u>(83,653)</u>	<u>682,062</u>	<u>1,021,912</u>	<u>(343,568)</u>	<u>775,500</u>	<u>4,782,414</u>
Nonoperating revenues (expenses):									
Investment earnings	137,096	3,301	11,822	15,963	33,978	38,473	234,869	114,460	589,962
Lease revenues	-	-	(23,371)	-	392	-	-	-	(22,979)
Lease interest revenue	-	-	35,459	-	15,761	-	-	-	51,220
Lease interest expense	-	-	-	-	(3,017)	-	-	-	(3,017)
Lease amortization expense	-	-	-	-	(15,509)	-	-	-	(15,509)
Gain (loss) on sale of fixed assets	1,018,373	-	23,079	23,650	101	8,529	-	-	1,073,732
Total nonoperating revenues (expenses)	<u>1,155,469</u>	<u>3,301</u>	<u>46,989</u>	<u>39,613</u>	<u>31,706</u>	<u>47,002</u>	<u>234,869</u>	<u>114,460</u>	<u>1,673,409</u>
Income (loss) before capital contributions and transfers	<u>2,331,803</u>	<u>217,060</u>	<u>1,387,057</u>	<u>(44,040)</u>	<u>713,768</u>	<u>1,068,914</u>	<u>(108,699)</u>	<u>889,960</u>	<u>6,455,823</u>
Capital contributions	500,000	-	-	-	-	-	-	-	500,000
Transfers in	-	-	-	-	-	-	613,874	3,000,000	3,613,874
Transfers out	-	-	(418,687)	-	-	-	-	-	(418,687)
	<u>500,000</u>	<u>-</u>	<u>(418,687)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>613,874</u>	<u>3,000,000</u>	<u>3,695,187</u>
Change in net position	2,831,803	217,060	968,370	(44,040)	713,768	1,068,914	505,175	3,889,960	10,151,010
Net position-beginning	15,641,708	503,256	2,184,059	1,164,291	1,542,208	3,567,061	4,013,932	2,720,445	31,336,960
Net position-ending	<u>\$ 18,473,511</u>	<u>\$ 720,316</u>	<u>\$ 3,152,429</u>	<u>\$ 1,120,251</u>	<u>\$ 2,255,976</u>	<u>\$ 4,635,975</u>	<u>\$ 4,519,107</u>	<u>\$ 6,610,405</u>	<u>\$41,487,970</u>

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

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022**

	Governmental Activities - Internal Service Funds								Total Internal Service Funds
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services	Risk Management	
Cash Flows From Operating Activities									
Receipts from outside customers	\$ 527,336	\$ 788,664	\$ 630,330	\$ 48,958	\$ 47,924	\$ 62,996	\$ 39,984	\$ -	\$ 2,146,192
Receipts from internal departments	8,631,231	2,546,047	6,765,538	548,267	1,087,711	7,236,806	9,376,329	2,150,524	38,342,453
Receipt of customer deposits	-	-	150	-	-	-	-	-	150
Other receipts	146,904	5,808	40,955	-	824	48,441	221,629	32,327	496,888
Payments to suppliers and service providers	(2,980,305)	(1,961,963)	(3,681,262)	(261,555)	(330,996)	(1,695,430)	(3,357,553)	(1,443,916)	(15,712,980)
Payments to employees for salaries and benefits	(1,034,463)	(1,323,648)	(2,736,202)	(294,988)	(130,272)	(4,242,718)	(6,753,594)	(80,643)	(16,596,528)
Return of customer deposits	-	-	(150)	-	-	-	-	-	(150)
Net cash provided by (used for) operating activities	5,290,703	54,908	1,019,359	40,682	675,191	1,410,095	(473,205)	658,292	8,676,025
Cash Flows From Noncapital Financing Activities									
Transfers from other funds	-	-	-	-	-	-	613,874	3,000,000	3,613,874
Net cash provided by (used for) noncapital financing activities	-	-	-	-	-	-	613,874	3,000,000	613,874
Cash Flows From Capital And Related Financing Activities									
Acquisition and construction of capital assets	(5,148,879)	(79,688)	(1,169,505)	(9,802)	(272,558)	(664,302)	(498,001)	-	(7,842,735)
Acquisition of right-to-use assets (as lessee)	-	-	-	-	(18,673)	-	-	-	(18,673)
Proceeds from the sale of assets	1,018,373	-	23,079	23,650	101	8,529	-	-	1,073,732
Capital grants	-	-	-	-	-	-	-	-	-
Transfers to other funds for capital energy improvements	-	-	(418,687)	-	-	-	-	-	(418,687)
Net cash provided by (used for) capital and related financing activities	(4,130,506)	(79,688)	(1,565,113)	13,848	(291,130)	(655,773)	(498,001)	-	(7,206,363)
Cash Flows From Investing Activities									
Interest on investments	137,096	3,301	11,822	15,963	33,978	38,473	234,869	114,460	589,962
Net increase (decrease) in cash and cash equivalents	1,297,293	(21,479)	(533,932)	70,493	418,039	792,795	(122,463)	3,772,752	5,673,498
Cash and cash equivalents - beginning	5,844,435	240,457	1,089,089	774,281	1,371,120	1,667,432	11,053,046	4,545,927	26,585,787
Cash and cash equivalents - ending	\$ 7,141,728	\$ 218,978	\$ 555,157	\$ 844,774	\$ 1,789,159	\$ 2,460,227	\$ 10,930,583	\$ 8,318,679	\$ 32,259,285
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:									
Operating income (loss)	\$ 1,176,334	\$ 213,759	\$ 1,340,068	\$ (83,653)	\$ 682,062	\$ 1,021,912	\$ (343,568)	\$ 775,499	\$ 4,782,413
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Depreciation expense	3,773,601	85,283	290,731	141,348	36,687	335,019	100,251	-	4,762,920
(Increase) decrease in accounts receivable	420,064	(41,091)	(481,310)	(9,198)	(27,355)	243,309	21,623	-	126,042
(Increase) decrease in inventories	(65,344)	(127,920)	2,000	(4,652)	(1)	56,757	-	-	(139,160)
(Increase) decrease in prepaid items	(90,329)	-	(77,887)	-	(291)	(173,150)	(335,489)	-	(677,146)
(Increase) decrease in net pension asset	(311,020)	(318,632)	(750,891)	(75,940)	(33,002)	(1,587,759)	(2,352,515)	-	(5,429,759)
(Increase) decrease in pension related deferred outflows of resources	623,643	857,686	1,289,141	142,689	36,172	3,271,930	6,204,359	-	12,425,620
Increase (decrease) in accounts payable	36,503	(7,150)	(18,901)	(312)	(9,110)	(35,900)	(63,738)	(87,204)	(185,812)
Increase (decrease) in accrued liabilities	2,334	5,600	5,016	715	625	22,777	42,331	(30,003)	49,395
Increase (decrease) in deposits payable	-	-	-	-	-	-	-	-	-
Increase (decrease) in compensated absences	9,623	10,335	17,663	1,428	(824)	(37,795)	(9,906)	-	(9,476)
Increase (decrease) in unearned revenue	-	-	15,929	-	-	(8,951)	-	-	6,978
Increase (decrease) in net pension liability	(22,251)	(123,689)	(76,781)	(6,810)	(4,240)	(87,683)	(162,521)	-	(483,975)
Increase (decrease) in net OPEB liability	37,858	-	-	-	58	-	-	-	37,916
Increase (decrease) in pension related deferred inflows of resources	(300,313)	(499,273)	(535,419)	(64,933)	(5,590)	(1,610,371)	(3,574,032)	-	(6,589,931)
Total adjustments	4,114,369	(158,851)	(320,709)	124,335	(6,871)	388,183	(129,637)	(117,207)	3,893,612
Net cash provided by (used for) operating activities	\$ 5,290,703	\$ 54,908	\$ 1,019,359	\$ 40,682	\$ 675,191	\$ 1,410,095	\$ (473,205)	\$ 658,292	\$ 8,676,025
Schedule of non-cash capital and related financing activities:									
Contributions of capital assets	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000

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

Statement of Fiduciary Net Position
Fiduciary Funds
 For the Year Ended December 31, 2022

	Private- purpose				
	Trust Fund	Custodial Funds			
	Jail Commissary	Auditor Trust Fund	Sheriff Baker Award Trust Fund	Sheriff Asset Forfeiture Trust Fund	Treasurer Trust Fund
ASSETS					
Cash and investments	\$ 34,252	\$ -	\$ 17,108	\$ 37,890	\$ 130,461,107
Receivables	-	-	-	2,060	726,958
Total assets	<u>34,252</u>	<u>-</u>	<u>17,108</u>	<u>39,950</u>	<u>131,188,065</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ 2,060	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,060</u>	<u>-</u>
NET POSITION					
Restricted for:					
Individuals and organizations	34,252	-	17,108	37,890	-
Other governments	-	-	-	-	131,188,065
Total net position	<u>\$ 34,252</u>	<u>\$ -</u>	<u>\$ 17,108</u>	<u>\$ 37,890</u>	<u>\$ 131,188,065</u>

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

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the Year Ended December 31, 2022

	Private- purpose	Custodial Funds			
	Trust Fund	Sheriff		Sheriff	
	Jail Commissary	Auditor Trust Fund	Baker Award Trust Fund	Asset Forfeiture Trust Fund	Treasurer Trust Fund
ADDITIONS					
Contributions:					
Private contributions	\$ 1,200,379	\$ -	\$ -	\$ 20,690	\$ 1,476,660,368
Total contributions	<u>1,200,379</u>	<u>-</u>	<u>-</u>	<u>20,690</u>	<u>1,476,660,368</u>
Interest	-	-	327	786	-
Total additions	<u>1,200,379</u>	<u>-</u>	<u>327</u>	<u>21,476</u>	<u>1,476,660,368</u>
DEDUCTIONS					
Purchases by inmates	1,194,737	-	-	-	-
Recipient payments	-	-	1,000	4,228	1,477,360,253
Administrative expenses	-	-	-	-	-
Total deductions	<u>1,194,737</u>	<u>-</u>	<u>1,000</u>	<u>4,228</u>	<u>1,477,360,253</u>
Net increase (decrease) in fiduciary net position	5,642	-	(673)	17,248	(699,885)
Net position - beginning	28,610	-	17,781	20,642	131,887,950
Net position - ending	<u>\$ 34,252</u>	<u>\$ -</u>	<u>\$ 17,108</u>	<u>\$ 37,890</u>	<u>\$ 131,188,065</u>

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



Notes to the Basic Financial Statements



Butterfly Biosphere at Thanksgiving Point, Lehi

Photo courtesy of Utah Valley Convention & Visitors Bureau • Visit utahvalley.com

Notes to the Financial Statements

December 31, 2022

I. Summary of Significant Accounting Policies

The financial statements of Utah County have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles, or GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Utah County's significant accounting policies are described below.

A. Description of government-wide financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. For the fiscal year ended December 31, 2022, Utah County reported no business-type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting entity

Utah County is governed by an elected three-member Board of County Commissioners (Commission). Eight other elected officials are responsible for managing specific departments, specifically the Assessor, Attorney, Auditor, Clerk, Recorder, Sheriff, Surveyor, and Treasurer. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Discretely presented component units are reported on an aggregate basis in a separate column in the government-wide financial statements to emphasize that they are both legally and substantively separate from the government.

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

The Municipal Building Authority of Utah County, Utah (Authority) is a nonprofit corporation governed by a board composed of the three members of the Board of Utah County Commissioners. The purpose of the Authority is to finance the acquisition, renovation, construction, and installation of land, buildings, equipment, fixtures, or other facilities through issuance of notes, bonds, or other obligations that are payable exclusively from the revenues received by the Authority from the lease, sale, or disposition of such land, buildings, equipment, fixtures, or other facilities to the County or from any other source lawfully available. Bond issuance authorizations are approved by the Authority's Board and Utah County is legally obligated to provide resources in case there are deficiencies in debt service payments and resources are not available from any other remedies. The Authority is reported as a special revenue fund and does not issue separate financial statements.

Soldier Summit Special Service District (Soldier Summit) was established in 1984 and is governed by a board composed of one member of the Board of Utah County Commissioners, one member of the Wasatch County Council, and one owner of real property within the district boundaries. While Soldier Summit primarily provides water services to properties within the district boundaries, Soldier Summit was established to provide a variety of municipal services, including water, garbage, transportation (including street lighting, storm drainage, and other street-related facilities), recreation, and fire protection. These municipal services are funded by a property tax levy and charges for services as established by the governing board of Soldier Summit. Soldier Summit is reported as a special revenue fund and does not issue separate financial statements. In March 2023, the Board of Utah County

I. Summary of Significant Accounting Policies (continued)

B. Reporting entity (continued)

Commissioners approved a resolution reorganizing Soldier Summit as a local district. Due to the reorganization, Soldier Summit will no longer be a blended component unit of the County effective January 1, 2023.

Utah County Service Area No. 6 (Service Area 6) was established in 1976 and is governed by a board of trustees composed of the three members of the Board of Utah County Commissioners. The purpose of Service Area 6 is to provide the following municipal-type services to the residents of unincorporated Utah County: police protection, health department services, and hospital service. These services are funded by a property tax levy established by the Service Area 6 board of trustees. Service Area 6 is reported as a special revenue fund and does not issue separate financial statements.

Utah County Service Area No. 7 (Service Area 7) was established in 1977 and is governed by a board of trustees composed of the three members of the Board of Utah County Commissioners. The purpose of Service Area 7 is to provide the following municipal-type services to the residents in specific zoned areas of unincorporated Utah County: structural fire protection, water conservation, local park, recreation or parkway facilities and services, public libraries, flood control, and garbage and refuse collections. These services are funded by a property tax levy established by the Service Area 7 board of trustees and charges for services. Service Area 7 is reported as a special revenue fund and does not issue separate financial statements.

Utah County Service Area No. 8 (Service Area 8) was established in 1977 and is governed by a board of trustees composed of the three members of the Board of Utah County Commissioners. The purpose of Service Area 8 is to provide the following municipal-type services to the residents of unincorporated Utah County: street lighting, planning and zoning, local streets and roads, and curb, gutter, and sidewalk construction maintenance. These services are funded by a property tax levy established by the Service Area 8 board of trustees and charges for services. Service Area 8 is reported as a special revenue fund and does not issue separate financial statements.

Utah County Service Area No. 9 (Service Area 9) was established in 1977 and is governed by a board of trustees composed of the three members of the Board of Utah County Commissioners. The purpose of Service Area 9 is to provide the following municipal-type services to the residents in specific zoned areas of unincorporated Utah County: structural fire protection, water conservation, and local streets and roads. These services are funded by a property tax levy established by the Service Area 9 board of trustees. Service Area 9 is reported as a special revenue fund and does not issue separate financial statements.

Utah Valley Road Special Service District (Road District) was established in 2009 and is governed by an administrative control board composed of members appointed by the Board of Utah County Commissioners. The purpose of the Road District is to construct, improve, repair, or maintain public roads within the district boundaries. These services are funded by federal secure rural schools and mineral lease funds. The Road District is reported as a special revenue fund and does not issue separate financial statements.

Discretely presented component units. The County's financial statements include the following discretely presented component units:

Timpanogos Special Service District (Timpanogos SSD) was established in 1977 and provides wastewater treatment and disposal services for participating cities and customers, including the municipalities of Lehi, American Fork, Alpine, Pleasant Grove, Highland, Cedar Hills, Eagle Mountain, and Saratoga Springs. Timpanogos SSD is reported as a component unit because the Board of Utah County Commissioners appoints its governing body. Separately issued financial reports are available for Timpanogos SSD. This report may be obtained by contacting the following office: Timpanogos Special Service District, 6400 North 5050 West, American Fork, UT 84003.

North Pointe Solid Waste Special Service District (North Pointe) provides garbage and solid waste disposal services and facilities to or for its members. North Pointe operates a transfer station in Lindon, Utah and a construction and demolition landfill in Fairfield, Utah. North Pointe is reported as a component unit because the Board of Utah County Commissioners appoints its governing body. Separately issued financial reports are available for North Pointe. This report may be obtained by contacting the following office: North Pointe Solid Waste Special Service District, 2000 West 200 South, Lindon, UT 84042.

I. Summary of Significant Accounting Policies (continued)

B. Reporting entity (continued)

Wasatch Behavioral Health Services Special Service District (WBH) was established in 2003 and provides mental health and substance abuse services to the residents of Utah County. WBH is governed by a board composed of the three members of the Board of Utah County Commissioners. Utah County provides a contribution from its general fund to support WBH's activities. Separately issued financial reports are available for WBH. This report may be obtained by contacting the following office: Wasatch Behavioral Health Services Special Service District, 750 North 200 West, Provo, UT 84604.

North Fork Special Service District (North Fork) was established in 1977 and provides fire, ambulance, water, wastewater treatment, and garbage services to the residents and visitors of the North Fork of Provo Canyon, Utah. North Fork is reported as a component unit because the Board of Utah County Commissioners appoints its governing body. Separately issued financial reports are available for North Fork. This report may be obtained by contacting the following office: Administrative Office: North Fork Special Service District, RR3 Box B1, Provo, UT 84604.

Utah Valley Convention and Visitors Bureau, Inc. (Bureau) was incorporated in 2002 to promote tourism in Utah County and operate the Utah Valley Visitor Information Center. Utah County performed these services prior to the creation of the Bureau. In 2003, the County discontinued its tourism activities and contracted with the Bureau to provide these services. The Bureau is reported as a component unit because it exists under contractual terms established by the Board of Utah County Commissioners. The Board of Utah County Commissioners provides most of the funding to the Bureau. Separately issued financial reports are available for the Bureau. This report may be obtained by contacting the following office: Utah Valley Convention and Visitors Bureau, 220 West Center Street, Suite 100, Provo, UT 84601.

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.

C. Basis of presentation – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. 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. The primary government is reported separately from the discretely presented component units discussed earlier.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of presentation – fund financial statements

The fund financial statements provide information about Utah County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Utah County reports the following major governmental funds:

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

The *Health Department Fund* accounts for funds managed by the Utah County Health Department. As prescribed in State Code, public health services are provided by local health departments (LHDs). Currently, there are seven single-county LHDs and another six LHDs covering the other 22 counties in the state. Utah County operates as a single-county LHD. The State utilizes LHDs to administer many of the services required by state law. As a result, a significant amount of funding, consisting of both federal and state funds, is passed through the Utah Department of Health to the Utah County Health Department.

I. Summary of Significant Accounting Policies (continued)

D. Basis of presentation – fund financial statements (continued)

The *TRCC (Tourism, Recreation, Cultural, Convention, and Airport Facilities) Taxes Fund* accounts for projects funded by the restaurant tax and short-term motor vehicle lease tax. Revenue from these taxes may be used for either financing tourism promotion or funding the development, operation, and maintenance of airport, convention, cultural, recreation, or tourist facilities. In accordance with *Utah Code*, the County has created a Tourism Tax Advisory Board (TTAB) that advises the Board of County Commissioners on the best use of revenues collected from the TRCC taxes. The TTAB provides the Board of County Commissioners with a prioritized list of proposed expenditures based on projected available tax revenues.

The *Grants/Outside Projects Fund* accounts for projects funded by grants, contributions, and other sources of revenue that are restricted by the grantor or donor. These revenues include grants, donations, and settlements.

The *Transportation Projects Fund* accounts for Utah County's roads, highways, and public transit projects. The major source of funding is transportation-related sales taxes.

The *capital projects fund* accounts for the acquisition and construction of Utah County's major capital assets, other than those financed by proprietary funds.

The *debt service fund* is used to account for the accumulation of resources for the payment of principal and interest on long-term obligations of governmental funds.

Utah County reports the following fund types:

Internal service funds account for fleet management, jail food service, building maintenance, telephone systems, radio systems, information systems, administrative services/equipment replacement, and risk management. These services are provided to other departments of Utah County or to other governments on a cost-reimbursement basis.

The *private-purpose trust fund* accounts for contributions made on behalf of inmates housed at the Utah County Jail for use at the commissary.

The *custodial funds* account for monies held for outside organizations. The Sheriff Baker Award custodial fund accounts for a private donation received in 1990 that funds the LeGrand J. and Beth W. Baker Exemplary Service Award. The donation is used to provide an annual cash award of \$1,000 to a sworn officer of the Sheriff's Office who provides distinguished service to the community. The recipient of the award is determined by an independent evaluation panel and not by the County itself. The Sheriff Asset Forfeiture custodial fund accounts for assets held by the County but due to outside entities where the determination of the recipient is pending adjudication. The County Treasurer's custodial fund accounts for property tax collections due to other governments.

During the course of operations Utah County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

E. Measurement focus and basis of accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide, proprietary, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and

I. Summary of Significant Accounting Policies (continued)

E. Measurement focus and basis of accounting (continued)

expenses are recorded when the related liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and 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 principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving Utah County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Sales taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter to be used to pay liabilities of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered to be measurable and available only when cash is received by Utah County.

F. Budgetary information

1. Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles and in accordance with the Uniform Fiscal Procedures Act enacted by the State of Utah. Fiduciary funds do not have appropriated budgets since the resources are due to other governments or organizations. Once a budget has been adopted, it remains in effect until it has been formally revised.

On or before November 1, the Utah County Auditor prepares a tentative budget for the subsequent 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.

The Board of Utah 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. After the public notice has been published, a public hearing is held regarding the budget. After the public hearing, the Board of Utah County Commissioners makes final adjustments to the tentative budget. On or before December 31, the Board of County Commissioners adopts by resolution a final balanced budget. The appropriated budget is prepared by fund, department, and function.

Utah County's department heads may make transfers of appropriations within a department. Transfers from certain accounts, such as salaries, benefits, and internal service charges, require approval of the Board in accordance with the County's Financial Administration Ordinance. Transfers of appropriations between departments within the same fund can be approved by resolution of the Board during any scheduled Board meeting. 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 at least five days before the day of the hearing. After the public hearing, the amended budget is adopted by resolution of the Board. The legal

I. Summary of Significant Accounting Policies (continued)

F. Budgetary information (continued)

level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the departmental level.

By resolution approved during any scheduled Board meeting, 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 affected department. State law also requires the affected director be permitted to be heard on the proposed reduction. Notice may be waived in writing by the affected director or by any member of the Board of County Commissioners.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. 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.

2. Excess of expenditures over appropriations

The various statements titled Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual identify departments and funds, if any, which have over-expended budgeted amounts and, therefore, do not comply with state law. For the year ended December 31, 2022, the following departments or funds had expenditures that exceeded budget appropriations.

- The Mosquito Abatement department's expenditures of \$1,247,318 exceeded the appropriation by \$2,108.
- General Fund transfers to other departments of \$26,396,950 exceeded the appropriation by \$5,788,678.
- Service Area 8 fund expenditures of \$1,449,609 exceeded the appropriation by \$8,459.
- Outside Law Enforcement fund expenditures of \$7,382,956 exceeded the appropriation by \$31,946.

All of these over-expenditures were funded by greater than anticipated revenues.

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance

1. Cash/cash equivalents and investments

Utah County's cash and cash equivalents include cash on hand, demand deposits with banks and other financial institutions, and deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts. The State of Utah's Money Management Act, which the County follows, allows for the investment of funds in the following types of investments:

- Time certificates of deposit with federally insured depositories.
- Investment in the Utah Public Treasurer's Investment Fund (PTIF).
- Open-end managed money market mutual funds.
- Qualified repurchase agreements with qualified depositories, certified dealers, or certified depositories.
- Other investments allowed by the State of Utah's Money Management Act.

Investments are reported at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. The Utah Public Treasurers' Investment Fund (PTIF), Moreton Asset Management Fund, and Zions Bank Institutional Liquidity Management Fund all operate in accordance with state laws and regulations.

I. Summary of Significant Accounting Policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

Cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with maturities of three months or less when purchased meet this definition.

2. Inventories and prepaid items

Most inventories are valued at cost using the first-in/first-out (FIFO) method and consist of fuel, vehicle repair parts, building maintenance supplies, and minor systems equipment. Inventory for the Jail Kitchen consisting of food commodities is valued at fair market value. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Net pension assets

The net pension assets of Utah County were determined by Utah Retirement Systems (URS) through actuarial valuations and roll-forwards using generally accepted actuarial procedures based upon actual historical contributions and census data provided to URS. Net pension assets represent the net difference between assets of the plan and the actuarially determined liabilities.

4. Capital assets

Capital assets include land, buildings, improvements other than buildings, leasehold improvements, furniture, fixtures, and equipment (including intangible assets and computer software); infrastructure (roads, bridges, sidewalks, flood control, and similar items); and construction in progress. These assets are reported in the governmental activities column in the government-wide financial statements. Capital assets, except for infrastructure assets, are defined by Utah County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years.

As Utah County constructs or acquires capital assets each period, they are capitalized and reported at historical cost (except for intangible right-to-use lease assets, the measurement of which is discussed in the Leases note below). The reported value excludes normal maintenance and repairs, which are amounts spent in relation to capital assets that do not increase the asset's capacity or efficiency or increase its estimated useful life. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, and the right to use leased equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital asset classes	Lives, in years
Buildings	50
Improvements other than buildings	20-30
Equipment and intangible assets	4-20

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

I. Summary of Significant Accounting Policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

policy. Infrastructure assets accounted for under the modified approach are not depreciated and maintenance and preservation costs are expensed when incurred.

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position includes a separate section for *deferred outflows of resources*. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Utah County reports deferred outflows of resources related to pensions. These deferred amounts relate differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension-related changes.

In addition to liabilities, the statement of financial position includes a separate section for *deferred inflows of resources*. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Utah County has three items that qualify for reporting in this category. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide financial statements, Utah County reports deferred amounts related to leases and deferred amounts related to pensions.

6. Net position

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted net position* consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted net position* is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

Sometimes Utah County will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is Utah County's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

7. Fund balance

In governmental fund types, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called "fund balance." Utah County's governmental funds report the following categories of fund balance, based on the nature of any limitations requiring the use of resources for specific purposes.

I. Summary of Significant Accounting Policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

7. Fund balance (continued)

- Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- Committed fund balance represents amounts that can be used only for the specific purposes determined by the adoption of a resolution committing fund balance for a specified purpose by the Board of Utah County Commissioners prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until either the resources have been spent for the specified purpose or the Board of Utah County Commissioners adopts another resolution to remove or revise the limitation.
- Assigned fund balance represents amounts that are intended to be used by Utah County for specific purposes but do not meet the criteria to be classified as committed. Utah County may also assign fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- Unassigned fund balance represents the residual amount for the general fund that is not contained in the other classifications. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

As previously mentioned, sometimes Utah County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is Utah County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

8. Leases

Lessee: Utah County is a lessee for noncancellable leases of buildings, land, and equipment. Utah County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund financial statements. Utah County recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, Utah County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Utah County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments.

- Utah County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, Utah County utilizes the Daily Treasury Yield Curve Rates maintained by the United States Department of the Treasury.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that Utah County is reasonably certain to exercise.

I. Summary of Significant Accounting Policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

8. Leases (continued)

Utah County monitors changes in circumstances that would require a remeasurement of its lease liabilities and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: Utah County is a lessor for noncancellable leases of buildings and land. Utah County recognizes a lease receivable and a deferred inflow of resources in the government-wide and applicable governmental or proprietary fund financial statements.

At the commencement of a lease, Utah County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how Utah County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- Utah County uses the Utah State Treasurer's Public Treasurers' Investment Fund 365-day rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

Utah County monitors changes in circumstances that would require a remeasurement of its lease receivables and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

9. Compensated absences

Vacation and compensatory time

Utah County's policy permits employees to accumulate earned but unused vacation leave in amounts varying with tenure and hire date. An employee's unused vacation leave is eligible for payment upon separation from government service. Employees are limited to 300 hours of vacation leave. Accumulated vacation leave above 300 hours is forfeited during the pay period coinciding with an employee's birthday.

Utah County's policy permits employees to accumulate compensatory time in lieu of overtime pay. Employees are limited to 80 hours of compensatory time.

Accumulated vacation and compensatory leave payouts are charged as an expenditure/expense when paid to employees leaving the employ of Utah County. At the end of the year, a liability for vacation and compensatory time is reported as incurred in the government-wide and proprietary fund financial statements. A liability for such leave is also recorded in the governmental funds except for the Health Department and Children's Justice Center special revenue funds. Those two funds are primarily funded by grants and the grant regulations do not allow a current expenditure for a future liability.

Recorded liabilities for these two types of compensated absences also include salary-related benefits.

Sick leave

Utah County's policy permits employees to accumulate without limitation earned but unused sick leave in amounts varying with tenure and hire date. Active employees may convert sick leave to vacation or cash under certain options allowed by County policy. For retiring employees, up to 720 hours of sick leave may be paid to the employee at 25 percent of the employee's pay rate upon retirement. In addition, a limited number of employees

I. Summary of Significant Accounting Policies (continued)

G. Assets, liabilities, deferred outflows/inflows of resources, and net position/fund balance (continued)

9. Compensated absences (continued)

are eligible to have a sick leave reserve balance of hours accrued before January 1, 2011 paid to the employee upon retirement at 25 percent of the employee's pay rate as of December 31, 2010. For non-retiring employees, accumulated sick leave lapses when the employees leave the employ of Utah County and, upon separation from service, no monetary obligation exists.

