

UTAH COUNTY, UTAH

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2017



Published: June 27, 2018

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

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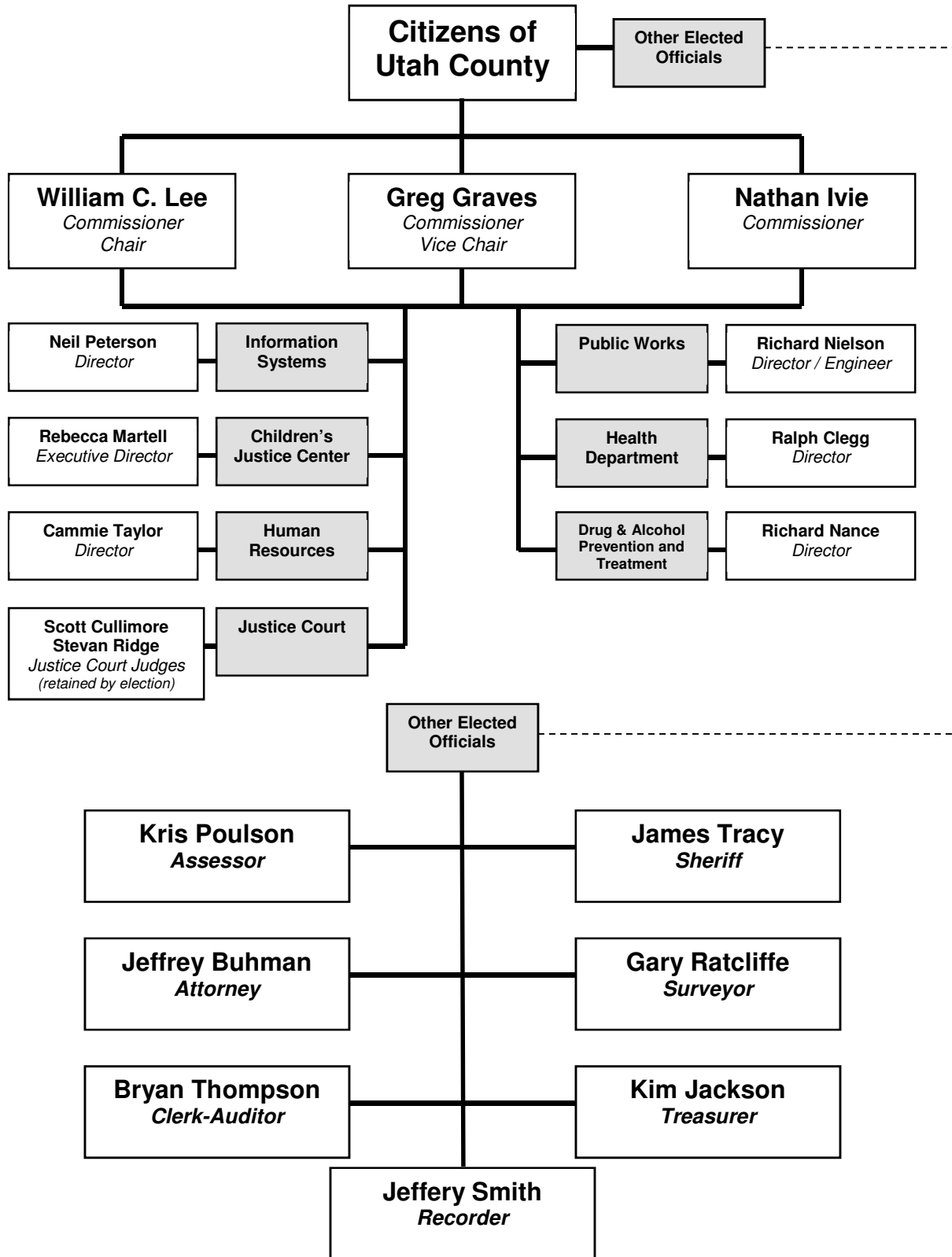
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UTAH COUNTY ORGANIZATIONAL CHART

As of December 31, 2017



FINANCIAL SECTION



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

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INDEPENDENT AUDITOR'S REPORT

To Honorable Board of County Commissioners
Utah County
Provo, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, (the County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of December 31, 2017 and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-12 and 65-67, and the County's Road System Ratings and OPEB Schedule of Funding Progress and Pension Disclosures on pages 63-64 and 68-70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2018, on our consideration of Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Utah County's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC

Provo, Utah 84601

June 27, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Utah County, Utah
Management's Discussion and Analysis
December 31, 2017

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, 2017.

Financial Highlights

- At the close of the most recent fiscal year, the assets and deferred outflows of the County exceeded its liabilities by \$328,129,070 (net position). Of this amount, \$10,667,338 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors. The County's total net position decreased by \$10,265,262.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$179,521,269, a decrease of \$17,718,255 in comparison with the prior year. Approximately 9 percent of this amount (\$16,564,225) is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$21,222,722, or approximately 28 percent of total general fund expenditures.
- The County's total outstanding long-term debt decreased by \$8,735,000 during the current fiscal year due to principal payments in accordance with debt service schedules.