A liability for retirement-eligible employees is recorded in the governmental funds, except for the Health Department and Children's Justice Center funds as noted above. The liability for sick leave for retirement-eligible employees includes salary-related benefits. Qualifying sick leave payouts are charged as an expenditure/expense when paid to retiring employees.

10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan, including additions to and deductions from Utah Retirement Systems' fiduciary net position, have been determined on the same basis as they are reported by Utah Retirement Systems (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.

11. 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 in the governmental fund statements.

H. Revenues and expenditures/expenses

1. Program revenues

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property and other taxes

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

I. Summary of Significant Accounting Policies (continued)

H. Revenues and expenditures/expenses (continued)

2. Property and other taxes (continued)

Property taxes due in November that are uncollected by the following April are reported as a property tax receivable on the financial statements. Because these taxes are not considered available to liquidate liabilities of the current period, they are considered to be 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 monthly 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 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	Unpaid taxes on real property become delinquent and penalty is applied.

In addition to various taxes the County levies for its own purposes, the County levies taxes for other governments; those taxes are forwarded to the other governments as the taxes are collected. Taxes levied by the County in 2022 for other governments are recorded as revenue with an equivalent amount of expenditure as follows:

- \$111.2 million of transportation-related sales taxes (local option sales taxes) collected by the State of Utah and forwarded directly to the Utah Transit Authority and municipalities within the County; recorded in the County's Transportation Projects fund for transportation projects.
- \$2.6 million of incremental taxes recorded in the Grants/Outside Projects Fund and forwarded to various redevelopment agencies within the County for the purposes of financing urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in assessed values within the project areas.
- \$2.7 million of 911 telephone surcharges collected by the State of Utah and forwarded directly to Central Utah 911 which manages dispatch calls for the Sheriff's Office and police departments of participating municipalities within the County; recorded in the County's Grants/Outside Projects Fund.
- \$1.3 million of property taxes recorded in nonmajor governmental funds and passed through to the State of Utah for multi-county assessing and collecting activities.

I. Summary of Significant Accounting Policies (continued)

H. Revenues and expenditures/expenses (continued)

3. Proprietary funds operating and nonoperating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service funds are charges to customers for sales and services. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

I. Estimates and assumptions

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.

II. Stewardship, Compliance, and Accountability

Utah Code prohibits excess fund balances in certain funds. At December 31, 2022, the Service Area No. 6 fund, a nonmajor special revenue fund, had an ending fund balance that exceeded the maximum allowable fund balance.

For the year ended December 31, 2022, the following departments or funds had expenditures that exceeded budget appropriations:

- The Mosquito Abatement department's expenditures of \$1,247,318 exceeded the budget appropriation by \$2,108.
- General Fund transfers to other departments of \$26,396,950 exceeded the budget appropriation by \$5,788,678.
- Service Area 8 fund expenditures of \$1,449,609 exceeded the budget appropriation by \$8,459.
- Outside Law Enforcement fund expenditures of \$7,382,956 exceeded the budget appropriation by \$31,946.

All of these over-expenditures were funded by greater than anticipated revenues.

III. Detailed Notes on All Activities and Funds

A. Deposits

The County's deposit and investment activities are governed by the Utah Money Management Act (Utah Code, Title 51, Chapter 7). The State of Utah Money Management Council has the responsibility to advise the Utah State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the State of Utah, and review the rules adopted under the authority of the Utah Money Management Act that relate to the deposit and investment of public funds.

The Utah Money Management Act (Act) requires deposits be 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

I. Summary of Significant Accounting Policies (continued)

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 Utah Money Management Council.

The County's deposits (including cash on hand) at December 31, 2022 are as follows:

Cash on Hand & On Deposit	Fair Value
Cash on Hand	\$ 22,583
Cash on Deposit	8,732,338
Total	<u>\$ 8,754,921</u>

Custodial credit risk – deposits. The custodial credit risk for deposits is that in the event of a bank failure the County's deposits may not be recovered. Deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Deposits are not collateralized nor are they required to be by statute. The County does not have a formal deposit policy regarding custodial credit risk for these deposits. As of December 31, 2022, \$15.3 million of the County's bank balance of \$16.3 million is exposed to custodial credit risk as uninsured and uncollateralized. The carrying amount of the deposits at December 31, 2022 is \$7,602,130.

B. Investments

The Utah Money Management Act defines both the types of securities authorized as appropriate investments and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of investment securities.

III. Detailed Notes on All Activities and Funds (continued)**B. Investments (continued)**

The Utah Money Management Act authorizes the County to invest in:

- Negotiable and non-negotiable 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 Utah Money Management Act.
- Utah State Public Treasurers’ Investment Fund.

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

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

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by Fair Value Level				
Debt Securities:				
Utah Public Treasurers' Investment Fund	\$ 530,275,225	\$ -	\$ 530,275,225	\$ -
Moreton Asset Management Fund	41,504,741	41,218,858	285,883	-
Zions Bank Institutional Liquidity Management Fund	41,568,836	40,578,964	989,872	-
Total Debt Securities	613,348,802	81,797,822	531,550,980	-
Total Investments by Fair Value Level	\$ 613,348,802	\$ 81,797,822	\$ 531,550,980	\$ -
Total Investments Measured at Fair Value	\$ 613,348,802			

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 are valued using the following approaches:

- **Money Market Mutual Funds.** Published fair value per share (unit) for each fund.
- **Utah Public Treasurers’ Investment Fund.** Application of the December 31, 2022, fair value factor, as calculated by the Utah State Treasurer, to the County’s average daily balance in the Fund.

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 interest rate risk is to comply with the Utah Money Management Act (Act). Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the

III. Detailed Notes on All Activities and Funds (continued)

B. Investments (continued)

period of availability of the funds to be invested. The Act limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270-365 or fewer days. The Act further limits the remaining term to maturity to five (5) years 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 of Utah. 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, 2022, the County's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
Debt Securities:					
State of Utah Public Treasurers' Investment Fund	\$ 530,275,225	\$ 530,275,225	\$ -	\$ -	\$ -
Moreton Asset Management Fund	41,504,741	614,420	40,890,321	-	-
Zions Bank Institutional Liquidity Management Fund	41,568,836	752,852	40,815,984	-	-
Total Debt Securities	\$ 613,348,802	\$ 531,642,497	\$ 81,706,305	\$ -	\$ -

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 Utah Money Management Act.

At December 31, 2022, the County's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
Debt Securities:					
State of Utah Public Treasurers' Investment Fund	\$ 530,275,225	\$ -	\$ -	\$ -	\$ 530,275,225
Moreton Asset Management Fund	41,504,741	16,422,520	5,665,381	14,771,331	4,645,509
Zions Bank Institutional Liquidity Management Fund	41,568,836	13,804,602	3,386,901	23,387,461	989,872
Total Debt Securities	\$ 613,348,802	\$ 30,227,122	\$ 9,052,282	\$ 38,158,792	\$ 535,910,606

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

At December 31, 2022, most of the County's investments were with the Utah Public Treasurers' Investment Fund and, therefore, are not categorized as to custodial credit risk. The investments in the Moreton Asset Management Fund have custodial credit risk exposure. Of the \$41,504,741 invested in the Moreton Asset Management Fund, none of the related securities are uninsured or unregistered. The investments in the Zions Bank Institutional Liquidity Management Fund (ILM) have custodial credit risk exposure. Of the \$41,568,836 invested in the ILM Fund, none of the related securities are uninsured or unregistered.

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

III. Detailed Notes on All Activities and Funds (continued)

B. Investments (continued)

paper and corporate obligations to 5-10 percent, depending upon the total dollar amount held in the portfolio. This limitation does not apply to securities issued by the United States Government and its agencies. Most of the County's investments at December 31, 2022 were with the Utah Public Treasurers' Investment Fund and, therefore, are not categorized as to concentration of credit risk.

There are no amounts invested directly in the Moreton Asset Management Fund either as corporate notes or as securities within the Moreton Asset Management Fund. There are no amounts invested directly in the Zions Bank Institutional Liquidity Management Fund (ILM) either as corporate notes or as securities within the ILM.

C. External investment pools

Public Treasurers' Investment Fund. The County invests in the Public Treasurers' Investment Fund (PTIF), which is an external investment pool administered by the Utah State Treasurer. State agencies, municipalities, counties, and local governments within the State of Utah are allowed to invest in the PTIF. Participation is not required and there are no minimum-balance or minimum/maximum-transaction requirements.

The PTIF is not registered with the United States Securities and Exchange Commission as an investment company. The PTIF is authorized and regulated by the Money Management Act (*Utah Code*, Title 51, Chapter 7). The Money Management Act establishes the Money Management Council which oversees the activities of the Utah State Treasurer and the PTIF. The Money Management Act details the investments that are authorized, which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances.

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.

The PTIF allocates income and issues statements on a monthly basis. The PTIF operates and reports to participants on an amortized cost basis. The participant's balance is their investment deposited in the PTIF plus their share of income and gains/losses, net of administration fees, which are allocated to each participant on the ratio of each participant's share to the total funds in the PTIF.

Twice a year, on June 30 and December 31, the investments are valued at fair value to enable participants to adjust their investments in this pool at fair value. The Bank of New York and the State of Utah separately determine each security's fair value in accordance with GASB Statement No. 31 (for almost all pool investments, the quoted market price as of December 31, 2022), and then compare those values to determine an agreed-upon fair value of the securities.

The fair value factor at December 31, 2022 was 0.99889949. The fair value of the PTIF investment is approximately equal to the value of the pool shares with a difference of \$583,573, which is considered immaterial.

The following table shows statistical information about the PTIF as of December 31, 2022:

Investment Type	Investment Percentage
Corporate Notes	44.39%
U.S. Treasury Bills	30.34%
U.S. Agency Bonds	15.28%
Commercial Paper	5.02%
Money Market Funds	4.97%
Total	100.00%

D. Managed investment funds

Moreton Asset Management Fund. The County invests in a managed investment fund administered by the Moreton Advisors group. The required minimum balance is \$5 million. There are no minimum/maximum-transaction requirements.

III. Detailed Notes on All Activities and Funds (continued)

D. Managed investment funds (continued)

The Moreton Asset Management Fund is not registered with the United States Securities and Exchange Commission as an investment company. The Moreton Asset Management Fund is a registered investment advisor and is certified by the Utah Money Management Council. The Utah Money Management Act details the investments that are authorized, which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances.

Deposits in the Moreton Asset Management Fund are not insured or otherwise guaranteed by Moreton. The Moreton Asset Management Fund issues statements on a monthly basis and operates and reports on an amortized cost basis. The Moreton Asset Management Fund balance is the County's investment plus income and gains less losses and administration fees.

As of December 31, 2022, the County had \$42,244,047 invested in the Moreton Asset Management Fund which had a fair value of \$41,504,741 for an unrealized loss of \$739,306.

The following table shows statistical information about the Moreton Asset Management Fund as of December 31, 2022:

Investment Type	Investment Percentage
Corporate Bonds and Notes	46.23%
U.S. Treasury Bills	36.64%
Money Market Funds and Certificates of Deposit	16.52%
U.S. Agency Bonds	0.61%
Total	100.00%

Zions Bank Institutional Liquidity Management Fund. The County invests in a managed investment fund administered by the Investment Management and Capital Markets Division of Zions Bancorporation. The required minimum balance is \$5 million. There are no minimum/maximum-transaction requirements.

The Zions Bank Institutional Liquidity Management Fund (ILM) is not registered with the United States Securities and Exchange Commission as an investment company. The ILM is a registered investment advisor and is certified by the Utah Money Management Council. The Utah Money Management Act details the investments that are authorized, which are high-grade securities and, therefore, there is very little credit risk except in the most unusual and unforeseen circumstances.

Deposits in the ILM are not insured or otherwise guaranteed by Zions Bancorporation. The ILM issues statements on a monthly basis and operates and reports on an amortized cost basis. The ILM balance is the County's investment plus income and gains less losses and administration fees.

As of December 31, 2022, the County had \$42,241,537 invested in the ILM which had a fair value of \$41,568,836 for an unrealized loss of \$672,701.

The following table shows statistical information about the ILM as of December 31, 2022:

Investment Type	Investment Percentage
Corporate Bonds and Notes	61.29%
U.S. Agency Bonds	29.09%
U.S. Treasury Bills	7.23%
Money Market Funds and Certificates of Deposit	2.39%
Total	100.00%

III. Detailed Notes on All Activities and Funds (continued)**E. Capital assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Primary Government				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 48,997,453	\$ 5,078,112	\$ -	\$ 54,075,565
Rights of way	211,740	24,000	-	235,740
Construction in progress	7,084	331,321	-	338,405
Infrastructure	<u>322,543,824</u>	<u>2,297,601</u>	<u>-</u>	<u>324,841,425</u>
Total capital assets not being depreciated	<u>371,760,101</u>	<u>7,731,034</u>	<u>-</u>	<u>379,491,135</u>
Capital assets being depreciated:				
Buildings	147,662,530	1,032,023	-	148,694,553
Improvements other than buildings	9,392,982	35,680	-	9,428,662
Machinery and equipment	48,537,390	11,289,739	(2,738,944)	57,088,185
Leased buildings	2,781,135	469,636	(230,305)	3,020,466
Leased land	78,824	-	-	78,824
Leased equipment	<u>-</u>	<u>26,210</u>	<u>-</u>	<u>26,210</u>
Total capital assets being depreciated	<u>208,452,861</u>	<u>12,853,288</u>	<u>(2,969,249)</u>	<u>218,336,900</u>
Less accumulated depreciation for:				
Buildings	48,437,634	2,950,283	-	51,387,917
Improvements other than buildings	6,187,391	282,197	-	6,469,588
Machinery and equipment	29,708,218	6,176,218	(2,704,996)	33,179,440
Less accumulated amortization for:				
Leased buildings	727,872	424,298	(230,305)	921,865
Leased land	23,969	11,968	-	35,937
Leased equipment	<u>-</u>	<u>4,794</u>	<u>-</u>	<u>4,794</u>
Total accumulated depreciation and amortization	<u>85,085,084</u>	<u>9,849,758</u>	<u>(2,935,301)</u>	<u>91,999,541</u>
Total capital assets, being depreciated/amortized, net	<u>123,367,777</u>	<u>3,003,530</u>	<u>(33,948)</u>	<u>126,337,359</u>
Governmental activities, capital assets, net	<u>\$ 495,127,878</u>	<u>\$ 10,734,564</u>	<u>\$ (33,948)</u>	<u>\$ 505,828,494</u>

III. Detailed Notes on All Activities and Funds (continued)**E. Capital assets (continued)**

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

Governmental activities:	<u>Depreciation</u>	<u>Amortization</u>
General government	\$ 2,222,290	\$ -
Public health	548,040	318,751
Public safety	1,527,633	106,800
Highways and public improvements	9,245	-
Parks and recreation	338,570	-
Internal service funds (charged to individual funds based on usage)	<u>4,762,920</u>	<u>15,509</u>
Total depreciation/amortization expense, governmental activities	<u>\$ 9,408,698</u>	<u>\$ 441,060</u>

F. Interfund receivables, payables, and transfers

At December 31, 2022, the County had the following interfund receivables and payables:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 1,712,000	\$ -
Children's Justice Center Special Revenue Fund	-	236,000
Contract Law Enforcement Special Revenue Fund	-	<u>1,476,000</u>
	<u>\$ 1,712,000</u>	<u>\$ 1,712,000</u>

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. Fiscal year interfund transfers are as follows:

	<u>Transfers to:</u>						<u>Total</u>
	General Fund	Health Dept. Fund	Capital Projects Fund	Debt Service Fund	Other Govern-mental Funds	Internal Service (Proprietary) Funds	
Transfers from:							
Major governmental funds:							
General fund	\$ -	\$ 4,000,000	\$ 18,000,000	\$ -	\$ 783,076	\$ 3,613,874	\$ 26,396,950
TRCC taxes	-	-	-	2,702,840	-	-	2,702,840
Grants/Outside projects	663,366	-	-	-	-	-	663,366
Transportation projects	-	-	-	10,075,342	-	-	10,075,342
Other governmental funds	-	-	-	2,122,664	184,270	-	2,306,934
Internal service funds	-	-	-	418,687	-	-	418,687
Totals	<u>\$663,366</u>	<u>\$ 4,000,000</u>	<u>\$ 18,000,000</u>	<u>\$ 15,319,533</u>	<u>\$ 967,346</u>	<u>\$ 3,613,874</u>	<u>\$ 42,564,119</u>

III. Detailed Notes on All Activities and Funds (continued)

G. Pension plan

General Information and Plan Description

Utah County is an eligible plan participant whose pension plans are administered by and provided through the Utah Retirement Systems. Utah Retirement Systems administers the following pension trust funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) and Public Employees Contributory Retirement System (Contributory System) are multiple-employer, cost-sharing, public employee retirement systems.
- Public Safety Retirement System (Public Safety System) is a mixed agent and 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 Firefighter System) are multiple-employer, cost-sharing, public employee retirement systems.

The Tier 2 Retirement System became effective July 1, 2011. All eligible employees beginning employment 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 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 Utah 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 (URS) 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/general/publications.

III. Detailed Notes on All Activities and Funds (continued)**G. Pension plan (continued)**Summary of Retirement Benefits by System

The Systems currently provide retirement benefits, annual cost of living adjustments, disability benefits, and death benefits. A summary of retirement benefits is as follows:

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	1.50% 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	1.50% per year to June 30, 2020; 2.00% per year July 1, 2020 to present	Up to 2.5%

* Actuarial reductions are applied.

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

Contributions

As a condition of participation in the Systems, the County and/or its employees are required to contribute certain percentages of salaries 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, 2022 are as follows:

Retirement System	Employee	Employer	Employer 401(k)
Contributory System:			
Local Government - Tier 1	6.00%	13.96%	N/A
Local Government - Tier 2	N/A	16.01%	0.18%
Noncontributory System:			
Local Government - Tier 1	N/A	17.97%	N/A
Public Safety System:			
Noncontributory - Tier 1	N/A	32.28%	N/A
Contributory (29) - Tier 1	10.50%	22.81%	N/A
Contributory (122) - Tier 2	2.59%	23.74%	N/A
Tier 2 Defined Contribution Only:			
Local Government	N/A	6.19%	10.00%
Public Safety	N/A	9.74%	14.00%

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

III. Detailed Notes on All Activities and Funds (continued)**G. Pension plan (continued)**

For the fiscal year ended December 31, 2022, the employer and employee contributions to the Systems were as follows:

Retirement System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 4,545,717	N/A
Contributory System	5,714	\$ 2,371
Public Safety System	4,811,721	-
Tier 2 Public Employees System	3,173,075	-
Tier 2 Public Safety and Firefighter	1,631,134	168,020
Tier 2 DC Only System	327,846	N/A
Tier 2 DC Public Safety and Firefighter System	92,752	N/A
Total Contributions	\$ 14,587,959	\$ 170,391

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.

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

At December 31, 2022, the County reported a net pension asset of \$28,151,124 and a net pension liability of \$0.

	Measurement Date: December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share 31 Dec 2020	Change (Decrease)
	Noncontributory System	\$ 19,224,258	\$ -	3.36%	3.31%
Contributory System	971,489	-	1.34%	2.32%	(0.98%)
Public Safety System	7,453,552	-	20.81%	21.75%	(0.94%)
Tier 2 Public Employees System	398,159	-	0.94%	0.84%	0.10%
Tier 2 Public Safety and Firefighter	103,666	-	2.05%	2.09%	(0.04%)
	\$ 28,151,124	\$ -			

The net pension asset and liability were measured as of December 31, 2021, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2021 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the County'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, 2022, the County recognized pension expense of \$230,373.

The following table details this total pension expense by System:

System	Pension Expense
Noncontributory System	\$ (2,678,433)
Contributory System	(437,138)
Public Safety System	1,414,931
Tier 2 Public Employees System	1,384,355
Tier 2 Public Safety and Firefighter	546,658
	\$ 230,373

III. Detailed Notes on All Activities and Funds (continued)**G. Pension plan (continued)**

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

System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:		
Noncontributory System	\$ 2,013,534	\$ -
Contributory System	-	-
Public Safety System	4,705,200	-
Tier 2 Public Employees System	193,434	51,300
Tier 2 Public Safety and Firefighter	<u>88,833</u>	<u>17,030</u>
	7,001,001	68,330
Changes in assumptions:		
Noncontributory System	1,804,267	124,089
Contributory System	-	-
Public Safety System	1,298,455	219,335
Tier 2 Public Employees System	371,254	3,764
Tier 2 Public Safety and Firefighter	<u>116,330</u>	<u>18,424</u>
	3,590,306	365,612
Net difference between projected and actual earnings on pension plan investments:		
Noncontributory System	-	25,882,883
Contributory System	-	795,767
Public Safety System	-	16,047,109
Tier 2 Public Employees System	-	983,800
Tier 2 Public Safety and Firefighter	<u>-</u>	<u>316,862</u>
	-	44,026,421
Changes in proportion and difference between contributions and proportionate share of contributions:		
Noncontributory System	231,162	160,653
Contributory System	-	-
Public Safety System	67,732	179,358
Tier 2 Public Employees System	243,571	-
Tier 2 Public Safety and Firefighter	<u>22,965</u>	<u>1,938</u>
	565,430	341,949
Contributions subsequent to the measurement date:		
Noncontributory System	4,545,717	-
Contributory System	5,714	-
Public Safety System	4,811,721	-
Tier 2 Public Employees System	3,500,921	-
Tier 2 Public Safety and Firefighter	<u>1,723,886</u>	<u>-</u>
	14,587,959	-
Total deferred outflows / inflows of resources:		
Noncontributory System	8,594,680	26,167,625
Contributory System	5,714	795,767
Public Safety System	10,883,108	16,445,802
Tier 2 Public Employees System	4,309,180	1,038,864
Tier 2 Public Safety and Firefighter	<u>1,952,014</u>	<u>354,254</u>
	<u>\$ 25,744,696</u>	<u>\$ 44,802,312</u>

III. Detailed Notes on All Activities and Funds (continued)**G. Pension plan (continued)**

Contributions made by the County to Utah Retirement Systems prior to the County's fiscal year end but subsequent to the measurement date of December 31, 2021 are reported as deferred outflows of resources related to pensions in the amount of \$14,587,959 (see breakdown by System in the previous table). These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (4,891,829)
2023	(11,616,361)
2024	(10,475,788)
2025	(7,253,466)
2026	92,499
Thereafter	499,370

The following table outlines the net deferred outflows (inflows) of resources that will be recognized in pension expense for each retirement system:

Year Ended Dec. 31,	Non- Contributory System	Contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System
2022	\$ (4,208,534)	\$ (192,085)	\$ (238,559)	\$ (183,063)	\$ (69,588)
2023	(7,350,158)	(278,011)	(3,669,174)	(235,191)	(83,827)
2024	(6,259,437)	(196,107)	(3,784,975)	(170,120)	(65,149)
2025	(4,300,532)	(129,564)	(2,681,708)	(97,191)	(44,471)
2026	-	-	-	79,042	13,457
Thereafter	-	-	-	375,918	123,452

Actuarial Assumptions

The total pension liability in the December 31, 2021 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 - 9.25 percent, average, including inflation
Investment Rate of Return	6.85 percent, net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2020. The retired mortality tables are developed using URS retiree experience and are based on gender, occupation, and age, as appropriate, with projected improvement using 80 percent of the ultimate rates from the MP-2019 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees and public safety members, respectively.

III. Detailed Notes on All Activities and Funds (continued)

G. Pension plan (continued)

The actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

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:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	37.00%	6.58%	2.43%
Debt securities	20.00%	-0.28%	-0.06%
Real assets	15.00%	5.77%	0.87%
Private equity	12.00%	9.85%	1.18%
Absolute return	16.00%	2.91%	0.47%
Cash and cash equivalents	0.00%	-1.01%	0.00%
Totals	<u>100.00%</u>		4.89%
	Inflation		2.50%
	Expected arithmetic nominal return		<u>7.39%</u>

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.35% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.85 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 from 6.95% to 6.85% from the prior measurement date.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following table presents the proportionate share of the net pension liability (asset) calculated using the discount rate of 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one (1) percentage point lower (5.85 percent) or one (1) percentage point higher (7.85 percent) than the current rate:

System	1% Decrease	Discount	1% Increase
	(5.85%)	Rate (6.85%)	(7.85%)
Noncontributory System	\$ 10,337,464	\$ (19,224,258)	\$ (43,887,753)
Contributory System	(387,599)	(971,489)	(1,466,334)
Public Safety System	13,681,834	(7,453,552)	(24,675,536)
Tier 2 Public Employees System	2,372,320	(398,159)	(2,525,312)
Tier 2 Public Safety and Firefighter	831,657	(103,666)	(846,184)
Total	<u>\$ 26,835,676</u>	<u>\$ (28,151,124)</u>	<u>\$ (73,401,119)</u>

III. Detailed Notes on All Activities and Funds (continued)**G. Pension plan (continued)**

Pension plan fiduciary net position: Detailed information about the fiduciary net position of the pension plans is available in the separately issued URS financial report.

III. Detailed Notes on All Activities and Funds (continued)

H. Employee retirement plans other than pension plans

401(k) Defined Contribution Plan

Utah County participates in a 401(k) defined contribution plan administered by Voya Financial, Inc. The County matches employees' contributions to the plan, up to 6.2 percent of base wages. The County's matching contribution is a Social Security replacement program for the employees of the County. The payroll covered by the defined contribution plan for the year ended December 31, 2022 was \$75,819,544. For the year ended December 31, 2022, employer contributions to the plan were \$4,097,604 and employee contributions to the plan were \$4,426,948.

The County's matching contribution rate is approved by the Board of Utah County Commissioners and the contributions were remitted on a timely basis. All employees are fully vested for the contributions made by the County.

The County also participates in a 401(k) defined contribution savings plan administered by the Utah Retirement Systems Board. This 401(k) defined contribution savings plan is generally a supplemental plan to the basic pension benefits of the Retirement Systems, but may also be used as a primary retirement plan. The URS 401(k) defined contribution savings plan is a voluntary tax-advantaged retirement savings programs authorized under Section 401(k) of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Employee and employer contributions to the URS 401(k) defined contribution savings plan for the fiscal years ended December 31 were as follows:

Contribution Type	Year Ended December 31,		
	2022	2021	2020
Employer contributions	\$ 743,623	\$ 673,887	\$ 559,772
Employee contributions	9,031	150	-

457 Deferred Compensation Plan

Utah County participates in a 457 deferred compensation plan administered by Voya Financial, Inc. Voya 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 as they are not legal assets of the County. All elected officials and employees may elect to participate in this plan. The County does not match amounts deferred by the participants.

I. Other postemployment benefit (OPEB) obligations

General Information about the Plan

Plan Description

In addition to pension benefits described in Note III.G, the County provides other postemployment benefits (OPEB) through a single-employer defined benefit plan to all eligible employees in accordance with County policy. The other postemployment benefits currently provided by the County include healthcare benefits and postemployment income benefits for surviving spouses and/or children.

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 postemployment 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

III. Detailed Notes on All Activities and Funds (continued)

I. Other postemployment benefit (OPEB) obligations (continued)

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, 2023 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	\$-	\$-	\$-	\$-	N/A	N/A
SelectHealth PPO	\$98.20	\$198.80	\$98.20	\$198.80	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 2023, the fixed-dollar monthly amount is \$1,022.50. 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.

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 to be reimbursed for these healthcare costs from the State of Utah’s Local Public Safety and Firefighter Surviving Spouse Trust Fund.

III. Detailed Notes on All Activities and Funds (continued)

I. Other postemployment benefit (OPEB) obligations (continued)

Postemployment Income Benefits for Surviving Spouses and/or Children

If an active employee dies prior to retirement (regardless of whether they are eligible for retirement), the surviving spouse is eligible for a postemployment 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 (COLA) increases at the same rate as COLAs approved by the Board of County Commissioners for current County employees.

Covered Employees

The County has the following employees covered by the Plan as of December 31, 2022:

Active participants	1055
Retired/fallen officer participants	32

Total OPEB Liability

The County’s total OPEB liability of \$6,543,375 was measured as of December 31, 2022, and was determined by an actuarial valuation as January 1, 2023. The plan had a formal actuarial experience study performed in 2021 and the results of that study are reflected in the valuation as of December 31, 2022.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2022 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	2.25% as of December 31, 2021 and 4.31% as of December 31, 2022.
Payroll Growth	2.25% per year with an additional salary merit scale of 1.04%-1.30% for public employees and 1.02-1.30% for public safety employees
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	SOA Pub-2010 General Total Dataset with Headcount Weighted Mortality Table fully generational using Scale MP-2021 for public employees SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021 for public safety employees SOA Pub-2010 Contingent Survivors Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2021 for surviving spouses

III. Detailed Notes on All Activities and Funds (continued)**I. Other postemployment benefit (OPEB) obligations (continued)**

Trend Rates	FYE	Medical Pre-65	Medical Post-65	Subsidy*	*These rates only apply to the County's subsidy for Tier 2 employees (those who have at least 80% but less than 100% of the years of service requirement for retiree health care coverage).
	2023	7.50%	6.50%	7.50%	
	2024	7.00%	6.25%	7.00%	
	2025	6.50%	6.00%	6.50%	
	2026	6.00%	5.75%	6.00%	
	2027	5.50%	5.50%	5.50%	
	2028	5.00%	5.25%	5.00%	
	2029	4.50%	5.00%	4.50%	
	2030	4.50%	4.75%	4.50%	
	2031+	4.50%	4.50%	4.50%	

HSA contributions are assumed to increase 1.0% per year. These rates only apply to retirees enrolled in High Deductible Health Plans (HDHP) receiving HSA contributions.

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 determined through an experience study completed in May 2021.

Retirement Rate Annual retirement rates for Tier 1 employees are based on the County's experience determined through an experience study completed in May 2021 for Tier 1 employees. Annual retirement rates for Tier 2 employees are based on the Utah Retirement Systems 2020 actuarial valuation.

Changes in the Total OPEB Liability

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

	<u>FY 2022</u>	<u>FY 2021</u>	<u>FY 2020</u>
Total OPEB Liability, January 1	\$ 8,226,676	\$ 8,261,379	\$ 10,466,150
Changes for the Year:			
Service cost	451,078	457,533	639,160
Interest	190,606	180,277	351,899
Change of benefit terms	(712)	-	-
Changes in assumptions	(1,979,460)	(89,051)	(1,025,759)
Differences between expected and actual experience	70,290	(150,601)	(1,543,296)
Benefit payments	(415,103)	(432,861)	(626,775)
Net change in total OPEB liability	<u>(1,683,301)</u>	<u>(34,703)</u>	<u>(2,204,771)</u>
Total OPEB Liability, December 31	<u>\$ 6,543,375</u>	<u>\$ 8,226,676</u>	<u>\$ 8,261,379</u>

III. Detailed Notes on All Activities and Funds (continued)

I. Other postemployment benefit (OPEB) obligations (continued)

The following table presents the County's total OPEB liability as of December 31, 2022, 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 (3.31%) or one-percentage point higher (5.31%) than the current discount rate (4.31%) :

	1% Decrease (3.31%)	Current Discount Rate (4.31%)	1% Increase (5.31%)
Total OPEB Liability at December 31, 2022	\$7,080,004	\$6,543,375	\$6,052,904

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, 2022, 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 6.50% and 5.50% for Pre-65 and Post-65, decreasing to an ultimate rate of 3.50%) or one-percentage point higher (initial rate of 8.50% and 7.50% for Pre-65 and Post-65, decreasing to an ultimate rate of 5.50%) than the current health care trend rate (initial rate of 7.50% and 6.50% for Pre-65 and Post-65, decreasing to an ultimate rate of 4.50%):

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability at December 31, 2022	\$6,010,563	\$6,543,375	\$7,160,605

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

For the year ended December 31, 2022, the County recognized OPEB expense of \$(187,110). At December 31, 2022, 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	\$ 58,575	\$ (1,197,508)
Changes of assumptions or other inputs	287,876	(2,528,661)
Total	\$ 346,451	\$ (3,726,169)

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

Year Ended December 31:	
2023	\$ (828,082)
2024	\$ (828,083)
2025	\$ (680,214)
2026	\$ (725,144)
2027	\$ (318,195)
Thereafter	\$ -

III. Detailed Notes on All Activities and Funds (continued)

J. Risk management

The County is exposed to various risks of loss related to torts, errors and omissions, injuries to employees, theft of, damage to, and destruction of assets, and natural disasters. The County utilizes internal service funds to account for and finance risks for workers' compensation, general liability, property damage, unemployment insurance, and survivor income postemployment benefits. The internal service funds provide coverage up to \$1,000 for property damage, up to \$50,000 for general liability coverage, and 100% of survivor income postemployment benefits. The internal service funds also include a wellness program designed to help maintain or improve employees' behavior to achieve better health and to reduce health risks.

The County is insured through Utah Local Governments Trust (ULGT) for workers' compensation, general liability, and property damage. The ULGT is a public agency insurance mutual organized in accordance with the Utah Interlocal Cooperation Act and the Utah Immunity Act. Members of the ULGT include 10 counties, 225 municipalities, and 312 local/special service districts of the State of Utah. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. The amount of settlements has not exceeded insurance coverage for the past three years.

The risk management internal service fund is funded by charges to Utah County's other funds. The charges for workers' compensation, unemployment insurance, and survivor income postemployment benefits are based on an estimated benefit percentage and are charged to departments every two weeks when payroll is processed. These benefit percentages are monitored and reevaluated periodically to consider the effects of claims and insurance premiums. Charges for general liability and property damage are funded by a contribution from the general fund.

In 2022, the County transferred \$3 million from the general fund to the risk management internal service fund in anticipation of future catastrophe losses related to flooding.

K. Leases

1. Leases receivable

Beginning July 1, 2010, Utah County began leasing the Old Health Department building located in South Provo to Mountainland Community Health Center. The most recent lease agreement began June 1, 2014 and ends June 30, 2030. The County will receive monthly payments of \$16,200. Utah County recognized \$163,500 in lease revenue and \$30,900 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, Utah County's receivable for lease payments was \$1,346,430. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$1,304,256.

Beginning in 2020, Utah County began leasing office space in its Health & Justice Building to Wasatch Behavioral Health Services Special Service District. The lease is for five years and the County received monthly payments of \$17,279 from January-June 2022 and \$17,452 from July-December 2022. Utah County recognized \$203,827 in lease revenue and \$4,559 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, Utah County's receivable for lease payments was \$525,151. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$513,584.

In 2011, the County signed an agreement to lease space in a structure on Teat Mountain to a wireless service provider for communications equipment. The lease was effective July 1, 2013, and the initial lease term is for five years with the option to renew the lease for four additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$2,217 through June 2022 and will receive monthly payments of \$2,283 from July 2022 through June 2023. Utah County recognized \$17,009 in lease revenue and \$9,991 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, Utah County's receivable for lease payments was \$451,712. Also, Utah County has a deferred inflow of resources

III. Detailed Notes on All Activities and Funds (continued)

K. Leases (continued)

1. Leases receivable (continued)

associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$418,320.

In 2019, the County signed an agreement to lease land on Teat Mountain to a wireless service provider for placement of communications equipment. The lease was effective March 1, 2020, and the initial lease term is for five years with the option to renew the lease for five additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$721 in January and February 2022 and \$743 from March-December 2022. Utah County recognized \$4,005 in lease revenue and \$4,867 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, Utah County's receivable for lease payments was \$293,779. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$275,519.

In 2005, the County signed an agreement to lease land at Equestrian Park to a wireless service provider for placement of communications equipment. The lease was effective November 1, 2005, and the initial lease term is for five years with the option to renew the lease for three additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$1,093 during the current fiscal year. Utah County recognized \$12,207 in lease revenue and \$909 in interest revenue during the current fiscal year related to this lease. As of December 31, 2022, Utah County's receivable for lease payments was \$36,064. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2022, the balance of the deferred inflow of resources was \$34,767.

2. Leases payable

In 2020, the County entered into a ten-year lease agreement as lessee for office space in Provo for the Sheriff's Office. An initial lease liability was recorded in the amount of \$933,154. As of December 31, 2022, the value of the lease liability was \$711,811. Utah County was required to make monthly principal and interest payments of \$7,042 from January-May 2022 and \$7,249 from June-December 2022. The payment will be increased annually by 3%. The value of the right-to-use asset as of the end of the current fiscal year was \$687,053 and had accumulated amortization of \$246,101.

In 2017, the County entered into a five-year lease agreement as lessee for office space in Orem for the Health Department. That lease ended in November 2022.

In 2020, the County entered into a five-year lease agreement as lessee for office space in American Fork for the Health Department. An initial lease liability was recorded in the amount of \$814,375. As of December 31, 2022, the value of the lease liability was \$475,400. Utah County is required to make monthly principal and interest payments of \$12,618. The value of the right-to-use asset as of the end of the current fiscal year was \$458,191 and had accumulated amortization of \$356,184.

In 2020, the County entered into a one-year lease agreement as lessee for office space in American Fork for the Children's Justice Center. That lease expired in February 2022.

In 2018, the County entered into a thirty-year lease agreement as lessee for a communication site on federal land on Teat Mountain for Public Works. An initial lease liability was recorded in the amount of \$102,760. As of December 31, 2022, the value of the lease liability was \$95,027. Utah County is required to make annual principal and interest payments of \$4,803. The value of the right-to-use asset as of the end of the current fiscal year was \$92,128 and had accumulated amortization of \$10,632.

In 2019, the County entered into a lease agreement as lessee of office space in Payson for the Health Department. An initial lease liability was recorded in the amount of \$667,738. As of December 31, 2022, the value of the lease liability was \$409,556. Utah County is required to make monthly principal and interest payments of \$8,204. The value of the right-to-use asset as of the end of the current fiscal year was \$381,528 and had accumulated amortization of \$286,210.

III. Detailed Notes on All Activities and Funds (continued)**K. Leases (continued)****2. Leases payable (continued)**

In 2016, the County entered into a fifteen-year lease agreement as lessee of an airplane hangar for the Sheriff's Office. The County has an option to extend the lease term for one additional 15-year term and expects to exercise that option. An initial lease liability was recorded in the amount of \$13,216. As of December 31, 2022, the value of the lease liability was \$12,063. Utah County is required to make annual principal and interest payments of \$668. The value of the right-to-use asset as of the end of the current fiscal year was \$11,690 and had accumulated amortization of \$1,526.

In 2017, the County entered into a fifteen-year lease agreement as lessee of an additional airplane hangar for the Sheriff's Office. The County has an option to extend the lease term for one additional 15-year term and expects to exercise that option. An initial lease liability was recorded in the amount of \$19,586. As of December 31, 2022, the value of the lease liability was \$17,878. Utah County is required to make annual principal and interest payments of \$990. The value of the right-to-use asset as of the end of the current fiscal year was \$17,326 and had accumulated amortization of \$2,260.

In 2006, the County entered into a twenty-year lease agreement as lessee for a communication site on state land on Lake Mountain for Public Works. An initial lease liability was recorded in the amount of \$78,824. As of December 31, 2022, the value of the lease liability was \$40,462. Utah County is required to make annual principal and interest payments of \$13,870. The value of the right-to-use asset as of the end of the current fiscal year was \$42,888 and had accumulated amortization of \$35,936.

In 2022, the County entered into a five-year lease agreement as lessee for equipment at the Utah County Security Center. An initial lease liability was recorded in the amount of \$26,210. As of December 31, 2022, the value of the lease liability was \$21,560. Utah County is required to make monthly principal and interest payments of \$455. The value of the right-to-use asset as of the end of the current fiscal year was \$21,416 and had accumulated amortization of \$4,794.

In 2022, the County entered into a fifteen-month lease agreement as lessee of a warehouse to store personal protective equipment. An initial lease liability was recorded in the amount of \$40,436. As of December 31, 2022, the value of the lease liability was \$32,510. Utah County is required to make monthly principal and interest payments of \$2,758. The value of the right-to-use asset as of the end of the current fiscal year was \$32,296 and had accumulated amortization of \$8,140.

In 2022, the County entered into a ten-year lease agreement as lessee for office space in Saratoga Springs for the Health Department. An initial lease liability was recorded in the amount of \$429,200. As of December 31, 2022, the value of the lease liability was \$420,277. Utah County is required to make monthly principal and interest payments of \$4,254. The value of the right-to-use asset as of the end of the current fiscal year was \$418,390 and had accumulated amortization of \$10,810.

III. Detailed Notes on All Activities and Funds (continued)

L. Long-term liabilities

The following is a summary and description of the individual bonds and debt obligations of the County for the year ended December 31, 2022:

<u>Revenue Bonds</u>	<u>Amount</u>
<p>Series 2010 Taxable Sales Tax Revenue Bonds (Qualified Energy Conservation Bonds), original issue of \$4,940,000, principal due in annual installments beginning February 2012, interest at 5.39% due in semi-annual installments beginning February 2011, with the final payment due February 2027. The bonds were issued 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. The interest subsidy from the United States Treasury is based on a qualified tax credit rate of 5.02%.</p>	\$ 2,055,000
<p>Series 2013 Excise Tax Revenue Bonds, original issue of \$3,800,000, principal due in annual installments beginning in December 2013, interest at 2.00% to 5.00% due in semi-annual installments beginning December 2013, with the final payment due in December 2033. These bonds were issued to finance the Museum of Natural Curiosity 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. On December 15, 2022, the County contributed cash to an irrevocable escrow account to defease these bonds.</p>	\$ -
<p>Series 2016 Subordinated Transportation Sales Tax Revenue Bonds, original issue of \$65,000,000, principal due in annual installments beginning in November 2017, interest at 3.172% due in semi-annual installments beginning May 2017, with the final payment due in November 2029. These bonds were issued to finance a Transportation Improvement Project, commonly referred to Bus Rapid Transit (BRT) at the time of issuance. The transit project, now known as Utah Valley Express (UVX), formally opened on January 9, 2019. The UVX line is operated by the Utah Transit Authority and runs between southwest Orem and south-central Provo. Pursuant to an interlocal agreement with Utah Transit Authority, the County has been and expects it will continue to be fully reimbursed for the total principal and interest of the financing.</p>	\$ 56,125,000
<p>Series 2019 Transportation Sales Tax Revenue Refunding Bonds, original issue of \$66,345,000, principal due in annual installments beginning in December 2020, interest at 5.00% due in semi-annual installments beginning June 2019, with the final payment due in December 2034. These bonds were issued to finance the refunding of the Series 2009B Transportation Sales Tax Revenue Bonds originally used to finance certain transportation projects in the County. Debt service for these bonds are paid solely with the Second Class Highway Projects (Section 2218) sales tax.</p>	\$ 56,650,000

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

<u>Revenue Bonds</u>	<u>Amount</u>
Series 2019 Vehicle Registration Fee Revenue Refunding Bonds, original issue of \$14,710,000, principal due in annual installments beginning in December 2020, interest at 1.00% to 2.50% due in semi-annual installments beginning in June 2020, with the final payment due in December 2029. These bonds were issued to finance the refunding of the Series 2009B Vehicle Registration Fee Revenue Bonds issued to finance certain transportation projects in the County. Debt service for these bonds are paid solely with the \$10 motor vehicle registration fee collected by the State Tax Commission and then distributed to the County.	\$ 10,500,000
Series 2020 Excise Tax Revenue Refunding Bonds, original issue of \$27,315,000, principal due in annual installments beginning in December 2020, interest at 4.00% to 5.00% due in semi-annual installments beginning in June 2020, with the final payment due in December 2039. These bonds were issued to finance the refunding of the Series 2010B and Series 2010C Taxable Excise Tax Revenue Bonds issued to finance construction of the Utah Valley Convention Center in Provo. Debt service for these bonds are paid solely with transient room tax and/or TRCC taxes.	\$ 24,515,000
Series 2021 Transportation Sales Tax Revenue Refunding Bonds, original issue of \$34,745,000, principal due in annual installments beginning in December 2022, interest at 4.00% due in semi-annual installments beginning June 2022, with the final payment due in December 2039. The bonds were issued to finance the refunding of the Series 2012 Sales Tax Revenue Bonds issued to finance certain transportation projects within the County. Before the issuance of the Series 2012 Sales Tax Revenue 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%. 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. Debt service for these bonds are funded first by the County's portion (8%) of the Fixed Guideway (Section 2216) sales tax. Any remaining amount due is then funded with the County of the Second Class Highway Projects (Section 2218) sales tax.	\$ 34,385,000
Total Revenue Bonds – Governmental Activities	\$ 184,230,000

Advance refunding

Series 2019 Transportation Sales Tax Revenue Refunding Bonds. In 2019 and to achieve debt service savings, Utah County issued \$66,345,000 in Series 2019 Transportation Sales Tax Revenue Refunding Bonds with interest at 5.00%. The proceeds were used to advance refund \$79,615,000 of outstanding Series 2009B Transportation Sales Tax Revenue Bonds which had interest rates ranging from 4.62% to 6.51%. The net proceeds of \$78,414,677 (including a \$12,466,275 premium and after payment of \$396,597 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2009B Transportation Sales Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. At December 31, 2022, \$66,040,000 of the defeased bonds remain outstanding.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

The following table shows the difference between the cash flow requirements to service the Series 2009B Transportation Sales Tax Revenue Bonds and the Series 2019 Transportation Sales Tax Revenue Refunding Bonds:

Date	Total Principal and Interest (Series 2019 Refunding)	Existing Debt Service	New Net Debt Service (Series 2019 Refunding)	Old Debt Service (Series 2009B)	Savings
12/1/2019	\$ 2,534,010	\$ 3,304,980	\$ 5,838,990	\$ 6,458,019	\$ 619,029
12/1/2020	6,392,250	-	6,392,250	6,503,919	111,669
12/1/2021	6,393,500	-	6,393,500	6,564,320	170,820
12/1/2022	6,392,000	-	6,392,000	6,612,809	220,809
12/1/2023	6,392,500	-	6,392,500	6,686,249	293,749
12/1/2024	6,389,500	-	6,389,500	6,756,646	367,146
12/1/2025	6,392,750	-	6,392,750	6,769,502	376,752
12/1/2026	6,391,500	-	6,391,500	6,865,293	473,793
12/1/2027	6,390,500	-	6,390,500	6,969,716	579,216
12/1/2028	6,389,250	-	6,389,250	7,076,943	687,693
12/1/2029	6,392,250	-	6,392,250	7,196,355	804,105
12/1/2030	6,393,750	-	6,393,750	7,296,918	903,168
12/1/2031	6,393,250	-	6,393,250	7,433,106	1,039,856
12/1/2032	6,390,250	-	6,390,250	7,573,002	1,182,752
12/1/2033	6,394,250	-	6,394,250	7,720,761	1,326,511
12/1/2034	6,389,250	-	6,389,250	7,890,325	1,501,075
Total	\$ 98,410,760	\$ 3,304,980	\$ 101,715,740	\$ 112,373,883	\$ 10,658,143

The net present value of the benefit (economic gain) resulting from the advance refunding is \$6,882,444.

Other issuances of refunding bonds

Series 2019 Vehicle Registration Fee Revenue Refunding Bonds. In 2019 and to achieve debt service savings, Utah County issued \$14,710,000 in Series 2019 Vehicle Registration Fee Revenue Refunding Bonds with interest at 1.00% to 2.50%. The proceeds were used to fully redeem \$20,580,000 of outstanding Series 2009B Vehicle Registration Fee Revenue Bonds which had interest rates ranging from 4.31% to 6.44%. The net proceeds of \$14,639,933 (after payment of \$70,067 in issuance costs) along with an equity contribution of \$6 million from the County were deposited with an escrow agent to fully redeem the refunded bonds. The date of redemption was December 18, 2019. As a result, the Series 2009B Vehicle Registration Fee Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

The following table shows the difference between the cash flow requirements to service the Series 2009B Vehicle Registration Fee Revenue Bonds and the Series 2019 Vehicle Registration Fee Revenue Refunding Bonds:

Date	New Debt Service (Series 2019 Refunding)	Old Debt Service (Series 2009B)	Savings
12/1/2020	\$ 1,624,881	\$ 1,745,617	\$ 120,736
12/1/2021	1,627,325	1,765,017	137,692
12/1/2022	1,626,925	1,781,114	154,189
12/1/2023	1,624,945	1,799,407	174,462
12/1/2024	1,626,355	1,814,251	187,896
12/1/2025	1,625,330	1,812,194	186,864
12/1/2026	1,626,810	1,839,563	212,753
12/1/2027	1,624,900	1,868,866	243,966
12/1/2028	1,624,500	1,894,898	270,398
12/1/2029	1,624,625	1,927,659	303,034
12/1/2030	-	1,956,740	1,956,740
12/1/2031	-	1,995,601	1,995,601
12/1/2032	-	2,035,067	2,035,067
12/1/2033	-	2,074,928	2,074,928
12/1/2034	-	2,114,976	2,114,976
Total	<u>\$ 16,256,596</u>	<u>\$ 28,425,898</u>	<u>\$ 12,169,302</u>

The net present value of the benefit (economic gain) resulting from the advance refunding is \$3,788,317.

Series 2020 Excise Tax Revenue Refunding Bonds. In 2020 and to achieve debt service savings, Utah County issued \$27,315,000 in Series 2020 Excise Tax Revenue Refunding Bonds with interest at 4.00% to 5.00%. The proceeds were used to fully redeem \$32,300,000 of outstanding Series 2010B and 2010C Taxable Excise Tax Revenue Bonds which had interest rates ranging from 5.42% to 7.13%. The net proceeds of \$32,657,109 (including a \$5,582,794 premium and after payment of \$240,684 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited with an escrow agent to fully redeem the refunded bonds. The date of redemption was January 29, 2020. As a result, the Series 2010B and Series 2010C Taxable Excise Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

The following table shows the difference between the cash flow requirements to service the Series 2010B and 2010C Taxable Excise Tax Revenue Bonds and the Series 2020 Excise Tax Revenue Refunding Bonds:

Date	New Debt Service (Series 2020 Refunding)	Old Debt Service (Series 2010B&C)	Savings
12/1/2020	\$ 1,951,984	\$ 2,269,075	\$ 317,091
12/1/2021	2,116,600	2,280,023	163,423
12/1/2022	2,120,600	2,288,915	168,315
12/1/2023	2,117,100	2,295,751	178,651
12/1/2024	2,061,350	2,300,532	239,182
12/1/2025	2,060,850	2,266,471	205,621
12/1/2026	2,062,850	2,285,495	222,645
12/1/2027	2,062,100	2,302,060	239,960
12/1/2028	2,058,600	2,326,165	267,565
12/1/2029	2,062,350	2,352,432	290,082
12/1/2030	2,062,850	2,370,672	307,822
12/1/2031	2,060,100	2,393,909	333,809
12/1/2032	2,059,100	2,423,812	364,712
12/1/2033	2,059,600	2,454,990	395,390
12/1/2034	2,062,000	2,482,246	420,246
12/1/2035	2,061,800	2,510,580	448,780
12/1/2036	2,059,000	2,544,797	485,797
12/1/2037	2,058,600	2,574,505	515,905
12/1/2038	2,060,400	2,614,702	554,302
12/1/2039	2,059,200	2,644,802	585,602
Total	<u>\$ 41,277,034</u>	<u>\$ 47,981,934</u>	<u>\$ 6,704,900</u>

The net present value of the benefit (economic gain) resulting from the advance refunding is \$5,432,195.

Series 2021 Transportation Sales Tax Revenue Refunding Bonds. In 2021 and to achieve debt service savings, Utah County issued \$34,745,000 in Series 2021 Transportation Sales Tax Revenue Refunding Bonds with interest at 4.00%. The proceeds were used to fully redeem \$42,060,000 of outstanding Series 2012 Sales Tax Revenue Bonds which had interest rates ranging from 2.00% to 5.00%. The net proceeds of \$42,064,809 (including a \$7,552,539 premium and after payment of \$232,730 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited with an escrow agent to fully redeem the refunded bonds. The date of redemption was December 1, 2021. As a result, the Series 2012 Sales Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

The following table shows the difference between the cash flow requirements to service the Series 2012 Sales Tax Revenue Bonds and the Series 2021 Transportation Sales Tax Revenue Refunding Bonds:

Date	Total Principal and Interest (Series 2021 Refunding)	Existing Debt Service	Net New Debt Service (Series 2021 Refunding)	Old Debt Service (Series 2012)	Savings
12/1/2021	\$ -	\$ 1,788,441	\$ 1,788,441	\$ 1,792,500	\$ 4,059
12/1/2022	2,047,063	-	2,047,063	2,597,750	550,687
12/1/2023	2,000,400	-	2,000,400	2,550,250	549,850
12/1/2024	1,950,400	-	1,950,400	2,496,750	546,350
12/1/2025	1,886,400	-	1,886,400	2,434,000	547,600
12/1/2026	1,819,000	-	1,819,000	2,367,300	548,300
12/1/2027	1,743,400	-	1,743,400	2,291,800	548,400
12/1/2028	1,675,000	-	1,675,000	2,222,800	547,800
12/1/2029	1,563,600	-	1,563,600	2,112,600	549,000
12/1/2030	1,501,000	-	1,501,000	2,050,600	549,600
12/1/2031	1,420,400	-	1,420,400	1,970,000	549,600
12/1/2032	1,217,600	-	1,217,600	1,791,600	574,000
12/1/2033	1,217,600	-	1,217,600	1,754,400	536,800
12/1/2034	1,217,600	-	1,217,600	1,643,000	425,400
12/1/2035	6,837,600	-	6,837,600	7,385,400	547,800
12/1/2036	6,837,800	-	6,837,800	7,387,600	549,800
12/1/2037	6,839,000	-	6,839,000	7,390,000	551,000
12/1/2038	6,840,800	-	6,840,800	7,387,200	546,400
12/1/2039	6,832,800	-	6,832,800	7,384,000	551,200
Total	\$ 55,447,463	\$ 1,788,441	\$ 57,235,904	\$ 67,009,550	\$ 9,773,646

The net present value of the benefit (economic gain) resulting from the advance refunding is \$8,457,011.

Defeased debt. Utah County has defeased the Series 2013 Excise Tax Bonds in the current year by placing the County's own resources into an irrevocable trust account to provide for all future debt service payments on the bonds. Accordingly, those trust account assets and the liability for those defeased bonds are not included in the County's financial statements. At December 31, 2022, \$2,385,000 of defeased bonds remain outstanding. Of the amount of defeased bonds outstanding, \$2,385,000 is held by a trustee that may substitute the risk-free monetary assets held for the repayment of the debt with non-risk-free monetary assets.

Legal Debt Margin - General Obligation Debt

Utah County is subject to a general obligation debt limit that is 2 percent of the fair market value of taxable real property. At December 31, 2022, that amount was \$2.6 billion. As of December 31, 2022, the County did not have any outstanding general obligation debt.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

The annual debt service requirements to maturity are as follows:

Fiscal Year	All Bonds		
	Principal	Interest	Total
2023	\$ 8,620,000	\$ 7,385,349	\$ 16,005,349
2024	8,850,000	7,040,721	15,890,721
2025	9,130,000	6,684,033	15,814,033
2026	9,410,000	6,312,571	15,722,571
2027	9,700,000	5,925,297	15,625,297
2028-2032	83,830,000	19,650,964	103,480,964
2033-2037	37,910,000	8,124,100	46,034,100
2038-2039	16,780,000	1,013,200	17,793,200
Totals	<u>\$ 184,230,000</u>	<u>\$ 62,136,235</u>	<u>\$ 246,366,235</u>

Compensated Absences

As of December 31, 2022, the liability for accrued compensated absences amounted to \$7,055,612. The liability for these compensated absences, including salary-related benefits, is reported as incurred in the government-wide and proprietary fund financial statements. A liability for such leave is also recorded in the governmental funds except for the Health Department and Children's Justice Center special revenue funds. Payouts of compensated absences are charged as an expenditure/expense when paid to employees leaving the employ of Utah County rather than being charged to the liability; therefore there is no retirement of or reduction in the long-term liability.

Other Postemployment Benefits

As of December 31, 2022, the County's net other postemployment benefit (OPEB) liability was \$6,543,375.

III. Detailed Notes on All Activities and Funds (continued)**L. Long-term liabilities (continued)**

Governmental Activities	January 1		December 31		Due in One Year
	2022	Additions	Retirements	2022	
Long-term debt:					
2010 Taxable Sales Tax Revenue Bonds (QECB)	\$ 2,430,000	\$ -	\$ (375,000)	\$ 2,055,000	\$ 395,000
2013 Excise Tax Revenue Bonds	2,550,000	-	(2,550,000)	-	-
2016 Subordinated Sales Tax Revenue Bonds	57,670,000	-	(1,545,000)	56,125,000	1,595,000
2019 Transportation Sales Tax Refunding Bonds	60,040,000	-	(3,390,000)	56,650,000	3,560,000
2019 Vehicle Registration Fee Refunding Bonds	11,915,000	-	(1,415,000)	10,500,000	1,430,000
2020 Excise Tax Revenue Refunding Bonds	25,485,000	-	(970,000)	24,515,000	1,015,000
2021 Transportation Sales Tax Refunding Bonds	34,745,000	-	(360,000)	34,385,000	625,000
Unamortized bond discounts	(749,268)	-	58,875	(690,393)	(58,875)
Unamortized bond premiums	22,565,464	-	(1,545,202)	21,020,262	1,529,811
Total long-term debt	<u>216,651,196</u>	<u>-</u>	<u>(12,091,327)</u>	<u>204,559,869</u>	<u>10,090,936</u>
Other long-term liabilities:					
Compensated absences	6,356,541	699,071	-	7,055,612	7,055,612
Net OPEB liability	8,226,676	711,974	(2,395,275)	6,543,375	464,431
Total other long-term liabilities	<u>14,583,217</u>	<u>1,411,045</u>	<u>(2,395,275)</u>	<u>13,598,987</u>	<u>7,520,043</u>
Total governmental long-term debt and liabilities	<u>\$ 231,234,413</u>	<u>\$ 1,411,045</u>	<u>\$ (14,486,602)</u>	<u>\$ 218,158,856</u>	<u>\$ 17,610,979</u>

M. Fund balance

Minimum fund balance policy. The Board of County Commissioners has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at two months of general fund annual revenues (approximately 16.7 percent). This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially a one-time "revenue" source, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period. At December 31, 2022, the County's general fund balance is compliant with the targeted level set forth by the policy.

III. Detailed Notes on All Activities and Funds (continued)**N. Discretely presented component units****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 Behavioral Health Services	Total
Assets						
Current assets	\$ 80,878,980	\$ 6,048,403	\$ 9,044,201	\$ 1,300,044	\$ 30,863,472	\$ 128,135,100
Capital assets, net of accumulated depreciation	136,926,593	6,496,931	8,736,484	23,142	17,621,494	169,804,644
Other noncurrent assets	1,695,416	561,951	240,004	-	9,954,992	12,452,363
Total assets	219,500,989	13,107,285	18,020,689	1,323,186	58,439,958	310,392,107
Deferred Outflow of Resources	760,587	510,491	105,046	-	6,286,771	7,662,895
Total assets and deferred outflows of resources	<u>220,261,576</u>	<u>13,617,776</u>	<u>18,125,735</u>	<u>1,323,186</u>	<u>64,726,729</u>	<u>318,055,002</u>
Liabilities						
Current liabilities	4,396,114	844,181	6,203,198	157,678	4,788,990	16,390,161
Noncurrent liabilities	20,878,342	569,816	3,003,207	-	998,234	25,449,599
Total liabilities	25,274,456	1,413,997	9,206,405	157,678	5,787,224	41,839,760
Deferred Inflow of Resources	2,161,446	792,378	224,057	-	14,066,345	17,244,226
Net position	<u>192,825,674</u>	<u>11,411,401</u>	<u>8,695,273</u>	<u>1,165,508</u>	<u>44,873,160</u>	<u>258,971,016</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 220,261,576</u>	<u>\$ 13,617,776</u>	<u>\$ 18,125,735</u>	<u>\$ 1,323,186</u>	<u>\$ 64,726,729</u>	<u>\$ 318,055,002</u>

Statement of Revenues, Expenses, and Changes in Net Position

Operating revenues	\$ 20,647,450	\$ 10,982,897	\$ 2,967,666	\$ 2,216,479	\$ 64,609,227	\$ 101,423,719
Operating expenses:						
Cost of services	10,431,733	10,352,856	2,059,652	1,925,768	50,359,983	75,129,992
Depreciation	5,260,986	627,596	361,932	4,249	909,479	7,164,242
Total operating expenses	<u>15,692,719</u>	<u>10,980,452</u>	<u>2,421,584</u>	<u>1,930,017</u>	<u>51,269,462</u>	<u>82,294,234</u>
Operating income (loss)	<u>4,954,731</u>	<u>2,445</u>	<u>546,082</u>	<u>286,462</u>	<u>13,339,765</u>	<u>19,129,485</u>
Non-operating revenues (expenses)	<u>9,789,861</u>	<u>98,065</u>	<u>435,161</u>	<u>-</u>	<u>350,642</u>	<u>10,673,729</u>
Change in net position	14,744,592	100,510	981,243	286,462	13,690,407	29,803,214
Net position - beginning	<u>178,081,082</u>	<u>11,310,891</u>	<u>7,714,030</u>	<u>879,046</u>	<u>31,182,753</u>	<u>229,167,802</u>
Net position - ending	<u>\$ 192,825,674</u>	<u>\$ 11,411,401</u>	<u>\$ 8,695,273</u>	<u>\$ 1,165,508</u>	<u>\$ 44,873,160</u>	<u>\$ 258,971,016</u>

III. Detailed Notes on All Activities and Funds (continued)

O. Contingencies

Utah County participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, Utah County's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although Utah County anticipates such amounts, if any, will be immaterial.

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

The County is aware of claims alleging unreported hours to Utah Retirement Systems. The County is working with outside counsel to analyze the nature of the claims, review the potential mitigating statutory defenses, and resolve the claims. Many of the claims have been resolved and the County is pursuing settlement efforts with the remaining claimants. However, as of the date of this report, the outcome and amount of the liability of the remaining claims is unknown and not determinable.

P. Commitments and agreements

Community reinvestment agencies and tax incentives

Community Reinvestment Agencies (CRAs), usually referred to as redevelopment agencies, are quasi-government agencies specially formed to manage development projects in a defined geographical area. They are funded through the use of a tax incentive program called "Tax Increment Financing."

Tax Increment Financing is property tax revenue that results from increases in property values within the project area. Instead of being paid to the taxing entities which levy the taxes, this tax revenue is paid to the CRAs to be used for purposes allowed under Title 17C of *Utah Code*, usually related to redevelopment or development of underdeveloped areas.

CRAs are formed by cities or counties as an independent quasi-governmental entity. CRAs are governed by a board typically comprised of members of their respective city or county governing bodies.

III. Detailed Notes on All Activities and Funds (continued)**P. Commitments and agreements (continued)**

For the year ended December 31, 2022, the following tax incentives were paid:

Project	Increment Available	Increment Paid
8004 - SOUTH UNIVERSITY AVENUE REDEVELOPMENT	\$ 21,530	\$ 19,453
8005 - PROVO CITY REDEVELOPMENT PROJECT AREA #4	28,257	25,969
8057 - REDEVELOPMENT PROJECT AREA #90-08	37,051	36,413
8058 - UNIVERSITY PLACE CDA	132,110	130,656
8105 - 700 NORTH COMMUNITY DEVELOPMENT	39,017	35,607
8202 - ALPINE HIGHWAY ECONOMIC DEVELOPMENT PLAN	462,143	447,019
8203 - THANKSGIVING PARK EDA - LEHI	23,115	23,106
8204 - ALPINE HIGHWAY WEST ECONOMIC DEVELOPMENT PROJECT - LEH	102,997	101,225
8205 - TRAVERSE MOUNTAIN CDA - LEHI	44,143	44,142
8206 - WEST TIMPANOGAS COMMUNITY DEVELOPMENT AREA	59,969	56,537
8251 - NORTH VALLEY REDEVELOPMENT PROJECT	84,407	76,140
8253 - EAST MAIN STREET REDEVELOPMENT PROJECT	14,271	12,120
8254 - EGG FARM ECONOMIC DEVELOPMENT PLAN	80,330	79,715
8310 - SIERRA BONITA CDA	6,175	6,175
8402 - PLEASANT GROVE GATEWAY COMMUNITY DEVELOPMENT AREA	59,786	58,812
8403 - 1300 WEST CDA	73,544	61,654
8404 - GROVE TOWER COMMUNITY REINVESTMENT PROJECT AREA	12,135	11,915
8450 - FRONTAGE ROAD NEIGHBORHOOD DEVELOPMENT PROJECT AREA	34,289	33,880
8601 - PARKSIDE COMMUNIITY DEVELOPEMENT AREA - EAGLE MOUNTAIN	4,034	4,016
8602 - EAGLE MOUNTAIN EDA 2012-1	24,392	23,098
8603 - POLE CANYON COM	162	162
8604 - SWEETWATER #1 COMMUNITY REINVESTMENT AREA	638,900	576,472
8675 - GENEVA URBAN RENEWAL PROJECT	323,953	323,984
8676 - GENEVA URBAN RENEWAL PHASE II	86,351	79,721
8677 - GENEVA URBAN RENEWAL PHASE III	227,666	220,089
8678 - GENEVA URBAN RENEWAL PROJECT PHASE 4	48,688	41,257
9105 - 700 NORTH COMMUNITY DEVELOPMENT	24,116	22,412
9450 - FRONTAGE ROAD NEIGHBORHOOD DEVELOPMENT PROJECT AREA	10,805	10,803
9603 - POLE CANYON COMMUNITY REINVESTMENT AREA - EAGLE MT	25,253	25,235
9675 - GENEVA URBAN RENEWAL PROJECT	20,932	20,038
	<u>\$ 2,750,521</u>	<u>\$ 2,607,824</u>

III. Detailed Notes on All Activities and Funds (continued)

Other commitments and agreements

In 2018, the County signed an agreement with Provo City whereby the County agrees to pay the City \$50,000 over a ten-year period for capital expenditures related to an ice sheet. The funding source for these payments is TRCC and/or TRT sales taxes.

The County is part of a cost-sharing agreement with Summit Creek Irrigation and Canal Company, Genola Town, Santaquin City, and Strawberry High Line Canal Company whereby the County agrees to pay \$28,910 over a twenty-five year period beginning in 2016.

In 2016, the County and Utah Transit Authority (Authority) entered into an interlocal agreement that requires the Authority to reimburse the County for all the costs (principal, interest, and cost of issuance) associated with the issuance of the Series 2016 Subordinated Transportation Sales Tax Revenue Bonds prior to December 31, 2028. In 2019, the County and the Authority entered into a separate interlocal agreement that requires the Authority to reimburse the County for any operational costs of the bus rapid transit system paid by the County on behalf of the Authority. At December 31, 2022, the Authority had made all contractually required payments to the County.

Q. Conduit debt

The County has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The County has made a limited commitment to maintain the issue's tax-exempt status for all series of conduit debt.

At December 31, 2021, 15 series of conduit bonds were outstanding. The aggregate principal amount payable for the 15 series was \$1.26 billion.

R. Subsequent events

On May 30, 2023, the Chair of the Board of Utah County Commissioners signed an emergency declaration for Utah County. Due to an extremely high snowpack during the winter of 2022-2023, the County and cities within the County have incurred approximately \$10 million in flood-related damages, mainly to roads and debris basins. The emergency declaration will allow the County to apply for state and federal funding. In addition, the County contributed \$3 million to its risk management fund in 2022 for future catastrophe losses and plans to contribute an additional \$2 million during 2023.

In March 2023, the Board of Utah County Commissioners approved a resolution reorganizing the Soldier Summit Special Service District as a local district. Due to the reorganization, Soldier Summit will no longer be a blended component unit of the County effective January 1, 2023.

Required Supplementary Information



Sundance Mountain Resort, Provo Canyon

Photographer Credit: Wyatt Peterson, @wyattpetersonstudios (Instagram)
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Schedule of Utah County's Proportionate Share of the Net Pension Liability (Asset)
Utah Retirement Systems (URS)
Last Ten Fiscal Years ⁽¹⁾
 December 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Noncontributory System								
Proportion of the net pension liability (asset)	3.36%	3.31%	3.38%	3.19%	3.11%	3.28%	3.20%	3.18%
Proportionate share of the net pension liability (asset)	\$(19,224,258)	\$1,697,810	\$12,756,920	\$23,521,614	\$13,643,291	\$21,033,186	\$18,120,296	\$13,803,555
Covered payroll	\$26,251,293	\$26,863,754	\$28,515,617	\$27,374,013	\$26,596,999	\$28,577,052	\$26,949,576	\$27,061,127
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(73.23%)	6.32%	44.74%	85.93%	51.30%	73.60%	67.24%	51.00%
Plan fiduciary net position as a percentage of the total pension liability	108.70%	99.20%	93.70%	87.00%	91.90%	87.30%	87.80%	90.20%
Contributory System								
Proportion of the net pension liability (asset)	1.34%	2.32%	2.86%	2.59%	2.75%	2.86%	1.60%	1.36%
Proportionate share of the net pension liability (asset)	\$(971,489)	\$(416,277)	\$187,217	\$1,052,287	\$223,791	\$936,815	\$1,125,829	\$393,310
Covered payroll	\$197,104	\$383,134	\$511,894	\$485,345	\$558,048	\$685,070	\$682,507	\$730,686
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(492.88%)	(108.65%)	36.57%	216.81%	40.10%	136.75%	164.95%	53.80%
Plan fiduciary net position as a percentage of the total pension liability	115.90%	103.90%	98.60%	91.20%	98.20%	92.90%	85.70%	94.00%
Public Safety System								
Proportion of the net pension liability (asset)	20.81%	21.75%	21.69%	20.40%	19.98%	20.50%	19.91%	19.59%
Proportionate share of the net pension liability (asset)	\$(7,453,552)	\$7,820,302	\$10,769,049	\$16,078,573	\$9,652,669	\$12,775,219	\$9,716,378	\$7,745,223
Covered payroll	\$14,015,719	\$14,439,758	\$14,501,460	\$13,429,139	\$13,260,890	\$14,058,214	\$12,731,406	\$12,246,827
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(53.18%)	54.16%	74.26%	119.73%	72.79%	90.87%	76.32%	63.20%
Plan fiduciary net position as a percentage of the total pension liability	105.10%	94.50%	91.70%	85.60%	90.50%	172.60%	87.60%	89.00%

⁽¹⁾ In accordance with GASB Statement No. 68 (paragraph 81.a), the County will need to disclose a 10-year history in this schedule. However, this schedule will be populated prospectively.

(continued on next page)

Schedule of Utah County's Proportionate Share of the Net Pension Liability (Asset), continued
Utah Retirement Systems (URS)
Last Ten Fiscal Years ⁽¹⁾
December 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Tier 2 Public Employees System								
Proportion of the net pension liability (asset)	0.94%	0.84%	0.82%	0.75%	0.74%	0.71%	0.62%	0.51%
Proportionate share of the net pension liability (asset)	\$(398,159)	\$120,208	\$184,630	\$322,537	\$65,476	\$79,409	\$(1,362)	\$(15,515)
Covered payroll	\$17,457,138	\$13,363,146	\$11,406,277	\$8,789,822	\$7,269,736	\$5,837,928	\$4,031,816	\$2,511,911
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(2.28%)	0.90%	1.62%	3.67%	0.90%	1.36%	(0.03%)	(0.60%)
Plan fiduciary net position as a percentage of the total pension liability	103.80%	98.30%	96.50%	90.80%	97.40%	95.10%	100.20%	103.50%
Tier 2 Public Safety and Firefighters System								
Proportion of the net pension liability (asset)	2.05%	2.09%	2.00%	1.68%	1.55%	1.28%	1.21%	1.09%
Proportionate share of the net pension liability (asset)	\$(103,666)	\$187,333	\$188,130	\$42,078	\$(17,953)	\$(11,073)	\$(17,634)	\$(16,108)
Covered payroll	\$4,904,781	\$4,145,297	\$3,296,342	\$2,245,923	\$1,637,523	\$1,053,894	\$718,350	\$450,257
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(2.11%)	4.52%	5.71%	1.87%	(1.10%)	(1.05%)	(2.45%)	(3.60%)
Plan fiduciary net position as a percentage of the total pension liability	102.80%	93.10%	89.60%	95.60%	103.00%	103.60%	110.70%	120.50%

⁽¹⁾ In accordance with GASB Statement No. 68 (paragraph 81.a), the County will need to disclose a 10-year history in this schedule. However, this schedule will be populated prospectively.

Schedule of Contributions
Utah Retirement Systems (URS)
Last Ten Fiscal Years ⁽¹⁾
 December 31, 2022

	As of Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered- Employee Payroll ⁽²⁾
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%
	2019	5,074,811	5,074,811	-	29,052,846	17.47%
	2020	4,780,972	4,780,972	-	27,399,083	17.45%
	2021	4,679,377	4,679,377	-	26,407,531	17.72%
	2022	4,545,717	4,545,717	-	26,324,713	17.27%
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%
	2019	74,020	74,020	-	511,446	14.47%
	2020	55,402	55,402	-	387,838	14.28%
	2021	28,502	28,502	-	197,104	14.46%
	2022	5,714	5,714	-	39,516	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%
	2019	4,481,126	4,481,126	-	14,541,997	30.82%
	2020	4,486,310	4,486,310	-	14,458,449	31.03%
	2021	4,315,306	4,315,306	-	14,106,155	30.59%
	2022	4,811,721	4,811,721	-	15,778,962	30.49%
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%
	2019	1,782,739	1,782,739	-	11,003,164	16.20%

(continued on next page)

Schedule of Contributions, continued
Utah Retirement Systems (URS)
Last Ten Fiscal Years ⁽¹⁾
 December 31, 2022

	As of Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered- Employee Payroll ⁽²⁾
Tier 2 Public Employees System *	2020	2,150,496	2,150,496	-	13,519,434	15.91%
	2021	2,824,259	2,824,259	-	17,640,722	16.01%
	2022	3,173,075	3,173,075	-	19,753,366	16.06%
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%
	2019	688,806	688,806	-	3,293,772	20.91%
	2020	930,212	930,212	-	4,151,623	22.41%
	2021	1,172,870	1,172,870	-	4,947,119	23.71%
	2022	1,631,134	1,631,134	-	6,875,629	23.72%
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%
	2019	172,920	172,920	-	3,781,578	4.57%
	2020	236,510	236,510	-	5,425,496	4.36%
	2021	295,633	295,633	-	6,471,456	4.57%
	2022	327,846	327,846	-	7,794,178	4.21%
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%
	2019	30,189	30,189	-	309,944	9.74%
	2020	41,214	41,214	-	423,134	9.74%
	2021	59,656	59,656	-	612,472	9.74%
	2022	92,752	92,752	-	952,261	9.74%

(continued on next page)

Schedule of Contributions, continued
Utah Retirement Systems (URS)
Last Ten Fiscal Years ⁽¹⁾
 December 31, 2022

	As of Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered- Employee Payroll ⁽²⁾
Total	2014	\$ 9,322,877	\$ 9,322,877	\$ -	\$ 43,551,376	21.41%
	2015	9,925,194	9,925,194	-	45,775,756	21.68%
	2016	10,652,083	10,652,083	-	54,478,009	19.55%
	2017	10,418,463	10,418,463	-	51,307,524	20.31%
	2018	11,038,428	11,038,428	-	54,385,529	20.30%
	2019	12,304,611	12,304,611	-	62,494,747	19.69%
	2020	12,681,116	12,681,116	-	65,765,057	19.28%
	2021	13,375,603	13,375,603	-	70,382,559	19.00%
	2022	14,587,959	14,587,959	-	77,518,625	18.82%

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

⁽¹⁾ In accordance with GASB Statement No. 68 (paragraph 81.b), the County will need to disclose a 10-year history in this schedule. However, this schedule will be populated prospectively.

⁽²⁾ Contributions as a percentage of covered payroll may be different than the Board-certified rate due to rounding or other administrative practices.

Schedule of Changes in Utah County's Total OPEB Liability and Related Ratios

Last Ten Fiscal Years*

December 31, 2022

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 451,078	\$ 457,533	\$ 639,160	\$ 560,008	\$ 667,032
Interest	190,606	180,277	351,899	414,505	366,725
Differences between expected and actual experience	70,290	(150,601)	(1,543,296)	(357,207)	(217,477)
Change of benefit terms	(712)	-	-	-	171,326
Changes in assumptions	(1,979,460)	(89,051)	(1,025,759)	671,712	(817,586)
Benefit payments **	(415,103)	(432,861)	(626,775)	(689,334)	(589,306)
Net change in total OPEB liability	\$ (1,683,301)	\$ (34,703)	\$ (2,204,771)	\$ 599,684	\$ (419,286)
Total OPEB liability - beginning, January 1	8,226,676	8,261,379	10,466,150	9,866,466	10,285,752
Total OPEB liability - ending, December 31	<u>\$ 6,543,375</u>	<u>\$ 8,226,676</u>	<u>\$ 8,261,379</u>	<u>\$ 10,466,150</u>	<u>\$ 9,866,466</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 415,103	\$ 432,861	\$ 626,775	\$ 689,334	\$ 589,306
Contributions - active employees	-	-	-	-	-
Net investment income	-	-	-	-	-
Benefit payments	(415,103)	(432,861)	(626,775)	(689,334)	(589,306)
Trust administrative expenses	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-
Plan fiduciary net position - beginning, January 1	-	-	-	-	-
Plan fiduciary net position - ending, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan fiduciary net position as a percentage of the plan total OPEB liability	-%	-%	-%	-%	-%
Covered employee payroll	\$ 74,145,216	\$ 62,068,190	\$ 60,702,386	\$ 58,172,505	\$ 56,892,425
Total OPEB liability as a percentage of covered employee payroll	8.8%	13.3%	13.6%	18.0%	17.3%

* In accordance with GASB Statement No. 75, the County will need to disclose a 10-year history in this schedule. However, this schedule will be populated prospectively.

** Actual employer contributions and benefit payments are not provided. Expected employer contributions and benefit payments are shown.

Notes to Required Supplementary Information

December 31, 2022

Utah Retirement Systems Pensions

Changes in assumptions

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on an analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability as of December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

Other Postemployment Benefits (OPEB)

Change of benefit terms

There have been substantive plan provision changes since the last full valuation, which was for the fiscal year ending December 31, 2020. The County's explicit subsidy contribution increased for Tier 2 employees and the Tier 1 employee contribution also increased. These changes resulted in a slight decrease in liabilities.

Changes in assumptions

The discount rate has been updated based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) as of December 31, 2022 (measurement date). The discount rate is 2.25% as of December 31, 2021 and 4.31% as of December 31, 2022. The impact of this change was a significant decrease in liabilities.

The mortality improvement scale applied to all mortality tables was updated from MP-2020 to MP-2021. The impact of this change is a decrease in liabilities.

Health care trend rates have been updated to an initial rate of 7.50% for pre-65 and 6.50% for post-65 decreasing to an ultimate rate of 4.50%. This change caused an increase in liabilities.

2021 HealthMAPS General Employee enrollment data was used to develop the per capita costs to represent the larger community rated pool. This change caused a significant decrease in liabilities.

Additionally, actual premium changes for the fiscal year ended December 31, 2022 and per capita claims costs were reflected, resulting in a slight decrease in liabilities. The updated census data resulted in an increase in liabilities.



Combining and Individual Fund Financial Statements and Schedules



SCERA Shell Outdoor Theatre, Orem

Photo courtesy of Utah Valley Convention & Visitors Bureau • Visit utahvalley.com

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	<u>Special Revenue Funds</u>			
	<u>Municipal</u>	<u>Service Area</u>	<u>Service Area</u>	<u>Service Area</u>
	<u>Bldg Authority</u>	<u>6</u>	<u>7</u>	<u>8</u>
Assets:				
Cash and investments	\$ -	\$ 8,097,326	\$ 1,581,626	\$ 1,876,703
Receivables	-	-	20	640
Tax receivables	-	594,457	148,511	132,879
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	121,771	-
Total assets	<u>\$ -</u>	<u>\$ 8,691,783</u>	<u>\$ 1,851,928</u>	<u>\$ 2,010,222</u>
Liabilities:				
Accounts payable	\$ -	\$ 25,243	\$ 121,991	\$ 5,734
Accrued liabilities	-	27,380	4,414	20,986
Compensated absences	-	-	11,487	89,781
Deposits payable	-	-	-	315,211
Due to other funds	-	-	-	-
Unearned revenues	-	1,174	448	262
Total liabilities	<u>-</u>	<u>53,797</u>	<u>138,340</u>	<u>431,974</u>
Deferred inflows of resources:				
Unavailable revenue-property taxes	-	186,894	47,869	41,892
Total deferred inflows of resources	<u>-</u>	<u>186,894</u>	<u>47,869</u>	<u>41,892</u>
Fund balances (deficits):				
Restricted:				
Transient room tax	-	-	-	-
Assessing and collecting	-	-	-	-
Recorder services	-	-	-	-
Special service areas/districts	-	8,451,092	1,665,719	1,536,356
Committed:				
Public health and welfare	-	-	-	-
Public safety	-	-	-	-
Total fund balances (deficits)	<u>-</u>	<u>8,451,092</u>	<u>1,665,719</u>	<u>1,536,356</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ -</u>	<u>\$ 8,691,783</u>	<u>\$ 1,851,928</u>	<u>\$ 2,010,222</u>

(continued)

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

Combining Balance Sheet
Nonmajor Governmental Funds
 December 31, 2022

	Special Revenue Funds				
	Utah Valley		Soldier Summit	Children's	Jail Inmate
	Service Area	Road Special			
	9	Service District	District		
Assets:					
Cash and investments	\$ 88,524	\$ 1,733,774	\$ 324,921	\$ 87	\$ 1,117,785
Receivables	-	-	4,352	542,984	14,733
Tax receivables	28,289	-	13,458	-	-
Lease receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	2,200	-
Total assets	\$ 116,813	\$ 1,733,774	\$ 342,731	\$ 545,271	\$ 1,132,518
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 7,870	\$ 8,992	\$ 9,510
Accrued liabilities	-	-	-	37,099	3,598
Compensated absences	-	-	-	-	609
Deposits payable	-	-	882	-	-
Due to other funds	-	-	-	236,000	-
Unearned revenues	10	1,627,949	-	-	-
Total liabilities	10	1,627,949	8,752	282,091	13,717
Deferred inflows of resources:					
Unavailable revenue-property taxes	8,679	-	2,351	-	-
Total deferred inflows of resources	8,679	-	2,351	-	-
Fund balances (deficits):					
Restricted:					
Transient room tax	-	-	-	-	-
Assessing and collecting	-	-	-	-	-
Recorder services	-	-	-	-	-
Special service areas/districts	108,124	105,825	331,628	-	-
Committed:					
Public health and welfare	-	-	-	263,180	-
Public safety	-	-	-	-	1,118,801
Total fund balances (deficits)	108,124	105,825	331,628	263,180	1,118,801
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 116,813	\$ 1,733,774	\$ 342,731	\$ 545,271	\$ 1,132,518

(continued)

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

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2022

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Contract Law Enforcement	Transient Room Tax	Assessing & Collecting	
Assets:				
Cash and investments	\$ 107	\$ 3,420,340	\$ 20,246,007	\$ 38,487,200
Receivables	1,717,391	-	1,355	2,281,475
Tax receivables	-	816,898	2,182,716	3,917,208
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	168,864	10,899	303,734
Total assets	<u>\$ 1,717,498</u>	<u>\$ 4,406,102</u>	<u>\$ 22,440,977</u>	<u>\$ 44,989,617</u>
Liabilities:				
Accounts payable	\$ 74,296	\$ -	\$ 41,373	\$ 295,009
Accrued liabilities	124,201	-	174,018	391,696
Compensated absences	-	-	456,656	558,533
Deposits payable	-	-	-	316,093
Due to other funds	1,476,000	-	-	1,712,000
Unearned revenues	-	-	4,900	1,634,743
Total liabilities	<u>1,674,497</u>	<u>-</u>	<u>676,947</u>	<u>4,908,074</u>
Deferred inflows of resources:				
Unavailable revenue-property taxes	-	-	542,530	830,215
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>542,530</u>	<u>830,215</u>
Fund balances (deficits):				
Restricted:				
Transient room tax	-	4,406,102	-	4,406,102
Assessing and collecting	-	-	5,889,306	5,889,306
Recorder services	-	-	15,332,194	15,332,194
Special service areas/districts	-	-	-	12,198,744
Committed:				
Public health and welfare	-	-	-	263,180
Public safety	43,001	-	-	1,161,802
Total fund balances (deficits)	<u>43,001</u>	<u>4,406,102</u>	<u>21,221,500</u>	<u>39,251,328</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 1,717,498</u>	<u>\$ 4,406,102</u>	<u>\$ 22,440,977</u>	<u>\$ 44,989,617</u>

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

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	<u>Special Revenue Funds</u>			
	<u>Municipal Bldg Authority</u>	<u>Service Area 6</u>	<u>Service Area 7</u>	<u>Service Area 8</u>
Revenues:				
Property taxes	\$ -	\$ 2,488,223	\$ 525,477	\$ 555,360
Licenses and permits	-	-	24,157	270,119
Charges for services	-	-	31,339	97,956
Fines and forfeitures	-	-	-	34,341
Investment earnings	-	135,943	27,660	34,480
Payments in lieu of taxes	-	897,996	-	200,483
Miscellaneous	335,831	180,339	-	-
Total revenues	<u>335,831</u>	<u>3,702,501</u>	<u>608,633</u>	<u>1,192,739</u>
Expenditures:				
Current:				
General government	335,866	-	-	1,449,609
Public safety	-	1,408,271	903,979	-
Capital outlay:				
Total expenditures	<u>335,866</u>	<u>1,408,271</u>	<u>903,979</u>	<u>1,449,609</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(35)</u>	<u>2,294,230</u>	<u>(295,346)</u>	<u>(256,870)</u>
Other financing sources/(uses):				
Transfers in	35	-	184,270	-
Sale of general capital assets	-	-	-	50
Total other financing sources/(uses)	<u>35</u>	<u>-</u>	<u>184,270</u>	<u>50</u>
Net change in fund balance	<u>-</u>	<u>2,294,230</u>	<u>(111,076)</u>	<u>(256,820)</u>
Fund balances - beginning	<u>-</u>	<u>6,156,862</u>	<u>1,776,795</u>	<u>1,793,176</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 8,451,092</u>	<u>\$ 1,665,719</u>	<u>\$ 1,536,356</u>

(continued)

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

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2022

	Special Revenue Funds				
	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Children's Justice	Jail Inmate Benefit
Revenues:					
Property taxes	\$ 144,508	\$ -	\$ 71,345	\$ -	\$ -
Sales taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	927	1,572,766	-
Charges for services	-	-	-	175,760	247,515
Fines and forfeitures	-	-	-	-	-
Investment earnings	824	33,244	5,830	-	20,616
Fees	-	-	88,713	-	-
Payments in lieu of taxes	108,595	-	-	-	-
Miscellaneous	-	-	-	68,721	3,747
Total revenues	<u>253,927</u>	<u>33,244</u>	<u>166,815</u>	<u>1,817,247</u>	<u>271,878</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	25	-	-	-	245,694
Public health and welfare	-	-	-	2,194,248	-
Roads and public improvements	-	25	64,854	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public health and welfare	-	-	-	-	-
Total expenditures	<u>25</u>	<u>25</u>	<u>64,854</u>	<u>2,194,248</u>	<u>245,694</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>253,902</u>	<u>33,219</u>	<u>101,961</u>	<u>(377,001)</u>	<u>26,184</u>
Other financing sources/(uses):					
Transfers in	-	-	-	503,849	-
Transfers out	(184,270)	-	-	-	-
Leases issued (as lessee)	-	-	-	-	-
Sale of general capital assets	-	-	-	-	-
Insurance recoveries	-	-	-	-	-
Total other financing sources/(uses)	<u>(184,270)</u>	<u>-</u>	<u>-</u>	<u>503,849</u>	<u>-</u>
Net change in fund balance	69,632	33,219	101,961	126,848	26,184
Fund balances - beginning	<u>38,492</u>	<u>72,606</u>	<u>229,667</u>	<u>136,332</u>	<u>1,092,617</u>
Fund balances - ending	<u>\$ 108,124</u>	<u>\$ 105,825</u>	<u>\$ 331,628</u>	<u>\$ 263,180</u>	<u>\$ 1,118,801</u>

(continued)

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

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
 For the Year Ended December 31, 2022

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Contract Law Enforcement	Transient Room Tax	Assessing & Collecting	
Revenues:				
Property taxes	\$ -	\$ -	\$ 10,824,363	\$ 14,609,276
Sales taxes	-	6,010,915	-	6,010,915
Licenses and permits	-	-	-	294,276
Intergovernmental	-	-	-	1,573,693
Charges for services	7,120,666	-	5,173,994	12,847,230
Fines and forfeitures	-	-	-	34,341
Investment earnings	-	61,550	324,936	645,083
Fees	-	-	-	88,713
Payments in lieu of taxes	-	-	128,434	1,335,508
Miscellaneous	300	-	100,439	689,377
Total revenues	<u>7,120,966</u>	<u>6,072,465</u>	<u>16,552,166</u>	<u>38,128,412</u>
Expenditures:				
Current:				
General government	-	2,018,669	14,005,871	17,810,015
Public safety	7,382,956	-	-	9,940,925
Public health and welfare	-	-	-	2,194,248
Roads and public improvements	-	-	-	64,879
Capital outlay:				
General government	-	-	580,143	580,143
Public safety	-	-	-	-
Public health and welfare	-	-	-	-
Total expenditures	<u>7,382,956</u>	<u>2,018,669</u>	<u>14,586,014</u>	<u>30,590,210</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>(261,990)</u>	<u>4,053,796</u>	<u>1,966,152</u>	<u>7,538,202</u>
Other financing sources/(uses):				
Transfers in	279,192	-	-	967,346
Transfers out	-	(2,122,664)	-	(2,306,934)
Leases issued (as lessee)	-	-	-	-
Sale of general capital assets	43,001	-	-	43,051
Insurance recoveries	678	-	-	678
Total other financing sources/(uses)	<u>322,871</u>	<u>(2,122,664)</u>	<u>-</u>	<u>(1,295,859)</u>
Net change in fund balance	60,881	1,931,132	1,966,152	6,242,343
Fund balances - beginning	<u>(17,880)</u>	<u>2,474,970</u>	<u>19,255,348</u>	<u>33,008,985</u>
Fund balances - ending	<u>\$ 43,001</u>	<u>\$ 4,406,102</u>	<u>\$ 21,221,500</u>	<u>\$ 39,251,328</u>

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

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	3,454,816	3,454,816
Investment earnings	-	-	-	-
Miscellaneous	-	-	19	19
Total revenues	<u>-</u>	<u>-</u>	<u>3,454,835</u>	<u>3,454,835</u>
Expenditures:				
Debt service:				
Principal	8,220,000	10,670,000	10,605,000	65,000
Interest	8,115,060	8,113,060	8,137,568	(24,508)
Fiscal charges	28,850	50,850	31,800	19,050
Total expenditures	<u>16,363,910</u>	<u>18,833,910</u>	<u>18,774,368</u>	<u>59,542</u>
Excess (deficiency) of revenues over expenditures	(16,363,910)	(18,833,910)	(15,319,533)	3,514,377
Other financing sources (uses):				
Transfers in	16,363,910	18,833,910	15,319,533	(3,514,377)
Total other financing sources (uses)	<u>16,363,910</u>	<u>18,833,910</u>	<u>15,319,533</u>	<u>(3,514,377)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund

For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 137,298	\$ 137,298
Investment earnings	100,000	100,000	1,037,069	937,069
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>1,174,367</u>	<u>1,074,367</u>
Expenditures:				
Operating expenses:				
Materials, supplies, services	28,408,050	33,558,050	6,221	33,551,829
Capital outlay:				
General government	-	1,604,000	71,225	1,532,775
Public safety	-	3,500,000	137,299	3,362,701
Roads and public improvements	-	2,100,000	122,798	1,977,202
Total expenditures	<u>28,408,050</u>	<u>40,762,050</u>	<u>337,543</u>	<u>40,424,507</u>
Excess (deficiency) of revenues over expenditures	(28,308,050)	(40,662,050)	836,824	41,498,874
Other financing sources (uses):				
Transfers in	-	12,354,000	18,000,000	5,646,000
Total other financing sources (uses)	<u>-</u>	<u>12,354,000</u>	<u>18,000,000</u>	<u>5,646,000</u>
Net change in fund balance*	(28,308,050)	(28,308,050)	18,836,824	47,144,874
Fund balance - beginning	<u>48,760,128</u>	<u>48,760,128</u>	<u>48,760,128</u>	<u>-</u>
Fund balance - ending	<u>\$ 20,452,078</u>	<u>\$ 20,452,078</u>	<u>\$ 67,596,952</u>	<u>\$ 47,144,874</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Municipal Building Authority - Special Revenue Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 335,830	\$ 335,830	\$ 335,831	\$ 1
Total revenues	<u>335,830</u>	<u>335,830</u>	<u>335,831</u>	<u>1</u>
Expenditures:				
Materials, supplies, and services	500	500	35	465
Contributions to other governmental agencies	335,830	335,830	335,831	(1)
Total expenditures	<u>336,330</u>	<u>336,330</u>	<u>335,866</u>	<u>464</u>
Excess (deficiency) of revenues over expenditures	(500)	(500)	(35)	465
Other financing sources (uses):				
Transfers in	500	500	35	(465)
Total other financing sources (uses)	<u>500</u>	<u>500</u>	<u>35</u>	<u>(465)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 6 - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 2,279,520	\$ 2,279,520	\$ 2,488,223	\$ 208,703
Charges for services	-	-	-	-
Investment earnings	-	-	135,943	135,943
Payments in lieu of taxes	606,340	606,340	897,996	291,656
Miscellaneous	-	-	180,339	180,339
Total revenues	<u>2,885,860</u>	<u>2,885,860</u>	<u>3,702,501</u>	<u>816,641</u>
Expenditures:				
Personnel services	1,664,080	1,664,080	1,276,747	387,333
Materials, supplies, and services	1,221,780	1,221,780	131,524	1,090,256
Total expenditures	<u>2,885,860</u>	<u>2,885,860</u>	<u>1,408,271</u>	<u>1,477,589</u>
Excess (deficiency) of revenues over expenditures	-	-	2,294,230	2,294,230
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	2,294,230	2,294,230
Fund balance - beginning	<u>6,156,862</u>	<u>6,156,862</u>	<u>6,156,862</u>	<u>-</u>
Fund balance - ending	<u>\$ 6,156,862</u>	<u>\$ 6,156,862</u>	<u>\$ 8,451,092</u>	<u>\$ 2,294,230</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 7 - Special Revenue Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 537,870	\$ 537,870	\$ 525,477	\$ (12,393)
Licenses and permits	24,000	24,000	24,157	157
Charges for services	33,700	33,700	31,339	(2,361)
Investment earnings	-	-	27,660	27,660
Miscellaneous	-	-	-	-
Total revenues	595,570	595,570	608,633	13,063
Expenditures:				
Personnel services	229,780	230,506	241,232	(10,726)
Materials, supplies, and services	177,220	177,582	97,978	79,604
Contributions to other governmental agencies	675,000	673,912	564,769	109,143
Total expenditures	1,082,000	1,082,000	903,979	178,021
Excess (deficiency) of revenues over expenditures	(486,430)	(486,430)	(295,346)	191,084
Other financing sources (uses):				
Transfers in	184,270	184,270	184,270	-
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	184,270	184,270	184,270	-
Net change in fund balance*	(302,160)	(302,160)	(111,076)	191,084
Fund balance - beginning	1,776,795	1,776,795	1,776,795	-
Fund balance - ending	\$ 1,474,635	\$ 1,474,635	\$ 1,665,719	\$ 191,084

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 8 - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 507,840	\$ 507,840	\$ 555,360	\$ 47,520
Licenses and permits	234,500	234,500	270,119	35,619
Charges for services	76,440	76,440	97,956	21,516
Fines and forfeitures	35,080	35,080	34,341	(739)
Investment earnings	-	-	34,480	34,480
Payments in lieu of taxes	150,000	150,000	200,483	50,483
Total revenues	<u>1,003,860</u>	<u>1,003,860</u>	<u>1,192,739</u>	<u>188,879</u>
Expenditures:				
Personnel services	1,043,100	1,043,100	1,077,372	(34,272)
Materials, supplies, and services	398,050	398,050	304,837	93,213
Contributions to other governmental agencies	-	-	67,400	(67,400)
Capital outlay	-	-	-	-
Total expenditures	<u>1,441,150</u>	<u>1,441,150</u>	<u>1,449,609</u>	<u>(8,459)</u>
Excess (deficiency) of revenues over expenditures	(437,290)	(437,290)	(256,870)	180,420
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>
Net change in fund balance*	(437,290)	(437,290)	(256,820)	180,470
Fund balance - beginning	<u>1,793,176</u>	<u>1,793,176</u>	<u>1,793,176</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,355,886</u>	<u>\$ 1,355,886</u>	<u>\$ 1,536,356</u>	<u>\$ 180,470</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 9 - Special Revenue Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 118,730	\$ 118,730	\$ 144,508	\$ 25,778
Investment earnings	-	-	824	824
Payments in lieu of taxes	70,000	70,000	108,595	38,595
Total revenues	188,730	188,730	253,927	65,197
Expenditures:				
Materials, supplies, and services	4,460	4,460	25	4,435
Total expenditures	4,460	4,460	25	4,435
Excess (deficiency) of revenues over expenditures	184,270	184,270	253,902	69,632
Other financing sources (uses):				
Transfers out	(184,270)	(184,270)	(184,270)	-
Total other financing sources (uses)	(184,270)	(184,270)	(184,270)	-
Net change in fund balance	-	-	69,632	69,632
Fund balance - beginning	38,492	38,492	38,492	-
Fund balance - ending	\$ 38,492	\$ 38,492	\$ 108,124	\$ 69,632

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah Valley Road Special Service District - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,279,420	\$ 1,279,420	\$ -	\$ (1,279,420)
Investment earnings	-	-	33,244	33,244
Total revenues	<u>1,279,420</u>	<u>1,279,420</u>	<u>33,244</u>	<u>(1,246,176)</u>
Expenditures:				
Materials, supplies, and services	1,327,620	1,327,620	25	1,327,595
Total expenditures	<u>1,327,620</u>	<u>1,327,620</u>	<u>25</u>	<u>1,327,595</u>
Excess (deficiency) of revenues over expenditures	(48,200)	(48,200)	33,219	81,419
Other financing sources (uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(48,200)	(48,200)	33,219	81,419
Fund balance - beginning	<u>72,606</u>	<u>72,606</u>	<u>72,606</u>	<u>-</u>
Fund balance - ending	<u>\$ 24,406</u>	<u>\$ 24,406</u>	<u>\$ 105,825</u>	<u>\$ 81,419</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Soldier Summit Special Service District - Special Revenue Fund
For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 35,000	\$ 35,000	\$ 71,345	\$ 36,345
Intergovernmental	2,000,000	2,000,000	927	(1,999,073)
Fees	87,000	87,000	88,713	1,713
Investment earnings	2,000	2,000	5,830	3,830
Total revenues	2,124,000	2,124,000	166,815	(1,957,185)
Expenditures:				
Personnel services	30,000	29,783	16,127	13,656
Materials, supplies, and services	67,000	67,217	48,727	18,490
Capital outlay	2,145,000	2,145,000	-	2,145,000
Total expenditures	2,242,000	2,242,000	64,854	2,177,146
Excess (deficiency) of revenues over expenditures	(118,000)	(118,000)	101,961	219,961
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance*	(118,000)	(118,000)	101,961	219,961
Fund balance - beginning	229,667	229,667	229,667	-
Fund balance - ending	\$ 111,667	\$ 111,667	\$ 331,628	\$ 219,961

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Children’s Justice Center - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,014,040	\$ 2,014,040	\$ 1,572,766	\$ (441,274)
Charges for services	122,150	122,150	175,760	53,610
Miscellaneous	107,860	107,860	68,721	(39,139)
Total revenues	<u>2,244,050</u>	<u>2,244,050</u>	<u>1,817,247</u>	<u>(426,803)</u>
Expenditures:				
Personnel services	2,031,570	2,261,551	1,804,521	457,030
Materials, supplies, and services	1,085,420	855,439	389,727	465,712
Capital outlay	-	-	-	-
Total expenditures	<u>3,116,990</u>	<u>3,116,990</u>	<u>2,194,248</u>	<u>922,742</u>
Excess (deficiency) of revenues over expenditures	(872,940)	(872,940)	(377,001)	495,939
Other financing sources (uses):				
Transfers in	872,940	872,940	503,849	(369,091)
Total other financing sources (uses)	<u>872,940</u>	<u>872,940</u>	<u>503,849</u>	<u>(369,091)</u>
Net change in fund balance	-	-	126,848	126,848
Fund balance - beginning	<u>136,332</u>	<u>136,332</u>	<u>136,332</u>	<u>-</u>
Fund balance - ending	<u>\$ 136,332</u>	<u>\$ 136,332</u>	<u>\$ 263,180</u>	<u>\$ 126,848</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Inmate Benefit - Special Revenue Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 303,870	\$ 303,870	\$ 247,515	\$ (56,355)
Investment earnings	-	-	20,616	20,616
Miscellaneous	-	-	3,747	3,747
Total revenues	<u>303,870</u>	<u>303,870</u>	<u>271,878</u>	<u>(31,992)</u>
Expenditures:				
Personnel services	244,610	250,403	208,278	42,125
Materials, supplies, and services	109,260	104,036	37,416	66,620
Capital outlay	-	-	-	-
Total expenditures	<u>353,870</u>	<u>354,439</u>	<u>245,694</u>	<u>108,745</u>
Excess (deficiency) of revenues over expenditures	(50,000)	(50,569)	26,184	76,753
Other financing sources (uses):				
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(50,000)	(50,569)	26,184	76,753
Fund balance - beginning	<u>1,092,617</u>	<u>1,092,617</u>	<u>1,092,617</u>	<u>-</u>
Fund balance - ending	<u>\$ 1,042,617</u>	<u>\$ 1,042,048</u>	<u>\$ 1,118,801</u>	<u>\$ 76,753</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Contract Law Enforcement - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 7,251,980	\$ 7,251,980	\$ 7,120,666	\$ (131,314)
Miscellaneous	-	-	300	(300)
Total revenues	<u>7,251,980</u>	<u>7,251,980</u>	<u>7,120,966</u>	<u>(131,014)</u>
Expenditures:				
Personnel services	4,566,510	4,917,130	5,348,732	(431,602)
Materials, supplies, and services	2,784,500	2,433,880	2,034,224	399,656
Total expenditures	<u>7,351,010</u>	<u>7,351,010</u>	<u>7,382,956</u>	<u>(31,946)</u>
Excess (deficiency) of revenues over expenditures	(99,030)	(99,030)	(261,990)	(162,960)
Other financing sources (uses):				
Transfers in	99,030	99,030	279,192	180,162
Sale of general capital assets	-	-	43,001	43,001
Insurance recoveries	-	-	678	678
Total other financing sources (uses)	<u>99,030</u>	<u>99,030</u>	<u>322,871</u>	<u>223,841</u>
Net change in fund balance	-	-	60,881	60,881
Fund balance - beginning	<u>(17,880)</u>	<u>(17,880)</u>	<u>(17,880)</u>	<u>-</u>
Fund balance - ending	<u>\$ (17,880)</u>	<u>\$ (17,880)</u>	<u>\$ 43,001</u>	<u>\$ 60,881</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transient Room Tax (TRT) - Special Revenue Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales taxes	\$ 4,400,000	\$ 4,400,000	\$ 6,010,915	\$ 1,610,915
Investment earnings	-	-	61,550	61,550
Total revenues	<u>4,400,000</u>	<u>4,400,000</u>	<u>6,072,465</u>	<u>1,672,465</u>
Expenditures:				
Materials, supplies, and services	2,228,900	1,962,080	1,951,595	10,485
Contributions to other governmental agencies	47,000	313,820	67,074	246,746
Total expenditures	<u>2,275,900</u>	<u>2,275,900</u>	<u>2,018,669</u>	<u>257,231</u>
Excess (deficiency) of revenues over expenditures	2,124,100	2,124,100	4,053,796	1,929,696
Other financing sources (uses):				
Transfers out	(2,124,100)	(2,124,100)	(2,122,664)	1,436
Total other financing sources (uses)	<u>(2,124,100)</u>	<u>(2,124,100)</u>	<u>(2,122,664)</u>	<u>1,436</u>
Net change in fund balance	-	-	1,931,132	1,931,132
Fund balance - beginning	<u>2,474,970</u>	<u>2,474,970</u>	<u>2,474,970</u>	<u>-</u>
Fund balance - ending	<u>\$ 2,474,970</u>	<u>\$ 2,474,970</u>	<u>\$ 4,406,102</u>	<u>\$ 1,931,132</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Assessing and Collecting - Special Revenue Fund
 For the Year Ended December 31, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 10,264,550	\$ 10,264,550	\$ 10,824,363	\$ 559,813
Charges for services	8,450,450	8,450,450	5,173,994	(3,276,456)
Investment earnings	-	-	324,936	324,936
Payments in lieu of taxes	100,000	100,000	128,434	28,434
Miscellaneous	-	-	100,439	100,439
Total revenues	<u>18,815,000</u>	<u>18,815,000</u>	<u>16,552,166</u>	<u>(2,262,834)</u>
Expenditures:				
Personnel services	10,301,020	11,200,067	8,928,818	2,271,249
Materials, supplies, services, and capital outlay	10,255,350	9,505,722	3,822,744	5,682,978
Contributions to other governmental agencies	788,820	781,361	1,254,309	(472,948)
Capital outlay	-	-	580,143	(580,143)
Total expenditures	<u>21,345,190</u>	<u>21,487,150</u>	<u>14,586,014</u>	<u>6,901,136</u>
Excess (deficiency) of revenues over expenditures	(2,530,190)	(2,672,150)	1,966,152	4,638,302
Other financing sources (uses):				
Transfers in	-	87,960	-	(87,960)
Transfers out	-	-	-	-
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>87,960</u>	<u>-</u>	<u>(87,960)</u>
Net change in fund balance*	(2,530,190)	(2,584,190)	1,966,152	4,550,342
Fund balance - beginning	<u>19,255,348</u>	<u>19,255,348</u>	<u>19,255,348</u>	<u>-</u>
Fund balance - ending	<u>\$ 16,725,158</u>	<u>\$ 16,671,158</u>	<u>\$ 21,221,500</u>	<u>\$ 4,550,342</u>

*The net change in fund balance was included in the budget as an appropriation (i.e., spenddown) of fund balance.

**Combining Statement of Net Position
Discretely Presented Component Units**

December 31, 2022

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Behavioral Health Services	Total Component Units
Assets and Deferred Outflows of Resources						
Current assets:						
Cash and cash equivalents	\$ 75,939,075	\$ 5,156,013	\$ 2,066,345	\$ 576,389	\$ 20,766,390	\$ 104,504,212
Investments	-	-	-	115,470	-	115,470
Accounts and notes receivable	4,369,249	601,004	608,603	284,452	7,579,251	13,442,559
Taxes receivable	-	-	44,040	-	-	44,040
Inventories	227,121	-	-	9,701	-	236,822
Prepaid items	149,525	-	-	43,090	-	192,615
Other current assets	-	29,410	-	-	2,517,831	2,547,241
Total current assets	<u>80,684,970</u>	<u>5,786,427</u>	<u>2,718,988</u>	<u>1,029,102</u>	<u>30,863,472</u>	<u>121,082,959</u>
Noncurrent assets:						
Restricted cash	194,010	261,976	6,325,213	6,615	-	6,787,814
Restricted investments	-	-	-	264,327	-	264,327
Notes and leases receivable	509,773	-	-	-	198,416	708,189
Net pension asset	1,185,643	561,951	240,004	-	9,756,576	11,744,174
Other noncurrent assets	-	-	-	-	-	-
Capital assets:						
Land, easements, water rights, construction in progress	19,496,451	2,207,049	709,545	-	2,163,886	24,576,931
Depreciable assets, net of accumulated depreciation/amortization	117,430,142	4,289,882	8,026,939	23,142	15,457,608	145,227,713
Net capital assets	<u>136,926,593</u>	<u>6,496,931</u>	<u>8,736,484</u>	<u>23,142</u>	<u>17,621,494</u>	<u>169,804,644</u>
Total noncurrent assets	<u>138,816,019</u>	<u>7,320,858</u>	<u>15,301,701</u>	<u>294,084</u>	<u>27,576,486</u>	<u>189,309,148</u>
Total assets	<u>219,500,989</u>	<u>13,107,285</u>	<u>18,020,689</u>	<u>1,323,186</u>	<u>58,439,958</u>	<u>310,392,107</u>
Deferred outflows of resources	<u>760,587</u>	<u>510,491</u>	<u>105,046</u>	<u>-</u>	<u>6,286,771</u>	<u>7,662,895</u>
Total assets and deferred outflows of resources	<u>220,261,576</u>	<u>13,617,776</u>	<u>18,125,735</u>	<u>1,323,186</u>	<u>64,726,729</u>	<u>318,055,002</u>
Liabilities, Deferred Inflows of Resources, and Net Assets						
Current liabilities:						
Accounts payable	1,158,825	659,249	87,219	51,064	964,936	2,921,293
Accrued interest payable	76,533	2,428	4,591	-	-	83,552
Accrued expenses	470,756	136,548	96,651	72,284	2,191,525	2,967,764
Unearned revenue	-	6,687	5,833,621	27,715	-	5,868,023
Current portion of long-term debt	2,690,000	39,269	181,116	-	144,603	3,054,988
Other current liabilities	-	-	-	6,615	1,487,926	1,494,541
Total current liabilities	<u>4,396,114</u>	<u>844,181</u>	<u>6,203,198</u>	<u>157,678</u>	<u>4,788,990</u>	<u>16,390,161</u>
Noncurrent liabilities:						
Bonds, notes, and leases payable	20,828,370	36,661	3,003,207	-	-	23,868,238
Net pension liability	-	-	-	-	-	-
Compensated absences and OPEB	49,972	-	-	-	998,234	1,048,206
Other long-term liabilities	-	533,155	-	-	-	533,155
Total noncurrent liabilities	<u>20,878,342</u>	<u>569,816</u>	<u>3,003,207</u>	<u>-</u>	<u>998,234</u>	<u>25,449,599</u>
Total liabilities	<u>25,274,456</u>	<u>1,413,997</u>	<u>9,206,405</u>	<u>157,678</u>	<u>5,787,224</u>	<u>41,839,760</u>
Deferred inflows of resources	<u>2,161,446</u>	<u>792,378</u>	<u>224,057</u>	<u>-</u>	<u>14,066,345</u>	<u>17,244,226</u>
Total liabilities and deferred inflows of resources	<u>27,435,902</u>	<u>2,206,375</u>	<u>9,430,462</u>	<u>157,678</u>	<u>19,853,569</u>	<u>59,083,986</u>
Net position:						
Net investment in capital assets	113,408,225	6,439,973	5,640,072	-	17,621,494	143,109,764
Restricted	1,186,634	-	643,685	264,327	-	2,094,646
Unrestricted	78,230,815	4,971,428	2,411,516	901,181	27,251,666	113,766,606
Total net position	<u>\$ 192,825,674</u>	<u>\$ 11,411,401</u>	<u>\$ 8,695,273</u>	<u>\$ 1,165,508</u>	<u>\$ 44,873,160</u>	<u>\$ 258,971,016</u>

Combining Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Units
 Year Ended December 31, 2022

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Behavioral Health Services	Total Component Units
Operating revenues	\$ 20,647,450	\$ 10,982,897	\$ 2,967,666	\$ 2,216,479	\$ 64,609,227	\$ 101,423,719
Operating expenses:						
Cost of services	10,431,733	10,352,856	2,059,652	1,925,768	50,359,983	75,129,992
Depreciation	5,260,986	627,596	361,932	4,249	909,479	7,164,242
Total operating expenses	15,692,719	10,980,452	2,421,584	1,930,017	51,269,462	82,294,234
Operating income (loss)	4,954,731	2,445	546,082	286,462	13,339,765	19,129,485
Nonoperating revenues (expenses):						
Interest revenue	1,250,362	88,052	116,603	-	95,244	1,550,261
Interest expense and fiscal charges	(694,823)	(3,138)	(96,061)	-	-	(794,022)
Other revenues (expenses)	9,234,322	13,151	414,619	-	255,398	9,917,490
Total nonoperating revenues (expenses)	9,789,861	98,065	435,161	-	350,642	10,673,729
Net income (loss)	14,744,592	100,510	981,243	286,462	13,690,407	29,803,214
Net position - beginning	178,081,082	11,310,891	7,714,030	879,046	31,182,753	229,167,802
Net position - ending	\$ 192,825,674	\$ 11,411,401	\$ 8,695,273	\$ 1,165,508	\$ 44,873,160	\$ 258,971,016

Combining Statement of Cash Flows
Discretely Presented Component Units
For the Year Ended December 31, 2022

	North Pointe					Total
	Timpanogos	Solid Waste	North Fork	Utah Valley	Wasatch	
	Special	Special	Special	Visitors and	Behavioral	
	Service	Service	Service	Convention	Health	
	District	District	District	Bureau	Services	
Cash flows from operating activities:						
Receipts from customers and users and others	\$ 21,373,966	\$ 10,992,980	\$ 2,672,166	\$ 2,193,218	\$ 58,870,491	\$ 96,102,821
Payments to suppliers and others	(6,328,458)	(7,544,955)	(865,381)	(1,164,725)	(9,489,422)	(25,392,941)
Payments to employees	(4,599,740)	(2,576,839)	(1,270,865)	(739,369)	(46,242,246)	(55,429,059)
Net cash provided (used) by operating activities	<u>10,445,768</u>	<u>871,186</u>	<u>535,920</u>	<u>289,124</u>	<u>3,138,823</u>	<u>15,280,821</u>
Cash flows from non-capital financing activities:						
Property taxes collected and other	200,000	-	7,303,248	-	55,756	7,559,004
Net cash provided (used) by non-capital financing activities	<u>200,000</u>	<u>-</u>	<u>7,303,248</u>	<u>-</u>	<u>55,756</u>	<u>7,559,004</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(10,122,299)	(728,381)	(1,190,522)	(1,051)	(1,695,948)	(13,738,201)
Proceeds from sales of capital assets	57,310	-	-	-	-	57,310
Proceeds from issuance of debt	-	-	-	-	-	-
Interest paid on noncurrent liabilities	(982,401)	(4,265)	(96,061)	-	-	(1,082,727)
Principal paid on noncurrent liabilities	(2,560,000)	(26,417)	(410,872)	-	-	(2,997,289)
Impact fees, capital facility fees, and other	8,667,958	-	-	-	-	8,667,958
Net cash provided (used) by capital and related financing activities	<u>(4,939,432)</u>	<u>(759,063)</u>	<u>(1,697,455)</u>	<u>(1,051)</u>	<u>(1,695,948)</u>	<u>(9,092,949)</u>
Cash flows from investing activities:						
Receipt (payment) of note receivable	-	-	-	-	22,613	22,613
Land lease receipts and other	-	13,151	-	-	199,642	212,793
Net sales (purchases) of investments	-	-	-	(235,022)	-	(235,022)
Interest and dividends received	1,250,363	88,052	116,603	-	95,244	1,550,262
Net cash provided (used) by investing activities	<u>1,250,363</u>	<u>101,203</u>	<u>116,603</u>	<u>(235,022)</u>	<u>317,499</u>	<u>1,550,646</u>
Net change in cash and cash equivalents	6,956,699	213,326	6,258,316	53,051	1,816,130	15,297,522
Cash and cash equivalents - beginning	<u>69,176,386</u>	<u>5,204,663</u>	<u>2,133,242</u>	<u>529,953</u>	<u>18,950,260</u>	<u>95,994,504</u>
Cash and cash equivalents - ending	<u>\$ 76,133,085</u>	<u>\$ 5,417,989</u>	<u>\$ 8,391,558</u>	<u>\$ 583,004</u>	<u>\$ 20,766,390</u>	<u>\$ 111,292,026</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 4,954,731	\$ 2,445	\$ 546,082	\$ 286,462	\$ 13,339,765	\$ 19,129,485
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization expense	5,260,986	627,596	361,932	4,249	909,479	7,164,242
Net (gain) loss on investments and other assets	-	-	-	72,834	-	72,834
Other noncash expenses	-	84,098	-	-	-	84,098
(Increase) decrease in accounts receivable	734,237	7,919	(295,500)	(111,875)	(1,565,376)	(1,230,595)
(Increase) decrease in prepaid expenses	(14,902)	-	-	(6,699)	-	(21,601)
(Increase) decrease in inventory	(113,444)	-	-	494	-	(112,950)
(Increase) decrease in other assets	(7,720)	(2,283)	-	-	(1,518,933)	(1,528,936)
Increase (decrease) in accounts payable	217,125	452,790	1,168	39,586	(262,340)	448,329
Increase (decrease) in accrued expenses	(3,841)	17,967	10,171	(11,707)	418,874	431,464
Increase (decrease) in unearned revenue	-	2,164	-	27,715	-	29,879
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	(581,404)	(302,461)	(87,933)	-	(8,522,592)	(9,494,390)
Increase (decrease) in other liabilities	-	(19,049)	-	(11,935)	339,946	308,962
Total adjustments	<u>5,491,037</u>	<u>868,741</u>	<u>(10,162)</u>	<u>2,662</u>	<u>(10,200,942)</u>	<u>(3,848,664)</u>
Net cash provided (used) by operating activities	<u>\$ 10,445,768</u>	<u>\$ 871,186</u>	<u>\$ 535,920</u>	<u>\$ 289,124</u>	<u>\$ 3,138,823</u>	<u>\$ 15,280,821</u>

Other Schedules



Spanish Fork Rodeo

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Statement of Taxes Levied, Collected, and Treasurer's Relief
For The Year Ended December 31, 2022

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
STATE OF UTAH				
Multi-County Assessing & Collecting	\$ 75,186,744,682	\$ 2,274,785,206	\$ 77,461,529,888	\$ 3,603,976,891
SCHOOL DISTRICTS/CHARTERS				
Alpine School Charter	49,652,478,341	1,460,915,189	51,113,393,530	2,464,298,906
Alpine School District	49,652,478,341	1,460,915,189	51,113,393,530	2,464,298,906
Nebo School Charter	16,119,540,931	646,821,883	16,766,362,814	715,259,681
Nebo School District	16,119,540,931	646,821,883	16,766,362,814	715,259,681
Provo City School District	9,514,372,658	167,565,432	9,681,938,090	426,938,079
Provo School Charter	9,514,372,658	167,565,432	9,681,938,090	426,938,079
UTAH COUNTY				
Utah County	75,186,744,682	2,274,785,206	77,461,529,888	3,603,976,891
Local Assessing & Collecting	75,186,744,682	2,274,785,206	77,461,529,888	3,603,976,891
MUNICIPALITIES				
Alpine City	2,133,746,088	17,207,020	2,150,953,108	11,042,609
American Fork City	4,559,499,952	65,941,616	4,625,441,568	191,247,276
Bluffdale	-	183,903	183,903	420,442
Cedar Fort Town	53,073,701	4,691,932	57,765,633	1,347,825
Cedar Hills City	972,601,110	10,227,010	982,828,120	7,577,666
Draper City	520,221,137	7,099,578	527,320,715	78,354
Eagle Mountain City	4,395,094,531	129,342,698	4,524,437,229	654,158,636
Elk Ridge City	487,799,748	2,931,939	490,731,687	1,377,706
Fairfield Town	33,618,776	906,980	34,525,756	859,458
Genola Town	155,852,155	72,994,047	228,846,202	958,766
Goshen Town	58,368,796	1,720,087	60,088,883	837,497
Highland City	2,887,828,121	45,520,193	2,933,348,314	22,585,650
Lehi City	10,821,796,821	156,533,481	10,978,330,302	714,786,441
Lindon City	2,504,260,073	30,062,582	2,534,322,655	228,821,904
Mapleton City	1,960,461,867	13,764,692	1,974,226,559	14,015,925
Orem City	9,515,337,795	163,961,203	9,679,298,998	414,015,303
Payson City	1,871,558,552	19,999,018	1,891,557,570	93,455,836
Pleasant Grove City	4,107,306,938	49,205,593	4,156,512,531	123,822,671
Provo City	9,514,372,658	167,565,432	9,681,938,090	426,938,079
Salem City	1,135,855,356	15,979,201	1,151,834,557	12,188,448
Santaquin City	1,233,094,831	24,616,048	1,257,710,879	14,545,160
Saratoga Springs City	4,665,111,650	42,233,806	4,707,345,456	41,753,267
Spanish Fork City	4,265,610,673	32,005,502	4,297,616,175	271,382,761
Springville City	3,561,501,146	41,487,881	3,602,989,027	259,379,917
Vineyard Town	1,522,795,116	614,193,501	2,136,988,617	38,519,033
Woodland Hills City	293,816,539	601,939	294,418,478	199,065
DISTRICTS/SERVICE AREAS				
Benjamin Cemetery Maintenance District	150,272,922	13,685,975	163,958,897	4,367,510
Central Utah Water Conservancy District	75,186,744,682	2,274,785,206	77,461,529,888	3,603,976,891
Jordan Valley Water Conservancy District	491,594,700	5,785,418	497,380,118	476,176
Lehi Metropolitan Water District	10,821,796,821	156,533,481	10,978,330,302	714,786,441
Medical School Campus PID	22,106,700	-	22,106,700	-
North Fork Special Service District	472,134,017	3,852,246	475,986,263	4,022,311
North Utah County Water Conservancy District	26,238,572,446	1,007,848,915	27,246,421,361	1,117,370,017
Orem Metropolitan Water District	9,515,337,795	163,961,203	9,679,298,998	414,015,303
Pole Canyon Basic Local District	68,728,392	231,902	68,960,294	61,790,241
Red Bridge PID #1	13,006,767	-	13,006,767	-
Red Bridge PID #2	773,431	-	773,431	-
Red Bridge PID #3	841,823	-	841,823	-
Soldier Summit Special Service District	11,126,588	1,389,610	12,516,198	69,928
South Valley Sewer District	517,644,037	7,283,481	524,927,518	476,176
Springville Drainage District	1,258,715,364	6,337,573	1,265,052,937	33,572,059
Traverse Ridge Special Service District	491,594,700	5,580,875	497,175,575	55,734
Unified Fire Service Area (Salt Lake County)	4,395,094,531	129,342,698	4,524,437,229	654,158,636
Utah County Service Area #6	1,956,160,552	543,808,324	2,499,968,876	57,661,196
Utah County Service Area #7	1,270,220,850	60,102,090	1,330,322,940	39,071,339
Utah County Service Area #8	1,956,160,552	543,808,324	2,499,968,876	57,661,196
Utah County Service Area #9	674,813,114	482,402,213	1,157,215,327	18,519,929
TOTAL	\$ 584,877,042,820	\$ 18,512,677,042	\$ 603,389,719,862	\$ 28,353,290,783

Statement of Taxes Levied, Collected, and Treasurer's Relief
For The Year Ended December 31, 2022

Taxing Unit	<e>	<f>	<g>	<h>	<i>
	<c> + <d>	Current	Prior	Real & Cent.	Personal
	Total	Year Tax	Year Tax	Assessed	Property
	Taxable	Rate	Rate	Taxes	Taxes
	Value			Charged	Charged
STATE OF UTAH					
Multi-County Assessing & Collecting	\$ 81,065,506,779	0.000015	0.000012	\$ 1,161,923	\$ 43,248
SCHOOL DISTRICTS/CHARTERS					
Alpine School Charter	53,577,692,436	0.000055	0.000062	2,811,237	152,787
Alpine School District	53,577,692,436	0.005669	0.006842	289,761,828	16,860,733
Nebo School Charter	17,481,622,495	0.000070	0.000076	1,173,645	54,360
Nebo School District	17,481,622,495	0.007513	0.008618	125,965,684	6,164,108
Provo City School District	10,108,876,169	0.007227	0.006926	69,971,367	2,956,973
Provo School Charter	10,108,876,169	0.000096	0.000091	929,466	38,851
UTAH COUNTY					
Utah County	81,065,506,779	0.000661	0.000853	51,202,071	3,074,192
Local Assessing & Collecting	81,065,506,779	0.000111	0.000142	8,598,230	511,765
MUNICIPALITIES					
Alpine City	2,161,995,717	0.001306	0.001306	2,809,145	14,422
American Fork City	4,816,688,844	0.001679	0.001687	7,766,116	322,634
Bluffdale	604,345	0.001161	0.001519	214	639
Cedar Fort Town	59,113,458	0.000482	0.000612	27,843	825
Cedar Hills City	990,405,786	0.001123	0.001495	1,103,716	11,329
Draper City	527,399,069	0.000927	0.001141	488,826	89
Eagle Mountain City	5,178,595,865	0.000541	0.000724	2,447,721	473,611
Elk Ridge City	492,109,393	0.001093	0.001494	536,370	2,058
Fairfield Town	35,385,214	0.000640	0.000930	22,096	799
Genola Town	229,804,968	0.000946	0.000914	216,489	876
Goshen Town	60,926,380	0.000387	0.000488	23,254	409
Highland City	2,955,933,964	0.000817	0.001122	2,396,546	25,341
Lehi City	11,693,116,743	0.001189	0.001429	13,053,235	1,021,430
Lindon City	2,763,144,559	0.000907	0.001116	2,298,631	255,365
Mapleton City	1,988,242,484	0.001489	0.002048	2,939,623	28,705
Orem City	10,093,314,301	0.000925	0.001094	8,953,352	452,933
Payson City	1,985,013,406	0.001193	0.001193	2,256,628	111,493
Pleasant Grove City	4,280,335,202	0.001303	0.001497	5,415,936	185,363
Provo City	10,108,876,169	0.001710	0.002230	16,556,114	952,072
Salem City	1,164,023,005	0.001227	0.001227	1,413,301	14,955
Santaquin City	1,272,256,039	0.000935	0.001282	1,175,960	18,647
Saratoga Springs City	4,749,098,723	0.001028	0.001359	4,839,151	56,743
Spanish Fork City	4,568,998,936	0.001111	0.001129	4,774,652	306,391
Springville City	3,862,368,944	0.001159	0.001497	4,175,864	388,292
Vineyard Town	2,175,507,650	0.002903	0.003329	6,203,678	128,230
Woodland Hills City	294,617,543	0.003210	0.004250	945,083	846
DISTRICTS/SERVICE AREAS					
Benjamin Cemetery Maintenance District	168,326,407	0.000081	0.000104	13,281	454
Central Utah Water Conservancy District	81,065,506,779	0.000400	0.000400	30,984,612	1,441,591
Jordan Valley Water Conservancy District	497,856,294	0.000319	0.000369	158,664	176
Lehi Metropolitan Water District	11,693,116,743	0.000006	0.000008	65,870	5,718
Medical School Campus PID	22,106,700	0.015000	0.015000	331,601	-
North Fork Special Service District	480,008,574	0.000363	0.000467	172,783	1,878
North Utah County Water Conservancy District	28,363,791,378	0.000012	0.000015	326,957	16,761
Orem Metropolitan Water District	10,093,314,301	0.000018	0.000023	174,227	9,522
Pole Canyon Basic Local District	130,750,535	0.000044	0.000057	3,034	3,522
Red Bridge PID #1	13,006,767	0.003000	-	39,020	-
Red Bridge PID #2	773,431	0.005500	-	4,254	-
Red Bridge PID #3	841,823	-	-	-	-
Soldier Summit Special Service District	12,586,126	0.002463	0.002591	30,827	181
South Valley Sewer District	525,403,694	0.000199	0.000250	104,461	119
Springville Drainage District	1,298,624,996	0.000236	0.000290	298,552	9,736
Traverse Ridge Special Service District	497,231,309	0.000708	0.000447	352,000	25
Unified Fire Service Area (Salt Lake County)	5,178,595,865	0.001320	0.001592	5,972,257	1,041,421
Utah County Service Area #6	2,557,630,072	0.000860	0.001046	2,149,973	60,314
Utah County Service Area #7	1,369,394,279	0.000357	0.000472	474,925	18,442
Utah County Service Area #8	2,557,630,072	0.000192	0.000233	479,994	13,435
Utah County Service Area #9	1,175,735,256	0.000104	0.000115	120,350	2,130
TOTAL	\$ 631,743,010,645			\$ 686,672,637	\$ 37,256,936

Statement of Taxes Levied, Collected, and Treasurer's Relief
For The Year Ended December 31, 2022

Taxing Unit	Treasurer's Relief				
	<j> <h> + <i> Total Taxes Charged	Unpaid Taxes	Abate- ments	Other	Total Relief
STATE OF UTAH					
Multi-County Assessing & Collecting	\$ 1,205,171	\$ 77,273	\$ 7,643	-\$11,256	\$ 73,660
SCHOOL DISTRICTS/CHARTERS					
Alpine School Charter	2,964,023	181,851	17,354	3,822	203,027
Alpine School District	306,622,561	19,243,835	1,788,675	660,765	21,693,275
Nebo School Charter	1,228,005	80,929	10,139	(83,721)	7,347
Nebo School District	132,129,792	8,686,046	1,088,236	(92,598)	9,681,684
Provo City School District	72,928,340	4,979,783	355,117	(28,180)	5,306,720
Provo School Charter	968,317	66,149	4,717	(463)	70,403
UTAH COUNTY					
Utah County	54,276,264	3,405,183	336,782	305,649	4,047,614
Local Assessing & Collecting	9,109,995	571,823	56,555	18,354	646,732
MUNICIPALITIES					
Alpine City	2,823,566	299,222	8,599	(3,868)	303,953
American Fork City	8,088,751	444,589	44,622	(55,440)	433,771
Bluffdale	852	-	-	(66)	(66)
Cedar Fort Town	28,668	1,788	225	7	2,020
Cedar Hills City	1,115,045	50,997	8,844	1,196	61,037
Draper City	488,916	27,376	8,456	462	36,294
Eagle Mountain City	2,921,331	90,632	26,934	87,058	204,624
Elk Ridge City	538,428	16,021	7,133	(96)	23,058
Fairfield Town	22,896	2,306	264	(20)	2,550
Genola Town	217,365	6,896	1,491	(304)	8,083
Goshen Town	23,663	2,109	415	-	2,524
Highland City	2,421,887	155,749	11,418	1,514	168,681
Lehi City	14,074,665	934,891	60,609	(43,087)	952,413
Lindon City	2,553,996	192,906	5,389	(13,180)	185,115
Mapleton City	2,968,328	266,817	17,087	889	284,793
Orem City	9,406,284	575,376	58,458	(12,379)	621,455
Payson City	2,368,121	115,163	25,106	(7,136)	133,133
Pleasant Grove City	5,601,298	358,187	35,228	3,282	396,697
Provo City	17,508,186	1,178,280	84,025	88,537	1,350,842
Salem City	1,428,256	129,655	14,017	(3,235)	140,437
Santaquin City	1,194,607	41,175	15,600	1,054	57,829
Saratoga Springs City	4,895,894	261,689	47,576	8,285	317,550
Spanish Fork City	5,081,043	355,972	40,838	(16,008)	380,802
Springville City	4,564,156	305,786	33,937	19,211	358,934
Vineyard Town	6,331,908	264,477	18,494	437,770	720,741
Woodland Hills City	945,929	88,342	4,855	343	93,540
DISTRICTS/SERVICE AREAS					
Benjamin Cemetery Maintenance District	13,735	1,411	186	(41)	1,556
Central Utah Water Conservancy District	32,426,203	2,060,625	203,801	(91,608)	2,172,818
Jordan Valley Water Conservancy District	158,840	9,421	2,910	156	12,487
Lehi Metropolitan Water District	71,588	4,718	306	319	5,343
Medical School Campus PID	331,601	331,601	-	410	332,011
North Fork Special Service District	174,661	21,196	93	(361)	20,928
North Utah County Water Conservancy District	343,718	22,487	1,707	2,393	26,587
Orem Metropolitan Water District	183,750	11,196	1,138	35	12,369
Pole Canyon Basic Local District	6,556	4	-	1	5
Red Bridge PID #1	39,020	906	-	840	1,746
Red Bridge PID #2	4,254	1,661	-	1,540	3,201
Red Bridge PID #3	-	-	-	-	-
Soldier Summit Special Service District	31,009	9,634	-	588	10,222
South Valley Sewer District	104,580	5,877	1,815	100	7,792
Springville Drainage District	308,288	22,282	2,021	(2,071)	22,232
Traverse Ridge Special Service District	352,025	20,908	6,458	295	27,661
Unified Fire Service Area (Salt Lake County)	7,013,678	221,135	65,718	(18,659)	268,194
Utah County Service Area #6	2,210,287	190,951	7,234	(34,104)	164,081
Utah County Service Area #7	493,367	46,803	2,890	(13,948)	35,745
Utah County Service Area #8	493,429	42,631	1,615	(7,619)	36,627
Utah County Service Area #9	122,480	9,051	33	(112)	8,972
TOTAL	<u>\$ 723,929,573</u>	<u>\$ 46,493,771</u>	<u>\$ 4,542,763</u>	<u>\$ 1,105,315</u>	<u>\$ 52,141,849</u>

Statement of Taxes Levied, Collected, and Treasurer's Relief
For The Year Ended December 31, 2022

Taxing Unit	<k> Current Year Taxes Collected	<k> / <j> Collection Rate	Other Collections	
			Fee-in-Lieu / Age-Based	Misc Collections & Pers. Prop. Realloc
STATE OF UTAH				
Multi-County Assessing & Collecting	\$ 1,131,511	93.89%	\$ 49,460	\$ 26,229
SCHOOL DISTRICTS/CHARTERS				
Alpine School Charter	2,760,998	93.15%	157,644	56,432
Alpine School District	284,929,287	92.93%	17,120,524	4,566,501
Nebo School Charter	1,220,657	99.40%	63,439	25,697
Nebo School District	122,448,108	92.67%	7,103,274	2,575,805
Provo City School District	67,621,620	92.72%	2,799,176	647,699
Provo School Charter	897,914	92.73%	36,878	8,941
UTAH COUNTY				
Utah County	50,228,650	92.54%	3,111,138	782,840
Local Assessing & Collecting	8,463,262	92.90%	518,876	111,372
MUNICIPALITIES				
Alpine City	2,519,613	89.24%	123,155	15,618
American Fork City	7,654,979	94.64%	376,032	83,089
Bluffdale	918	107.73%	-	110
Cedar Fort Town	26,648	92.95%	3,338	453
Cedar Hills City	1,054,008	94.53%	89,737	2,545
Draper City	452,623	92.58%	29,565	1,309
Eagle Mountain City	2,716,707	93.00%	178,439	119,000
Elk Ridge City	515,371	95.72%	40,161	2,650
Fairfield Town	20,345	88.86%	2,953	94
Genola Town	209,282	96.28%	9,292	8,998
Goshen Town	21,140	89.34%	2,511	163
Highland City	2,253,206	93.04%	173,055	4,593
Lehi City	13,122,251	93.23%	730,569	145,801
Lindon City	2,368,882	92.75%	124,496	81,931
Mapleton City	2,683,534	90.41%	165,757	126,576
Orem City	8,784,829	93.39%	581,115	40,195
Payson City	2,234,988	94.38%	119,461	32,259
Pleasant Grove City	5,204,602	92.92%	324,898	125,416
Provo City	16,157,344	92.28%	842,128	12,860
Salem City	1,287,819	90.17%	79,000	34,011
Santaquin City	1,136,777	95.16%	91,767	2,357
Saratoga Springs City	4,578,343	93.51%	335,474	276,934
Spanish Fork City	4,700,240	92.51%	257,625	132,273
Springville City	4,205,222	92.14%	264,523	36,011
Vineyard Town	5,611,167	88.62%	230,033	18,305
Woodland Hills City	852,389	90.11%	35,575	2,582
DISTRICTS/SERVICE AREAS				
Benjamin Cemetery Maintenance District	12,178	88.66%	911	512
Central Utah Water Conservancy District	30,253,385	93.30%	1,548,821	618,806
Jordan Valley Water Conservancy District	146,354	92.14%	8,958	408
Lehi Metropolitan Water District	66,245	92.54%	3,997	569
Medical School Campus PID	(410)	(0.12%)	-	410
North Fork Special Service District	153,734	88.02%	539	399
North Utah County Water Conservancy District	317,131	92.26%	18,944	3,195
Orem Metropolitan Water District	171,380	93.27%	12,010	405
Pole Canyon Basic Local District	6,552	99.93%	7	(204)
Red Bridge PID #1	37,274	95.52%	-	-
Red Bridge PID #2	1,052	24.73%	-	-
Red Bridge PID #3	-	na	-	-
Soldier Summit Special Service District	20,787	67.04%	82	192
South Valley Sewer District	96,788	92.55%	6,002	278
Springville Drainage District	286,058	92.79%	14,090	6,647
Traverse Ridge Special Service District	324,364	92.14%	13,025	506
Unified Fire Service Area (Salt Lake County)	6,745,484	96.18%	401,553	110,966
Utah County Service Area #6	2,046,206	92.58%	59,125	53,176
Utah County Service Area #7	457,622	92.75%	24,781	12,392
Utah County Service Area #8	456,802	92.58%	13,177	11,895
Utah County Service Area #9	113,509	92.68%	370	2,562
TOTAL	\$ 671,787,729		\$ 38,297,460	\$ 10,930,763

Statement of Taxes Levied, Collected, and Treasurer's Relief
For The Year Ended December 31, 2022

Taxing Unit	Delinquent Collections				
	Tax	Interest / Penalty	Tax Increments Paid	Refunds Paid	Total All Collections
STATE OF UTAH					
Multi-County Assessing & Collecting	\$ 46,006	\$ 1,193	\$ 0	\$ 0	\$ 1,254,399
SCHOOL DISTRICTS/CHARTERS					
Alpine School Charter	128,011	3,447	173,630	-	2,932,902
Alpine School District	13,614,053	365,890	16,948,174	-	303,648,081
Nebo School Charter	71,317	1,509	87,439	-	1,295,180
Nebo School District	7,720,009	156,281	573,956	-	139,429,521
Provo City School District	3,871,676	107,211	872,616	-	74,174,766
Provo School Charter	50,677	1,380	14,363	-	981,427
UTAH COUNTY					
Utah County	2,814,514	931,733	2,440,149	-	55,428,726
Local Assessing & Collecting	459,980	12,286	-	-	9,565,776
MUNICIPALITIES					
Alpine City	178,316	3,215	-	-	2,839,917
American Fork City	341,736	15,846	339,293	-	8,132,389
Bluffdale	(262)	-	-	-	766
Cedar Fort Town	1,697	152	-	-	32,288
Cedar Hills City	39,927	883	-	-	1,187,100
Draper City	35,736	1,335	-	-	520,568
Eagle Mountain City	46,252	1,045	505,739	-	2,555,704
Elk Ridge City	17,605	520	-	-	576,307
Fairfield Town	738	39	-	-	24,169
Genola Town	12,341	228	-	-	240,141
Goshen Town	2,206	52	-	-	26,072
Highland City	135,263	2,585	-	-	2,568,702
Lehi City	669,493	13,123	1,226,528	-	13,454,709
Lindon City	218,044	8,027	84,304	-	2,717,076
Mapleton City	256,332	5,675	-	-	3,237,874
Orem City	423,491	13,137	238,485	-	9,604,282
Payson City	101,116	3,513	-	-	2,491,337
Pleasant Grove City	231,260	5,823	290,084	-	5,601,915
Provo City	1,119,138	30,167	260,489	-	17,901,148
Salem City	57,343	1,183	-	-	1,459,356
Santaquin City	44,504	1,245	-	-	1,276,650
Saratoga Springs City	200,997	5,836	-	-	5,397,584
Spanish Fork City	200,097	4,485	8,212	-	5,286,508
Springville City	221,893	6,821	81,231	-	4,653,239
Vineyard Town	(89,899)	3,815	2,565,121	-	3,208,300
Woodland Hills City	74,137	789	-	-	965,472
DISTRICTS/SERVICE AREAS					
Benjamin Cemetery Maintenance District	1,427	25	-	-	15,053
Central Utah Water Conservancy District	1,459,903	36,995	1,238,690	-	32,679,220
Jordan Valley Water Conservancy District	11,508	401	-	-	167,629
Lehi Metropolitan Water District	3,696	70	6,100	-	68,477
Medical School Campus PID	-	-	-	-	-
North Fork Special Service District	16,172	206	-	-	171,050
North Utah County Water Conservancy District	17,119	452	21,584	-	335,257
Orem Metropolitan Water District	8,616	270	4,653	-	188,028
Pole Canyon Basic Local District	(36)	-	1,680	-	4,639
Red Bridge PID #1	-	-	-	-	37,274
Red Bridge PID #2	-	-	-	-	1,052
Red Bridge PID #3	-	-	-	-	-
Soldier Summit Special Service District	9,836	71	-	-	30,968
South Valley Sewer District	7,744	289	-	-	111,101
Springville Drainage District	17,367	285	14,851	-	309,596
Traverse Ridge Special Service District	18,134	542	-	-	356,571
Unified Fire Service Area (Salt Lake County)	111,510	2,301	1,201,913	-	6,169,901
Utah County Service Area #6	326,238	3,178	-	-	2,487,923
Utah County Service Area #7	29,901	718	-	-	525,414
Utah County Service Area #8	72,713	709	-	-	555,296
Utah County Service Area #9	27,915	169	-	-	144,525
TOTAL	\$ 35,455,507	\$ 1,757,150	\$ 29,199,284	\$ 0	\$ 729,029,325

Information about Infrastructure Assets Reported Using the Modified Approach

Ratings for Utah County’s Roads System

For the Year Ended December 31, 2022

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. In addition, under the modified approach, 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 with low ratings are 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, 2022, the County had 47.77 miles of dirt roads, 140.09 miles of gravel roads, 252.73 miles of chip-seal roads, and 91.82 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):

Year	Budget	Expenditures
2018	\$ 6,495,628	\$ 6,271,108
2019	\$ 4,317,670	\$ 4,280,504
2020	\$ 4,191,483	\$ 3,878,312
2021	\$ 3,937,544	\$ 4,476,122
2022	\$ 6,324,900	\$ 4,089,967

The total value of the County’s roads system was \$64,105,046 as of December 31, 2022.

Report prepared by the Utah County Public Works Department.

**Schedule of Transient Room Tax (TRT) and Tourism, Recreation, Cultural,
Convention, and Airport Facilities (TRCC) Tax Expenditures**
For the Year Ended December 31, 2022

Transient Room Tax

Establishing and promoting:		
Recreation	\$	44,574
Tourism		1,974,095
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		2,122,664
Total expenditures	<u>\$</u>	<u>4,141,333</u>

Tourism, Recreation, Cultural, Convention, And Airport Facilities Tax

Financing tourism promotion	\$	810,459
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		5,055,057
Cultural facilities		3,113,904
Convention facilities		6,434,078
Airport facilities		4,300,000
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>19,713,498</u>

STATISTICAL SECTION



Utah Valley

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of related debt	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978	\$ 285,092	\$ 270,761	\$ 234,109	\$ 223,429
Restricted	73,746	75,918	72,021	89,378	101,109	107,132	123,608	165,340	220,435	256,247
Unrestricted	43,953	51,489	53,711	46,690	10,667	15,552	9,990	85,122	172,175	245,228
Total governmental activities net position	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>	<u>\$ 385,662</u>	<u>\$ 418,690</u>	<u>\$ 521,223</u>	<u>\$ 626,719</u>	<u>\$ 724,904</u>
Primary government										
Invested in capital assets, net of related debt	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978	\$ 285,092	\$ 270,761	\$ 234,109	\$ 223,429
Restricted	73,746	75,918	72,021	89,378	101,109	107,132	123,608	165,340	220,435	256,247
Unrestricted	43,953	51,489	53,711	46,690	10,667	15,552	9,990	85,122	172,175	245,228
Total primary government net position	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>	<u>\$ 385,662</u>	<u>\$ 418,690</u>	<u>\$ 521,223</u>	<u>\$ 626,719</u>	<u>\$ 724,904</u>

Source: Utah County Statements of Net Position at December 31, 2013 through 2022.

Note: The County has no business-type activities.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
General government	\$ 37,695	\$ 38,498	\$ 37,907	\$ 39,400	\$ 41,393	\$ 47,470	\$ 51,857	\$ 133,201	\$ 67,585	\$ 92,642
Public safety	46,787	48,865	48,362	51,135	55,342	56,047	62,761	60,433	66,068	71,896
Public health and welfare	33,660	32,924	32,988	32,301	34,600	35,890	38,774	34,900	36,494	36,670
Roads and public improvements	37,657	44,088	48,453	61,128	82,785	24,269	79,686	100,754	113,684	135,957
Parks and recreation	3,699	1,772	1,760	2,100	4,464	5,797	4,096	1,880	2,139	2,705
Interest on long-term liabilities	12,593	12,326	11,950	11,505	12,957	12,803	10,673	7,092	5,659	6,610
Total primary government expenses	<u>\$ 172,091</u>	<u>\$ 178,473</u>	<u>\$ 181,420</u>	<u>\$ 197,569</u>	<u>\$ 231,541</u>	<u>\$ 182,276</u>	<u>\$ 247,847</u>	<u>\$ 338,260</u>	<u>\$ 291,629</u>	<u>\$ 346,480</u>
Program Revenues										
Charges for services:										
General government	\$ 11,876	\$ 13,163	\$ 15,303	\$ 15,224	\$ 16,339	\$ 17,787	\$ 26,846	\$ 28,702	\$ 37,149	\$ 23,865
Public safety	13,673	12,955	13,132	13,543	8,402	7,969	6,424	3,206	5,747	6,364
Public health	11,371	11,107	10,397	11,833	11,390	12,387	15,122	11,943	11,714	12,886
Roads and public improvements	-	-	-	-	-	-	-	-	-	5,177
Operating grants and contributions	24,326	30,521	28,501	28,832	30,744	35,354	30,118	144,121	62,857	73,487
Total primary government program revenues	<u>\$ 61,246</u>	<u>\$ 67,746</u>	<u>\$ 67,333</u>	<u>\$ 69,432</u>	<u>\$ 66,875</u>	<u>\$ 73,497</u>	<u>\$ 78,510</u>	<u>\$ 187,972</u>	<u>\$ 117,467</u>	<u>\$ 121,779</u>
Net (Expense)/Revenue										
Total primary government program net expense	<u>\$ (110,845)</u>	<u>\$ (110,727)</u>	<u>\$ (114,087)</u>	<u>\$ (128,137)</u>	<u>\$ (164,666)</u>	<u>\$ (108,779)</u>	<u>\$ (169,337)</u>	<u>\$ (150,288)</u>	<u>\$ (174,162)</u>	<u>\$ (224,701)</u>
General Revenues										
Property taxes	\$ 42,611	\$ 40,610	\$ 42,949	\$ 44,528	\$ 44,474	\$ 48,402	\$ 50,216	\$ 73,840	\$ 70,651	\$ 72,538
Sales and franchise taxes	80,375	84,809	90,067	96,055	105,973	112,734	143,279	166,954	204,966	231,027
Investment earnings	578	556	695	1,183	2,538	3,503	4,212	2,506	1,174	5,868
Miscellaneous	2,015	2,840	1,688	1,858	1,416	2,676	4,657	9,381	2,867	13,453
Total primary government general revenues	<u>125,579</u>	<u>128,815</u>	<u>135,399</u>	<u>143,624</u>	<u>154,401</u>	<u>167,315</u>	<u>202,364</u>	<u>252,681</u>	<u>279,658</u>	<u>322,886</u>
Changes in Net Position										
Total primary government	<u>\$ 14,734</u>	<u>\$ 18,088</u>	<u>\$ 21,312</u>	<u>\$ 15,487</u>	<u>\$ (10,265)</u>	<u>\$ 58,536</u>	<u>\$ 33,027</u>	<u>\$ 102,393</u>	<u>\$ 105,496</u>	<u>\$ 98,185</u>

Source: Utah County Statements of Activities for years ended at December 31, 2013 through 2022.

Note: The County has only governmental activities and no business-type activities.

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

	2018	2019	2020	2021	2022
Assets and deferred outflows of resources					
Assets:					
Cash and investments	\$ 156,382,465	\$ 174,766,354	\$ 242,252,848	\$ 405,409,109	\$ 491,553,366
Receivables:					
Taxes receivable	21,501,860	27,175,559	36,266,748	34,911,198	35,081,177
Leases receivable	-	-	3,445,250	3,053,506	2,652,957
Other receivables	10,975,408	12,555,941	51,979,020	15,855,823	17,134,922
Inventories	314,349	315,837	572,563	634,070	773,230
Other current assets	4,257,491	4,297,114	11,617,793	11,980,252	12,579,919
Capital assets, net of depreciation					
Land	47,074,157	48,013,335	47,626,335	48,997,453	54,075,565
Rights of way and water rights	211,740	211,740	211,740	211,740	235,740
Buildings	109,513,264	106,758,580	100,363,508	99,224,896	97,306,636
Improvements other than buildings	3,957,006	3,739,898	3,388,561	3,205,591	2,959,074
Equipment	10,438,260	12,355,640	14,302,683	18,829,172	23,908,745
Right-to-use assets	-	-	2,552,570	2,108,118	2,162,904
Infrastructure	311,835,068	315,299,518	321,838,027	322,543,824	324,841,425
Construction in progress	-	-	-	7,084	338,405
Net pension asset	17,953	-	-	416,277	28,151,124
Total assets	676,479,021	705,489,516	836,417,646	967,388,113	1,093,755,189
Deferred outflows of resources	26,496,655	35,882,059	28,042,789	28,502,152	27,525,414
Total assets and deferred outflows of resources	702,975,676	741,371,575	864,460,435	995,890,265	1,121,280,603
Liabilities and deferred inflows of resources					
Liabilities:					
Accounts payable and accruals	\$ 12,315,745	\$ 21,547,079	\$ 39,750,852	\$ 19,491,620	\$ 20,060,266
Accrued interest	924,444	801,005	793,025	698,608	656,938
Unearned revenues	3,132,201	4,637,954	19,092,090	76,381,891	106,683,733
Bonds and leases payable--due within one year	9,202,668	10,596,810	8,907,022	8,220,000	10,525,930
Other liabilities	3,567,758	562,886	-	-	1,231,230
Noncurrent liabilities:					
Revenue bonds payable--due more than one year	242,383,352	227,483,675	219,076,021	208,431,196	194,468,933
Leases payable--due more than one year	-	-	2,051,588	2,176,655	1,801,550
Compensated absences and other postemployment benefits	11,692,531	14,773,282	14,435,729	14,583,217	13,598,987
Net pension liability	23,585,228	41,017,088	24,085,947	9,825,653	-
Total liabilities	306,803,927	321,419,779	328,192,274	339,808,840	349,027,567
Deferred inflows of resources	10,509,348	1,262,166	15,044,849	29,362,237	47,348,572
Total liabilities and deferred inflows of resources	317,313,275	322,681,945	343,237,123	369,171,077	396,376,139
Net position					
Net investment in capital assets	\$ 262,978,181	\$ 285,092,022	\$ 270,761,103	\$ 234,108,748	\$ 223,429,256
Restricted for:					
Debt service	2,807,164	1,396,040	500	-	-
Special service areas/districts	-	-	8,760,217	10,067,598	12,198,744
Assessing and collecting property taxes	4,426,091	6,500,960	4,510,034	5,652,531	5,889,306
Recorder services	-	-	8,168,531	13,602,717	15,332,194
Transient room tax	771,038	772,576	1,073,129	2,474,970	4,406,102
Public transit tax	79,176,704	87,415,200	109,678,666	148,192,673	176,540,777
TRCC taxes	19,951,288	27,522,726	33,149,320	40,444,761	41,880,201
Unrestricted	15,551,935	9,990,106	85,121,812	172,175,190	245,227,884
Total net position	\$ 385,662,401	\$ 418,689,630	\$ 521,223,312	\$ 626,719,188	\$ 724,904,464

Source: Utah County Statements of Net Position at December 31, 2018 through 2022.

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

	2018	2019	2020	2021	2022
Net (expenses)/revenues by function: ¹					
Governmental activities:					
General government	\$ (29,683,836)	\$ (25,010,942)	\$ (17,279,118)	\$ 1,441,010	\$ (18,576,414)
Public safety	(42,095,367)	(51,199,988)	(24,096,798)	(58,766,528)	(64,475,059)
Public health and welfare	(5,640,848)	(6,866,438)	(6,433,663)	(4,589,049)	(5,576,024)
Roads and public improvements	(12,758,697)	(71,490,657)	(93,505,235)	(104,449,882)	(126,759,009)
Parks and recreation	(5,797,461)	(4,096,461)	(1,880,475)	(2,139,504)	(2,705,060)
Interest on long-term liabilities	(12,802,726)	(10,672,711)	(7,091,831)	(5,658,676)	(6,609,571)
Total net (expenses)/revenues	<u>(108,778,935)</u>	<u>(169,337,197)</u>	<u>(150,287,120)</u>	<u>(174,162,629)</u>	<u>(224,701,137)</u>
General revenues:					
Property taxes	\$ 48,402,475	\$ 50,215,937	\$ 73,839,645	\$ 70,650,601	\$ 72,538,185
Sales and franchise taxes	99,158,282	128,349,527	153,730,847	186,985,524	210,163,701
TRCC taxes	9,762,168	10,679,684	10,186,963	13,160,330	14,851,930
Transient room tax	3,813,235	4,250,553	3,035,857	4,820,396	6,010,915
Earnings on investments	3,503,161	4,212,102	2,506,251	1,174,498	5,868,488
Miscellaneous revenues	2,675,514	4,656,623	9,380,804	2,867,156	13,453,194
Total general revenues	<u>167,314,835</u>	<u>202,364,426</u>	<u>252,680,367</u>	<u>279,658,505</u>	<u>322,886,413</u>
Change in net position	58,535,900	33,027,229	102,393,247	105,495,876	98,185,276
Net position - beginning	327,126,501 ²	385,662,401	418,830,065 ³	521,223,312	626,719,188
Net position - ending	<u>\$ 385,662,401</u>	<u>\$ 418,689,630</u>	<u>\$ 521,223,312</u>	<u>\$ 626,719,188</u>	<u>\$ 724,904,464</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 2018 restated due to implementation of GASB Statement No. 75.

⁽³⁾ Beginning net position in 2020 restated due to implementation of GASB Statement No. 87.

Source: Utah County Statements of Activities at December 31, 2018 through 2022.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Restricted	\$ 3,503	\$ 3,532	\$ 3,590	\$ 3,737	\$ 3,687	\$ 3,828	\$ 4,024	\$ 6,567	\$ 5,910	\$ 6,239
Committed	-	-	-	-	-	-	-	15,366	13,828	14,600
Assigned	8,587	7,442	7,574	7,428	4,666	4,666	3,666	7,579	-	-
Unassigned	13,822	17,407	16,323	16,924	16,557	14,414	11,577	13,918	34,224	34,682
Total general fund	<u>\$ 25,912</u>	<u>\$ 28,381</u>	<u>\$ 27,487</u>	<u>\$ 28,089</u>	<u>\$ 24,910</u>	<u>\$ 22,908</u>	<u>\$ 19,267</u>	<u>\$ 43,430</u>	<u>\$ 53,962</u>	<u>\$ 55,521</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 431	\$ 50	\$ 373	\$ 681	\$ 733	\$ 771	\$ 772	\$ 1,073	\$ 2,475	\$ 4,406
Assessing and collecting	3,676	4,055	4,505	5,209	5,281	4,426	6,501	4,510	5,653	5,889
Recorder services	-	-	-	-	-	-	-	8,169	13,603	15,332
Public transit tax	44,521	51,213	57,085	68,789	75,602	79,177	87,415	109,679	148,193	176,541
TRCC taxes	5,711	6,333	7,479	11,635	15,307	19,951	27,523	33,149	40,445	41,880
Special service areas/districts	5,854	6,248	5,588	5,796	5,932	5,959	6,199	8,760	10,067	12,199
Bond proceeds	10,047	9,421	8,142	56,461	28,754	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Committed for:										
Public health and welfare	6,293	6,732	5,882	7,163	8,197	8,241	10,025	8,610	9,291	8,388
Public safety	640	720	797	882	983	1,035	1,129	1,349	1,075	1,162
Capital projects	7,396	6,596	8,503	9,462	9,629	9,466	9,754	28,606	48,760	67,597
Debt service	9,579	9,593	5,314	3,064	4,186	2,807	1,396	1	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	7	7	7	7	-	603	-
Total all other governmental funds	<u>\$ 94,148</u>	<u>\$ 100,961</u>	<u>\$ 103,668</u>	<u>\$ 169,149</u>	<u>\$ 154,611</u>	<u>\$ 131,840</u>	<u>\$ 150,721</u>	<u>\$ 203,906</u>	<u>\$ 280,165</u>	<u>\$ 333,394</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2013 through 2022.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 122,271	\$ 125,999	\$ 132,574	\$ 140,517	\$ 151,516	\$ 160,001	\$ 193,693	\$ 239,851	\$ 275,383	\$ 303,796
Licenses and permits	330	323	384	505	416	404	368	745	950	921
Intergovernmental	27,774	29,994	29,074	29,494	30,484	36,478	35,473	141,896	75,223	73,532
Charges for services	30,604	35,560	35,294	37,238	33,853	34,672	40,766	64,829	38,196	37,722
Fines and forfeitures	2,862	2,832	2,582	2,262	2,122	1,958	1,904	1,569	1,658	1,803
Investment earnings	578	556	695	1,183	2,535	3,503	4,212	2,506	1,174	5,868
Fees	-	-	-	-	-	-	-	4,597	7,605	7,846
Payments in lieu of taxes	-	-	-	-	-	-	-	1,908	1,887	1,921
Miscellaneous	1,688	1,878	1,684	1,791	1,416	2,656	4,655	2,875	925	10,944
Total revenues	186,107	197,142	202,287	212,990	222,342	239,672	281,071	460,776	403,001	444,353
Expenditures										
General government	41,998	43,589	44,001	43,621	46,698	47,877	52,868	161,037	78,265	105,581
Public safety	45,642	47,968	49,334	52,038	53,658	56,244	61,556	61,020	65,214	77,944
Public health	33,318	32,606	33,903	33,205	34,225	36,254	38,367	35,934	37,556	41,400
Roads and public improvements	39,844	44,428	48,666	61,455	82,775	97,099	83,239	105,640	118,260	141,430
Parks and recreation	1,433	1,465	1,503	1,843	4,097	5,561	3,852	1,429	1,827	2,348
Debt service:										
Principal	9,945	8,590	13,390	10,550	8,735	8,755	15,065	9,640	8,510	10,605
Interest and fiscal charges	12,879	12,691	12,277	11,669	13,036	12,972	11,713	8,793	8,435	8,169
Total expenditures	185,059	191,337	203,074	214,381	243,224	264,762	266,660	383,493	318,067	387,477
Excess of revenues over (under) expenditures	1,048	5,805	(787)	(1,391)	(20,882)	(25,090)	14,411	77,283	84,934	56,876

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Other financing sources (uses)										
Transfers in	25,623	26,401	28,866	25,040	28,228	25,276	27,245	36,221	37,067	38,950
Transfers out	(22,993)	(22,982)	(26,264)	(22,566)	(25,064)	(24,959)	(26,883)	(39,181)	(37,156)	(42,145)
Bonds issued	3,800	-	-	65,000	-	-	-	-	-	-
Refunding bonds issued	-	6,755	-	-	-	-	81,055	27,315	34,745	-
Payments for bond redemption	-	(6,698)	-	-	-	-	(93,055)	(32,661)	(42,065)	-
Bond premiums and discounts	154	-	-	-	-	-	12,466	5,583	7,553	-
Leases issued (as lessee)	-	-	-	-	-	-	-	1,819	-	496
Sale of general capital assets	-	-	-	-	-	-	-	884	1,704	600
Insurance recoveries	-	-	-	-	-	-	-	85	9	11
Total other financing sources (uses)	<u>6,584</u>	<u>3,476</u>	<u>2,602</u>	<u>67,474</u>	<u>3,164</u>	<u>317</u>	<u>828</u>	<u>65</u>	<u>1,857</u>	<u>(2,088)</u>
Net change in fund balances	<u>\$ 7,632</u>	<u>\$ 9,281</u>	<u>\$ 1,815</u>	<u>\$ 66,083</u>	<u>\$ (17,718)</u>	<u>\$ (24,773)</u>	<u>\$ 15,239</u>	<u>\$ 77,348</u>	<u>\$ 86,791</u>	<u>\$ 54,788</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2013 through 2022.

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

	2018	2019	2020	2021	2022
Assets					
Cash and investments	\$ 27,229,108	\$ 24,078,331	\$ 4,521,336	\$ 43,521,652	\$ 45,576,919
Receivables:					
Taxes	11,863,925	14,860,101	22,804,386	19,524,315	19,385,965
Other	1,233,938	1,509,519	26,933,107	538,836	1,103,384
Due from other funds	3,196,000	2,045,000	977,000	1,258,000	1,712,000
Other assets	112,460	211,151	214,980	426,805	195,777
Total assets	<u>\$ 43,635,432</u>	<u>\$ 42,704,102</u>	<u>\$ 55,450,809</u>	<u>\$ 65,269,608</u>	<u>\$ 67,974,045</u>
Liabilities					
Accounts payable and accruals	5,851,137	8,287,913	4,380,238	3,662,027	4,492,458
Unearned revenues	1,120,274	1,094,674	971,946	1,314,254	753,515
Other liabilities	11,792,832	12,176,599	3,948,575	3,583,715	4,330,674
Total liabilities	<u>18,764,243</u>	<u>21,559,185</u>	<u>9,300,759</u>	<u>8,559,996</u>	<u>9,576,647</u>
Deferred Inflows Of Resources	<u>1,963,349</u>	<u>1,878,250</u>	<u>2,720,018</u>	<u>2,747,183</u>	<u>2,876,314</u>
Fund Balances					
Restricted:					
Statutory minimum balance	3,828,171	4,024,215	6,566,830	5,909,750	6,239,359
Committed:					
County policy minimum balance	-	-	15,366,381	13,828,815	14,600,098
Assigned:					
Medicaid reserve	600,000	600,000	-	-	-
Equipment replacement	3,065,762	3,065,762	-	-	-
Presidential election ⁽²⁰²⁰⁾	1,000,000	-	-	-	-
Capital projects	-	-	7,579,000	-	-
Unassigned	<u>14,413,906</u>	<u>11,576,689</u>	<u>13,917,821</u>	<u>34,223,864</u>	<u>34,681,627</u>
Total fund balances	<u>22,907,839</u>	<u>19,266,666</u>	<u>43,430,032</u>	<u>53,962,429</u>	<u>55,521,084</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 43,635,432</u>	<u>\$ 42,704,102</u>	<u>\$ 55,450,809</u>	<u>\$ 65,269,608</u>	<u>\$ 67,974,045</u>

Source: Utah County Balance Sheets at December 31, 2018 through 2022.

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

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Revenues					
Property taxes	\$ 33,382,815	\$ 35,160,949	\$ 57,921,817	\$ 54,279,632	\$ 55,552,264
Sales taxes	29,714,589	32,225,118	36,468,928	43,763,871	49,638,359
Franchise taxes	4,924	4,961	5,159	7,709	5,561
Licenses and permits	379,620	350,074	425,485	555,462	626,960
Intergovernmental	828,453	856,161	335,840	11,830,302	10,396,397
Charges for services	8,968,827	8,186,359	32,560,928	5,368,227	5,491,288
Fines and forfeitures	1,943,400	1,904,275	1,528,688	1,602,207	1,758,757
Investment earnings	476,297	585,150	205,567	85,109	730,307
Payments in lieu of taxes	-	-	744,391	670,353	585,786
Miscellaneous	864,477	1,211,246	1,139,787	32,126	1,484
Total revenues	<u>76,563,401</u>	<u>80,484,293</u>	<u>131,336,590</u>	<u>118,194,998</u>	<u>124,787,163</u>
Expenditures					
Current:					
General government	26,707,392	29,341,497	32,612,399	27,372,598	31,347,684
Public safety	50,130,902	53,819,946	49,813,932	51,356,208	64,598,974
Public health and welfare	899,841	990,736	1,012,751	1,122,335	1,328,392
Parks and recreation	519,821	447,075	-	-	-
Capital outlay:					
General government	-	53,599	184,347	1,242,846	286,600
Public safety	237,029	90,472	1,124,765	2,881,890	500,554
Public health and welfare	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Total expenditures	<u>78,494,985</u>	<u>84,743,324</u>	<u>84,748,193</u>	<u>83,975,877</u>	<u>98,062,204</u>
Excess (deficiency) of revenues over expenditures	(1,931,584)	(4,259,032)	46,588,397	34,219,121	26,724,959
Other Financing Sources (Uses)					
Transfers in	3,721,669	3,882,818	707,805	-	663,366
Transfers out	(3,792,223)	(3,264,960)	(24,596,998)	(23,862,994)	(26,396,950)
Leases issued (as lessee)	-	-	952,740	-	66,646
Sale of general capital assets	-	-	464,751	167,273	492,778
Insurance recoveries	-	-	46,671	8,997	7,856
Total other financing sources (uses)	<u>(70,554)</u>	<u>617,858</u>	<u>(22,425,031)</u>	<u>(23,686,724)</u>	<u>(25,166,304)</u>
Net change in fund balances	(2,002,139)	(3,641,173)	24,163,366	10,532,397	1,558,655
Fund balances - beginning	<u>24,909,978</u>	<u>22,907,839</u>	<u>19,266,666</u>	<u>43,430,032</u>	<u>53,962,429</u>
Fund balances - ending	<u>\$ 22,907,839</u>	<u>\$ 19,266,666</u>	<u>\$ 43,430,032</u>	<u>\$ 53,962,429</u>	<u>\$ 55,521,084</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2018 through 2022.

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

Year Ended Dec. 31,	Real Property			Mobile Homes and Personal Property	Centrally Assessed 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
	(1) Primary Residential Property	Secondary Residential Property	Agricultural Property								
2013	\$ 14,922,435	\$ 8,172,832	\$ 100,005	\$ 1,874,636	\$ 1,316,762	\$ 26,386,669	5.40%	0.001259	\$ 49,252,148	8.50%	53.6%
2014	18,021,070	7,462,938	397,491	1,934,222	1,389,516	29,205,237	10.70%	0.001149	42,426,090	(13.90%)	68.8%
2015	18,730,419	9,380,588	310,445	2,114,621	1,530,017	32,066,091	9.80%	0.001098	50,109,033	18.10%	64.0%
2016	20,616,378	10,193,886	325,303	2,369,902	1,598,021	35,103,491	9.50%	0.001049	61,394,295	22.50%	57.2%
2017	23,045,191	11,281,823	369,321	2,473,985	1,696,147	38,866,467	10.70%	0.000969	57,734,721	(6.00%)	67.3%
2018	25,975,653	12,352,584	435,106	2,385,025	1,943,028	43,091,397	10.90%	0.000911	63,673,572	10.30%	67.7%
2019	29,659,800	14,472,894	478,940	3,107,749	2,029,888	49,749,271	15.50%	0.000839	73,051,973	14.70%	68.1%
2020	32,856,488	16,314,176	526,352	3,038,019	2,221,210	54,956,245	10.50%	0.001202	86,728,328	18.70%	63.4%
2021	37,195,681	17,161,123	574,961	3,083,093	2,244,886	60,259,744	9.65%	0.001007	95,778,822	10.44%	62.9%
2022	51,811,148	22,551,761	823,836	3,603,977	2,274,785	81,065,507	34.53%	0.000787	130,812,262	36.58%	62.0%

Source: Utah State Tax Commission - Property Tax Division, Utah County Treasurer's Office, 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.

**Property Tax Rates - Direct and Overlapping Governments
Last Ten Years**

	2022	2021	2020	2019	2018
County-wide rates (1):					
General Fund	0.000661	0.000853	0.001041	0.000672	0.000732
Bond Debt Service Fund	na	na	na	na	na
State Assessing & Collecting	0.000015	0.000012	0.000012	0.000009	0.000009
Local Assessing & Collecting	0.000111	0.000142	0.000149	0.000158	0.000170
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ⁽²⁾	0.000787	0.001007	0.001202	0.000839	0.000911
Other County rates (3):					
Law Enforcement - Service Area 6	0.000860	0.001046	0.001103	0.001169	0.001236
Urban Structure Fire - Service Area 7	0.000357	0.000472	0.000507	0.000545	0.000589
Planning - Service Area 8	0.000192	0.000233	0.000246	0.000261	0.000276
Rural Structure Fire - Service Area 9	0.000104	0.000115	0.000118	0.000123	0.000127
Soldier Summit Special Service District	0.002463	0.002591	0.002815	0.003134	0.003046
School district rates:					
Alpine School Charter	0.000055	0.000062	0.000056	0.000064	0.000069
Alpine School District	0.005669	0.006842	0.006744	0.006635	0.006964
Nebo School Charter	0.000070	0.000076	0.000086	0.000103	0.000102
Nebo School District	0.007513	0.008618	0.008663	0.008646	0.008990
Provo City School District	0.007227	0.006926	0.007244	0.007032	0.007487
Provo School Charter	0.000096	0.000091	0.000093	0.000097	0.000089
Municipal rates:					
Alpine	0.001306	0.001306	0.001424	0.001473	0.001179
American Fork	0.001679	0.001687	0.001906	0.002027	0.002077
Bluffdale	0.001161	0.001519	0.001695	0.001783	0.001442
Cedar Fort	0.000482	0.000612	0.000671	0.000701	0.000817
Cedar Hills	0.001123	0.001495	0.001646	0.001737	0.001923
Draper	0.000927	0.001141	0.001227	0.001268	0.001352
Eagle Mountain	0.000541	0.000724	0.000769	0.000825	0.000924
Elk Ridge	0.001093	0.001494	0.001599	0.001737	0.001841
Fairfield	0.000640	0.000930	0.001019	0.000822	0.000976
Genola	0.000946	0.000914	0.001000	0.001045	0.001045
Goshen	0.000387	0.000488	0.000539	0.000589	0.000637
Highland	0.000817	0.001122	0.001216	0.001254	0.001327
Lehi	0.001189	0.001429	0.001451	0.001538	0.001678
Lindon	0.000907	0.001116	0.001174	0.001241	0.001392
Mapleton	0.001489	0.002048	0.002209	0.002317	0.002523
Orem	0.000925	0.001094	0.001166	0.001260	0.001281
Payson	0.001193	0.001193	0.001193	0.001272	0.001280
Pleasant Grove	0.001303	0.001497	0.001602	0.001734	0.001884
Provo	0.001710	0.002230	0.002426	0.002560	0.001888
Salem	0.001227	0.001227	0.001290	0.001411	0.001524
Santaquin	0.000935	0.001282	0.001396	0.001499	0.001644
Saratoga Springs	0.001028	0.001359	0.001446	0.001570	0.001731
Spanish Fork	0.001111	0.001129	0.001200	0.000991	0.000955
Springville	0.001159	0.001497	0.001612	0.001763	0.001914
Vineyard	0.002903	0.003329	0.003249	0.003369	0.003957
Woodland Hills	0.003210	0.004250	0.004345	0.004354	0.004337
Other taxing district rates:	0.000006-0.015000	0.000008-0.015000	0.000008-0.001715	0.000008-0.001745	0.000009-0.001836

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.

(continued)

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

	2017	2016	2015	2014	2013
County-wide rates(1):					
General Fund	0.000779	0.000834	0.000870	0.000916	0.001006
Bond Debt Service Fund	na	na	na	na	na
State Assessing & Collecting	0.000010	0.000011	0.000012	0.000013	0.000158
Local Assessing & Collecting	0.000180	0.000204	0.000216	0.000220	0.000095
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ⁽²⁾	0.000969	0.001049	0.001098	0.001149	0.001259
Other County rates(3):					
Law Enforcement - Service Area 6	0.001294	0.001379	0.001404	0.001440	0.001472
Urban Structure Fire - Service Area 7	0.000611	0.000831	0.000835	0.000854	0.000877
Planning - Service Area 8	0.000290	0.000309	0.000310	0.000323	0.000329
Rural Structure Fire - Service Area 9	0.000135	0.000139	0.000143	0.000145	0.000148
Soldier Summit Special Service District	0.003141	0.003385	0.003444	0.003857	0.003317
School district rates:					
Alpine School Charter	0.00008	na	na	na	na
Alpine School District	0.007087	0.007718	0.008177	0.008096	0.008699
Nebo School Charter	0.000086	na	na	na	na
Nebo School District	0.009212	0.009298	0.009326	0.009183	0.009526
Provo City School District	0.007244	0.007883	0.007568	0.006636	0.007094
Provo School Charter	0.000083	na	na	na	na
Municipal rates:					
Alpine	0.001305	0.001388	0.001478	0.001611	0.001773
American Fork	0.002082	0.002261	0.002362	0.002540	0.002750
Bluffdale	0.001751	0.001218	0.001309	0.001419	0.001523
Cedar Fort	0.000924	0.001037	0.001099	0.001163	0.001279
Cedar Hills	0.002024	0.002186	0.002315	0.002410	0.002873
Draper	0.001460	0.001560	0.001701	0.001791	0.001887
Eagle Mountain	0.001011	0.001081	0.001118	0.001192	0.001380
Elk Ridge	0.001949	0.002180	0.002356	0.002360	0.002526
Fairfield	0.001043	0.001012	0.000918	0.000801	0.001634
Genola	0.001045	0.000902	0.000949	0.000972	0.001045
Goshen	0.000678	0.000799	0.000855	0.000885	0.000922
Highland	0.001428	0.001494	0.001568	0.001681	0.001886
Lehi	0.001830	0.002005	0.002090	0.002172	0.002432
Lindon	0.001451	0.001630	0.001741	0.001862	0.002043
Mapleton	0.002729	0.002729	0.002729	0.003052	0.003466
Orem	0.001346	0.001550	0.001652	0.001716	0.001871
Payson	0.001280	0.001279	0.001280	0.001268	0.001353
Pleasant Grove	0.002029	0.001775	0.001875	0.001997	0.002237
Provo	0.002089	0.002239	0.002377	0.002775	0.002956
Salem	0.001633	0.001697	0.001839	0.001896	0.002020
Santaquin	0.001734	0.001909	0.002075	0.002176	0.002408
Saratoga Springs	0.001822	0.001994	0.002083	0.002233	0.002761
Spanish Fork	0.000955	0.001031	0.001091	0.001123	0.001221
Springville	0.002087	0.002262	0.001896	0.002054	0.002159
Vineyard	0.004015	0.003446	0.002878	0.002816	0.002740
Woodland Hills	0.004613	0.004839	0.004615	0.005262	0.006272
Other taxing district rates:	0.000010-0.001809	0.000011-0.001884	0.000011-0.001997	0.000011-0.002097	0.000012-0.002192

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.

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
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%
2019	44,611,634	2,029,888	3,107,749	49,749,271	0.000672	33,618	31,633	94.10%
2020	49,697,016	2,221,210	3,038,019	54,956,245	0.001041	56,088	52,999	94.49%
2021	54,931,764	2,244,886	3,083,092	60,259,742	0.000853	51,981	48,538	93.38%
2022	75,186,745	2,274,785	3,603,977	81,065,507	0.000661	54,276	50,229	92.54%

⁽¹⁾ Amount includes both real property and centrally assessed property.

Source: Utah County Treasurer

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

Taxpayer	Type of Business	2022		2012		2012	
		Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ⁽¹⁾	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ⁽²⁾
PacifiCorp	Electricity	\$ 1,009,409	1	1.25%	\$ 483,762	1	1.93%
Texas Instruments Incorporated ⁽³⁾	Semiconductor	443,259	2	0.55%	223,228	2	0.89%
D R Horton Inc	Residential Construction	342,336	3	0.42%	-	-	-
Questar Gas	Natural Gas	340,031	4	0.42%	176,760	3	0.71%
Stadion LLC	N/A	242,682	5	0.30%	-	-	-
Union Pacific Railroad	Transportation	222,086	6	0.27%	90,826	5	0.36%
Thyme Global LLC	Management Company	214,043	7	0.26%	-	-	-
IHC Health Services	Health	180,143	8	0.22%	53,268	10	0.21%
Adobe Systems Inc	Computer software	166,366	9	0.21%	-	-	-
Edge Homes Utah LLC	Residential Construction	155,873	10	0.19%	-	-	-
Kern River Gas	Natural Gas	-	-	-	99,446	4	0.40%
University Mall	Retail	-	-	-	88,840	6	0.36%
Novell Inc	Computer software	-	-	-	88,576	7	0.35%
CenturyLink Inc (formerly Qwest Corp)	Telecommunications	-	-	-	80,855	8	0.32%
Walmart Real Estate Business Trust	Retail	-	-	-	68,848	9	0.28%
Totals		<u>\$ 3,316,228</u>		<u>4.09%</u>	<u>\$ 1,454,409</u>		<u>5.81%</u>

Source: Utah County Treasurer

Notes:

⁽¹⁾ Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$81,065,507 (amount expressed in thousands).

⁽²⁾ Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$25,023,213 (amount expressed in thousands).

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, 2022, the ten largest sales and use tax collectors provided approximately 24 percent of all sales and use tax revenue in the County. No single business accounted for more than approximately 5 percent of the County's total sales and use tax revenue.

Source: Utah State Tax Commission

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

Year	(a)		Local Sales Tax	Transient Room (Hotel) Sales Tax	Tourism (Restaurant) Sales Tax	Tourism (Car Rental) Sales Tax	(1) Section 2216 Sales Tax (Fixed Guideway)	Section 2218 Sales Tax (Roads & Public Transit)	(2) Section 2219 Sales Tax (Roads & Public Transit)	Total
	Property Taxes	Option Sales Tax								
2013	\$ 39,770	\$ 20,183	\$ 1,648	\$ 2,348	\$ 5,661	\$ 823	\$ 1,456	\$ 14,272	na	\$ 86,161
2014	39,113	21,365	1,398	2,543	6,243	927	1,541	17,072	na	90,202
2015	40,437	22,553	1,554	2,928	6,975	1,006	1,652	17,207	na	94,312
2016	42,200	23,832	1,527	3,320	7,610	1,087	1,761	18,336	na	99,673
2017	43,241	26,181	1,635	3,601	8,038	1,140	1,963	20,431	na	106,230
2018	45,074	27,992	1,722	3,813	8,584	1,178	2,083	21,700	na	112,146
2019	47,778	30,282	1,943	4,251	9,373	1,307	2,308	24,032	8,479	129,753
2020	70,583	34,380	2,089	3,036	9,179	1,008	2,658	27,685	5,758	156,376
2021	67,531	41,293	2,471	4,820	11,722	1,439	3,246	33,809	6,981	173,312
2022	70,162	46,694	2,944	6,011	13,148	1,704	3,633	37,837	7,853	189,985

(a) Does not include property taxes paid to redevelopment agencies.

(1) 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.

(2) Tax enacted April 1, 2019. The County received 100% of this tax through June 30, 2019. Beginning July 1, 2019, the tax is distributed 40% to Utah Transit Authority, 40% to municipalities within the County, and 20% to Utah County. This amount represents the funds available to spend by the County, meaning the portion of the tax distributed directly to the County (100% prior to July 1, 2019 and 20% beginning July 1, 2019) plus the portion of the municipal allocation for the unincorporated area of the County.

**Governmental Activities Sales Tax Rates By Source
Last Ten Years**

Year	(3) Option Sales Tax	(4) Local Sales Tax	(5) Hotel Sales Tax	(6) Restaurant Sales Tax	(7) Car Rental Sales Tax	(8) Section 2216 Sales Tax	(9) Section 2218 Sales Tax	(10) Section 2219 Sales Tax
2013	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2014	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2015	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2016	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2017	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2018	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	na
2019	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	0.25%
2020	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	0.25%
2021	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	0.25%
2022	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%	0.25%

(3) Tax enacted January 1, 1998.

(4) Tax enacted January 1, 1990.

(5) Tax enacted July 1, 1971 at 1.5%. Tax rate increased to 3% effective January 1, 1976. Tax rate increased to 4.25% effective April 1, 2007.

(6) Tax enacted October 1, 1991.

(7) Tax enacted April 1, 2004.

(8) 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).

(9) Tax enacted January 1, 2009.

(10) Tax enacted April 1, 2019. Tax will be reviewed by the Board of Utah County Commissioners on or before December 31, 2028 to determine if the tax should be amended or repealed.

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

Year	Governmental Activities ⁽¹⁾		Total Primary Government	Percentage of Personal Income ⁽²⁾	Per Capita ⁽²⁾
	General Obligation Bonds	Revenue Bonds			
2013	\$ -	\$ 234,865	\$ 234,865	1.37%	\$ 423
2014	-	226,770	226,770	1.22%	401
2015	-	213,380	213,380	1.05%	369
2016	-	267,830	267,830	1.22%	448
2017	-	259,095	259,095	1.11%	421
2018	-	250,340	250,340	0.99%	396
2019	-	225,285	225,285	0.79%	348
2020	-	210,660	210,660	0.67%	318
2021	-	194,835	194,835	0.56%	284
2022	-	184,230	184,230	na	262

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 148 for personal income and population

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 Property ⁽¹⁾	Population ⁽²⁾	Per Capita
2013	\$ -	\$ -	\$ -	0.00%	551,689	\$ -
2014	-	-	-	0.00%	561,171	-
2015	-	-	-	0.00%	573,289	-
2016	-	-	-	0.00%	591,107	-
2017	-	-	-	0.00%	607,612	-
2018	-	-	-	0.00%	622,076	-
2019	-	-	-	0.00%	635,675	-
2020	-	-	-	0.00%	663,143	-
2021	-	-	-	0.00%	684,986	-
2022	-	-	-	0.00%	702,434	-

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 132 for property value data.

⁽²⁾ See the Schedule of Demographic and Economic Statistics on page 148 for personal income and population data.

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Market Value ⁽¹⁾	\$ 49,252,148	\$ 42,426,090	\$ 50,109,033	\$ 61,394,295	\$ 57,734,721	\$ 63,673,572	\$ 73,051,973	\$ 86,728,328	\$ 95,778,822	\$130,812,262
Debt limit (2% of Market Value) ⁽²⁾	\$ 985,043	\$ 848,522	\$ 1,002,181	\$ 1,227,886	\$ 1,154,694	\$ 1,273,471	\$ 1,461,039	\$ 1,734,567	\$ 1,915,576	\$ 2,616,245
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 985,043</u>	<u>\$ 848,522</u>	<u>\$ 1,002,181</u>	<u>\$ 1,227,886</u>	<u>\$ 1,154,694</u>	<u>\$ 1,273,471</u>	<u>\$ 1,461,039</u>	<u>\$ 1,734,567</u>	<u>\$ 1,915,576</u>	<u>\$ 2,616,245</u>
Total net debt applicable to the limit as a percentage of debt limit	-%	-%	-%	-%	-%	-%	-%	-%	-%	-%

Source: Utah County Auditor's Office

Notes:

⁽¹⁾ 'Estimated Total Market Value' from the Assessed Value and Actual Value of Taxable Property Schedule on page 132.

⁽²⁾ 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.

Outstanding Bonded Indebtedness Current Year

Outstanding General Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2010 ⁽¹⁾	Energy/Qualified Energy Conservation Bonds	\$ 4,940,000	2/1/2027	\$ 2,055,000
Total				<u>\$ 2,055,000</u>

⁽¹⁾ 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 ⁽²⁾	Museum	\$ 3,800,000	12/1/2033	\$ -
2020 ⁽³⁾	Convention center	27,315,000	12/1/2039	24,515,000
Total				<u>\$ 24,515,000</u>

⁽²⁾ Rated "AA" by S&P as of the date of this report. These bonds were defeased in 2022.

⁽³⁾ 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.

Outstanding Transportation Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2016 ⁽⁴⁾	Transportation (Subordinated Sales Tax)	\$ 65,000,000	11/1/2029	\$ 56,125,000
Total				<u>\$ 56,125,000</u>

⁽⁴⁾ Not rated; no rating applied for. These bonds were privately placed.

Outstanding Transportation Sales Tax Revenue Refunding Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2019 ⁽⁵⁾	Transportation	\$ 66,345,000	12/1/2034	\$ 56,650,000
2021 ⁽⁶⁾	Transportation	34,745,000	12/1/2039	34,385,000
Total				<u>\$ 91,035,000</u>

⁽⁵⁾ Rated "AA-" by S&P as of the date of this report.

⁽⁶⁾ Rated "AA-" by S&P as of the date of this report.

Outstanding Vehicle Registration Fee Revenue Refunding Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2019 ⁽⁷⁾	Transportation	\$ 14,710,000	12/1/2029	\$ 10,500,000
Total				<u>\$ 10,500,000</u>

⁽⁷⁾ Not rated; no rating applied for. These bonds were privately placed.

Source: Utah County

Historical Pledged-Revenue Coverage - Sales and Use Taxes/Fees Last Ten Years

Year	<A>		<A> + 	% Change from Prior Year
	County Option Sales and Use Tax ⁽¹⁾	Local Option Sales and Use Tax ⁽²⁾	Total Pledged Sales and Use Taxes	
2022	\$ 46,694,203	\$ 2,944,156	\$ 49,638,359	13.4%
2021	41,292,774	2,471,097	43,763,871	20.0%
2020	34,379,525	2,089,402	36,468,927	13.2%
2019	30,282,165	1,942,952	32,225,118	8.4%
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%

⁽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

Historical Pledged-Revenue Coverage - Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	<C>	<D>	<C> + <D>	% Change from Prior Year
	Section 2216 Sales and Use Tax ⁽³⁾	Section 2218 Sales and Use Tax ⁽⁴⁾	Total Pledged Sales and Use Taxes	
2022	\$ 3,632,923	\$ 37,836,921	\$ 41,469,844	11.9%
2021	3,246,373	33,808,572	37,054,945	22.1%
2020	2,658,270	27,685,097	30,343,367	15.2%
2019	2,307,686	24,032,152	26,339,838	10.7%
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%)

⁽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

Historical Pledged-Revenue Coverage - Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	Total Motor Vehicle Registrations ⁽⁵⁾	% Change from Prior Year	Total Pledged Fees ⁽⁶⁾	% Change from Prior Year
2022	522,283	4.3%	\$ 5,088,330	(0.0%)
2021	500,952	2.7%	5,089,776	12.9%
2020	487,912	3.7%	4,509,920	(2.2%)
2019	470,413	4.8%	4,612,744	(4.6%)
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%

⁽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

Historical Pledged-Revenue Coverage - Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	<E> Pledged Transient Room Tax (Hotel Tax) ⁽⁷⁾	<F> Restaurant Tax ⁽⁸⁾	<G> Short-Term Lease Tax ⁽⁹⁾	<E> + <F> + <G> Total Pledged Taxes	% Change from Prior Year
2022	\$ 1,414,333	\$ 13,148,431	\$ 1,703,498	\$ 16,266,263	13.8%
2021	1,134,211	11,721,684	1,438,647	14,294,542	31.1%
2020	714,319	9,178,798	1,008,165	10,901,282	(6.7%)
2019	1,000,130	9,372,738	1,306,646	11,679,514	9.6%
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%

⁽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

Historical Pledged-Revenue Coverage - Sales and Use Taxes/Fees (continued)
Last Ten Years

Year	Total Transient Room Tax Collections ⁽¹⁰⁾	Pledged Taxes	% Change from Prior Year
2022	\$ 6,010,915	\$ 1,767,916	24.7%
2021	4,820,395	1,417,763	58.8%
2020	3,035,857	892,899	(28.6%)
2019	4,250,553	1,250,163	11.5%
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%

⁽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 146).

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%.

Source: Utah State Tax Commission

Demographic and Economic Statistics Last Ten Years

Year	Population	Personal Income (amounts expressed in thousands) ⁽³⁾	Per Capita Personal Income ⁽³⁾	Median Age	School Enrollment	County Unemployment Rate ⁽⁶⁾
2013	554,977 ⁽³⁾	\$ 17,081,815	\$ 30,779	24.2 ⁽¹⁾	131,293 ⁽⁴⁾	3.6%
2014	565,546 ⁽³⁾	\$ 18,578,483	\$ 32,851	24.3 ⁽¹⁾	135,125 ⁽⁴⁾	3.2%
2015	578,811 ⁽³⁾	\$ 20,384,377	\$ 35,218	24.4 ⁽¹⁾	139,108 ⁽⁴⁾	3.1%
2016	597,879 ⁽³⁾	\$ 21,982,102	\$ 36,767	24.6 ⁽¹⁾	143,244 ⁽⁴⁾	3.0%
2017	615,695 ⁽³⁾	\$ 23,394,153	\$ 37,996	24.8 ⁽¹⁾	144,431 ⁽⁴⁾	2.8%
2018	631,508 ⁽³⁾	\$ 25,314,025	\$ 40,085	25.0 ⁽¹⁾	146,840 ⁽⁴⁾	2.7%
2019	646,502 ⁽³⁾	\$ 28,497,337	\$ 44,079	25.2 ⁽¹⁾	149,250 ⁽⁴⁾	2.6%
2020	663,143 ⁽³⁾	\$ 31,321,836	\$ 47,232	25.2 ⁽⁴⁾	147,421 ⁽⁴⁾	3.2%
2021	684,986 ⁽³⁾	\$ 34,702,132	\$ 50,661	25.4 ⁽⁴⁾	150,955 ⁽⁴⁾	1.9%
2022	702,434 ⁽²⁾	na	na	25.6 ⁽⁴⁾	152,945 ⁽⁵⁾	2.4%

Sources:

⁽¹⁾ Utah County's 2021 Financial Statements.

⁽²⁾ U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Counties in Utah: April 1, 2020 to July 1, 2022 (CO-EST2022-POP-49). Release Date: March 2023. Retrieved June 2023.

⁽³⁾ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Table CAINC1, 16 November 2022. Estimates are in current dollars (not adjusted for inflation). Per capita personal income was computed using Census Bureau midyear population estimates. Retrieved June 2023. Statistics for 2022 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, 2020 to July 1, 2022. Release Date: June 2023. Retrieved June 2023.

⁽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 2023.

⁽⁶⁾ Utah Department of Workforce Services. Utah County unemployment rate, seasonally adjusted, as of December for each year. Retrieved June 2023.



Utah County
HEART of UTAH

Provo Canyon • Photographer Credit: Wyatt Peterson, @wyattpetersonstudios (Instagram)
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UTAH COUNTY

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

YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS

	<u>Page</u>
Schedule of Expenditures of Federal Awards.....	1-2
Notes to Schedule of Expenditures of Federal Awards.....	3
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	4-5
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	6-8
Schedule of Findings and Questioned Costs.....	9
Independent Auditor’s Report on Compliance and Report on Internal Control Over Compliance as Required by the <i>State Compliance Audit Guide</i>	10-11

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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				
Americorps Grandparents/Senior Companion Cluster				
Foster Grandparent Program	94.011		\$ 201,091	\$ -
Senior Companion Program	94.016		225,453	
Total Corp for National and Community Service/and Cluster			<u>426,544</u>	<u>-</u>
<u>Environmental Protection Agency</u>				
Passed Through the Utah Department of Environmental Quality				
Performance Partnership Grants	66.605	190080	38,844	
Total Environmental Protection Agency			<u>38,844</u>	<u>-</u>
<u>Elections Assistance Commission</u>				
Passed through the Office of Lt. Governor				
2018 HAVA Election Security Grants	90.404	GAX223-082	1,323	-
Total Elections Assistance Commission			<u>1,323</u>	<u>-</u>
<u>Executive Office of the President</u>				
Passed through Orem City				
High Intensity Drug Trafficking Areas Program	95.001	A-2016-0194	70,607	
Total Executive Office of the President			<u>70,607</u>	<u>-</u>
<u>U.S. Department of Agriculture</u>				
Direct				
Watershed Protection and Flood Prevention	10.904		332,023	
Passed Through Utah Department of Health				
Women, Infants, and Children Cluster				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	202700363	2,252,621	
Special Supplemental Nutrition Program for Women, Infants, and Children WIC (Noncash Commodities)	10.557		5,463,256	
Total CFDA Cluster			<u>7,715,877</u>	<u>-</u>
Summer Food	10.559	182700914	1,840	
Total U.S. Department of Agriculture			<u>8,049,740</u>	<u>-</u>
<u>U.S. Department of Health and Human Services</u>				
Direct				
Drug Free Communities (DFC)	93.276		142,864	
Passed Through Mountainland Assoc. of Governments				
Social Services Block Grant	93.667		39,376	
Passed Through National Association of City and County Health Officials				
Medical Reserve Corps Small Grant Program	93.008	MRC 21-0200	12,500	
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000306-02-10	16,600	
Passed through Utah Department of Health				
Public Health Emergency Preparedness	93.069	212700113	111,890	
Public Health Emergency Preparedness	93.069	212700221	401,822	
Total Cluster and CFDA			<u>513,712</u>	<u>-</u>
Environmental Public Health and Emergency Response	93.070	202700544	69,252	
Maternal and Child Health Federal Consolidated Programs	93.110	HRSA (U7E42171)	250	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	202700584	9,865	
Injury Prevention and Control Research and State and Community Based Programs	93.136	212700684	110,999	
Injury Prevention and Control Research and State and Community Based Programs	93.136	222700556	14,964	
Injury Prevention and Control Research and State and Community Based Programs	93.136	232700594	1,860	
Total Cluster and CFDA			<u>127,823</u>	<u>-</u>
Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	93.197	2227000404	11,556	
Immunization and Cooperative Agreements	93.268	192701014	103,918	
Immunization and Cooperative Agreements	93.268	212701520	95,404	
Immunization and Cooperative Agreements (Non-Cash Commodities)	93.268		738,073	
Total Cluster and CFDA			<u>937,395</u>	<u>-</u>
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	160080	91,760	
Viral Hepatitis Surveillance	93.270	212702417	5,460	
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	152700566	3,000	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	212700324	138,419	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	202700513	46,139	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	202700957	2,483,346	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	222700105	663,983	
Total Cluster and CFDA			<u>3,331,887</u>	<u>-</u>
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	222700680	192,251	
Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	222701477	28,500	5,000
Total Cluster and CFDA			<u>220,751</u>	<u>5,000</u>
National and State Tobacco Control Program	93.387	212700252	51,802	-

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	222700123	520,108	118,380
Improving the Health of Americans through Prevention and Management of Diabetes and Heart Disease and Stroke	93.426	192700381	44,694	
Innovative State and Local Public Health Strategies to prevent and Manage Diabetes and Heart Disease and Stroke	93.435	192700381	151,841	15,000
Well-Integrated Screening and Evaluation for Women Across the Nation	93.436	222700545	184,858	
State Physical Activity and Nutrition Program	93.439	192700381	25,474	
Community-Based Child Abuse Prevention	93.590	A03285	157,932	
Evidence-Based Falls Prevention Programs Financed Solely by PPHF	93.761	232700048	4,885	
Medicaid Assistance Program	93.778	212702231	27,905	
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	222700686	225,169	
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	232700799	150,167	
Maternal, Infant and Early Childhood Home Visiting Grant	93.870	232700101	2,757	
Total Cluster and CFDA			378,093	-
National Bioterrorism Hospital Preparedness Program	93.889	212700113	127,622	
National Bioterrorism Hospital Preparedness Program	93.889	222700221	96,883	-
Total Cluster and CFDA			224,505	-
Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations	93.898	212702500	132,430	
HIV Prevention Activities Health Department Based	93.940	182700671	23,500	-
Assistance Programs for Chronic Disease Prevention and Control	93.945	192700281	3,125	
Sexually Transmitted Diseases (STD) Prevention and Control Grants	93.977	192700675	138,028	
Preventative Health and Human Service Block Grant	93.991	222700495	153,289	
Maternal and Child Health Block Grant to the States	93.994	212700511	170,758	
Maternal and Child Health Block Grant to the States	93.994	222700556	44,071	
Total Cluster and CFDA			214,829	-
Substance Abuse and Mental Health Services Cluster				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	160080	592,878	161,078
Total Cluster and CFDA			592,878	161,078
Passed Through University of Utah Poison Control Center				
Poison Center Support and Enhancement Grant	93.253		2,500	
Total U.S. Department of Health and Human Services			8,566,727	299,458
<u>U.S. Department of Homeland Security</u>				
Passthrough Utah Department of Public Safety				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036		451,489	
Emergency Management Performance Grants	97.042	EMPG-2020-DEM-054	106,171	
State Homeland Security Grant	97.067	DEM-2019-SHSP-008	138,078	
State Homeland Security Grant	97.067	DEM-2020-SHSP-00	74,402	
State Homeland Security Grant	97.067	DEM-2021-SHSP-00	29,983	
Total CFDA			242,463	-
Total U.S. Department of Homeland Security			800,123	-
<u>U.S. Department of Housing & Urban Development</u>				
Direct				
Community Development Block Grants/Entitlement Grants	14.218		2,397,642	2,397,642
Total U.S. Department of HUD			2,397,642	2,397,642
<u>U.S. Department of Justice</u>				
Direct				
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		61,897	
Passed Through the Utah Commission on Criminal and Juvenile Justice				
Coronavirus Emergency Supplemental Funding	16.034	20CV-04	106,525	
Crime Victim Assistance	16.575	AD-VOCA-BP01-24	105,686	
Passed Through Utah Office for Victims of Crime				
Crime Victim Assistance	16.575	21VOCA069	33,411	
Crime Victim Assistance	16.575	22VOCA069	6,211	
Crime Victim Assistance	16.575	21VOCA16	342,790	
Crime Victim Assistance	16.575	22VOCA16	372,347	-
Total CFDA			754,759	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	21A186	10,409	
Total U.S. Department of Justice			1,039,276	-
<u>U.S. Department of Transportation</u>				
Passed through Utah Highway Safety Office				
State and Community Highway Safety	20.600	222700120	18,750	
National Priority Safety Program	20.616	212700092	19,450	
Passed through Utah Department of Public Safety				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP-USA 2013	3,200	
Total U.S. Department of Transportation			41,400	-
<u>U.S. Department of Treasury</u>				
Direct				
Emergency Rental Assistance Program	21.023		13,557,973	13,509,988
Coronavirus State and Local Fiscal Recovery Funds	21.027		23,621,014	10,800,000
Passed Through Governor's Office of Economic Development				
Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP3929	1,500,000	1,500,000
Total U.S. Department of Treasury			38,678,987	25,809,988
Total Expenditures of Federal Awards			\$ 60,111,213	\$ 28,507,088

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2022

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, 2022. 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.



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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

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, 2022, 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, 2023.

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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. 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, 2023



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

Report on Compliance for Each Major Federal Program

Opinion on 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Utah County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the 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, 2022, 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, 2023, 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, 2023

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2022

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. No Audit findings are required to be reported in accordance with 2 CFR section 200.516(a) in this schedule.
7. The programs tested as a major program were: WIC Special Supplemental Nutrition Program for Women, Infants, and Children (10.557), Covid-19 - Emergency Rental Assistance (21.023), Covid-19 - Coronavirus State and Local Fiscal Recovery Funds (21.027), Community Development Block Grants/Entitlement Grants (14,218), Block Grants for Prevention and Treatment of Substance Abuse (93,959)
8. The threshold for distinguishing between Type A and B programs was \$1,803,336.
9. Utah County was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. PRIOR YEAR FINDINGS AND QUESTIONED COSTS –MAJOR AWARD PROGRAMS

None

D. FINDINGS AND QUESTIONED COSTS – MAJOR AWARD PROGRAMS

None



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

Honorable Board of County Commissioners
Utah County
Provo, Utah

REPORT ON COMPLIANCE WITH GENERAL STATE COMPLIANCE REQUIREMENTS

We have audited Utah County's compliance with the applicable general state requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on Utah County for the year ended December 31, 2022.

General state compliance requirements were tested for the year ended December 31, 2022 in the following areas:

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Restricted Taxes and Related Revenues
- Government Fees
- Utah Retirement System
- Public Treasurer's Bond

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, 2022.

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, 2023 as items 2022-1 and 2022-2. 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, 2023 as items 2022-1 and 2022-2. 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, 2023

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2022



June 28, 2023

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, 2022. 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 I to the financial statements. The application of existing policies, including leases, was not changed during 2022. 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. Another key estimate is related to leases (page 42 of the financial statements): Key estimates and judgements related to leases include how Utah County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments. These estimates seem reasonable.

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, 2023.

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

2022-1 General Compliance- Fund Balance

Finding: Utah State Law prohibits excess fund balances. We noted during our audit that the fund balance of Service Area No. 6 is in excess of the allowed amount.

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

County's Response: We agree with this finding. The fund balance has grown because some related public safety costs have not been charged to Service Area No. 6 since FY2020. The Sheriff's Office has formulated a cost allocation model and will use it to record all expenses related to Service Area No. 6 beginning no later than September 30, 2023. We believe the implementation of this model will resolve the finding.

2022-2 General Compliance- Budgetary Compliance

Finding: Utah State Law prohibits government agencies from spending more than the budgeted total expenditures by fund or department. During our audit we noted that the Mosquito Abatement department, Service Area 8 fund, and the Outside Law Enforcement fund exceeded the budgeted amounts.

Recommendation: We recommend that the County budget to ensure compliance with Utah State Law.

County's Response: We concur with the finding and will take the necessary steps to ensure compliance.

Utah State Compliance Findings – Prior Year

2021-1 General Compliance- Fund Balance

Finding: Utah State Law prohibits deficit fund balances. At year end, the Contract Law Enforcement Fund had a deficit fund balance of \$17,880. Utah State law prohibits excess fund balances in certain funds. We also noted during our audit that the fund balance of Service Area No. 6 is in excess of the allowed amount.

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

Current Status: The deficit fund balance was corrected during the year. The excess fund balance finding remains for the current year.

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”) many years ago. The controls over the new system need to be tested and reviewed to help ensure that the system is adequately designed.
2. 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: depositing funds daily, 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.
3. During our audit and fee analysis we noted two fees that have accumulated a significant balance. The Public Land Corner Preservation Fund increased from \$64,000 to \$91,000 during the year. Fees collected by the Surveyor are deposited to this Fund. The Fund has perpetually grown through the years whereas it would be generally expected the Fund would increase and decrease over time. We noted also that the Household Hazardous Waste Fund has accumulated a balance of approximately \$698,000. Fees collected by the Health Department are deposited into this fund. Again, over the last several years this fund has grown with very little being expended. We recommend that the County review these and other fees to ensure the fees are being collected in a manner consistent with State Auditor Alerts related to Government Fees.
4. During our audit we noted that controls over the capital assets system could be strengthened. The system does log changes, but several departments have the ability to change useful lives, to change the fund to which the depreciation is charged, and other functions. This potentially creates issues with financial statement presentation, unrecorded transactions, and possibly incorrect charging of services within the County. We recommend that a system similar to journal entries be implemented, such as documentation and dual sign-off before the changes can be made. This will help to ensure that the overall effects of the changes will be understood and any adjustments to accounting records or charge rates will be timely made.
5. We recommend that departments be reminded about the need to record donated assets at fair market value. We noted that a donated asset of approximately \$500,000 had not been reported to the finance department and was therefore not recorded in a timely manner.

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.

Gilbert & Stewart
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Certified Public Accountants