Overview of the Financial Statements

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, public health and welfare, roads and public improvements, and parks and recreation. The County has no business-type activities.

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. These entities are Timpanogos Special Service District, North Pointe Solid Waste Special Service District, North Fork Special Service District,

the Utah Valley Convention and Visitors Bureau, and Wasatch Mental Health Special Service District. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and therefore has been included as an integral part of the primary government. Soldier Summit Special Service District, Utah Valley Road Special Service District, and Utah County Service Areas No. 6-9 are also included in the government-wide financial statements as blended component units.

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

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

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

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

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

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

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

- **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the

resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

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

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

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the County's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$328,129,070 at the close of the most recent fiscal year.

The largest portion of the County's net position (\$216,352,739 or 66 percent) reflects its investment in capital assets (e.g. land, rights of way, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$101,108,993 or 31 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$10,667,338 is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors.

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

The County's overall net position decreased by \$10,265,262 (3 percent) from the prior fiscal year. The reasons for this overall decrease are discussed in the following section.

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Utah County's Net Position

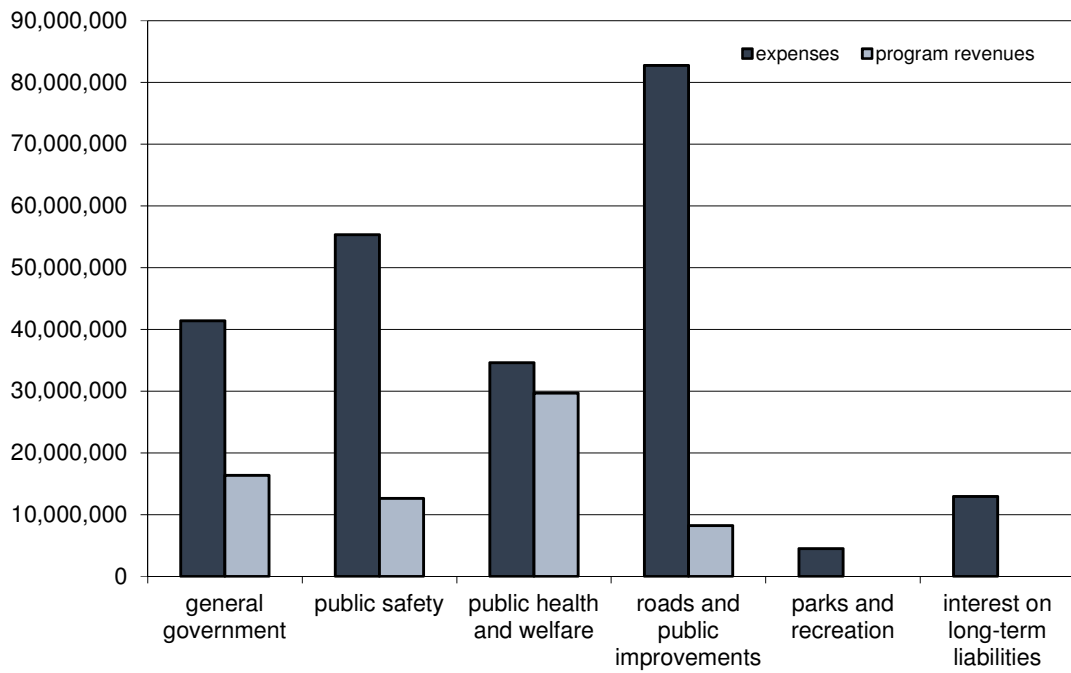
	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
Current assets	\$222,395,116	\$236,876,390	\$ 0	\$ 0	\$222,395,116	\$236,876,390
Capital assets	413,436,427	412,196,123	0	0	413,436,427	412,196,123
Other noncurrent assets	11,073	18,996	0	0	11,073	18,996
Total assets	635,842,616	649,091,509	0	0	635,842,616	649,091,509
Total deferred outflows of resources	28,655,514	22,403,935	0	0	28,655,514	22,403,935
Current liabilities	34,606,132	29,889,791			34,606,132	29,889,791
Noncurrent liabilities	297,522,787	300,449,132	0	0	297,522,787	300,449,132
Total liabilities	332,128,919	330,338,923	0	0	332,128,919	330,338,923
Total deferred inflows of resources	4,240,141	2,762,189	0	0	4,240,141	2,762,189
Net position:						
Net investment in capital assets	216,352,739	202,325,789	0	0	216,352,739	202,325,789
Restricted	101,108,993	89,378,716	0	0	101,108,993	89,378,716
Unrestricted	10,667,338	46,689,827	0	0	10,667,338	46,689,827
Total net position	\$328,129,070	\$338,394,332	\$ 0	\$ 0	\$328,129,070	\$338,394,332

Governmental activities. As the County has no business-type activities, the overall decrease of the County's net position by \$10,265,262 is solely attributed to governmental activities. A key element of this decrease is the expenditure of bond proceeds from 2016. In December 2016, the County issued \$65 million in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority ("UTA"). During 2017, construction draws of \$27.4 million were requested by UTA, which reduces the County's cash and investments, but does not result in a capital asset owned by the County.

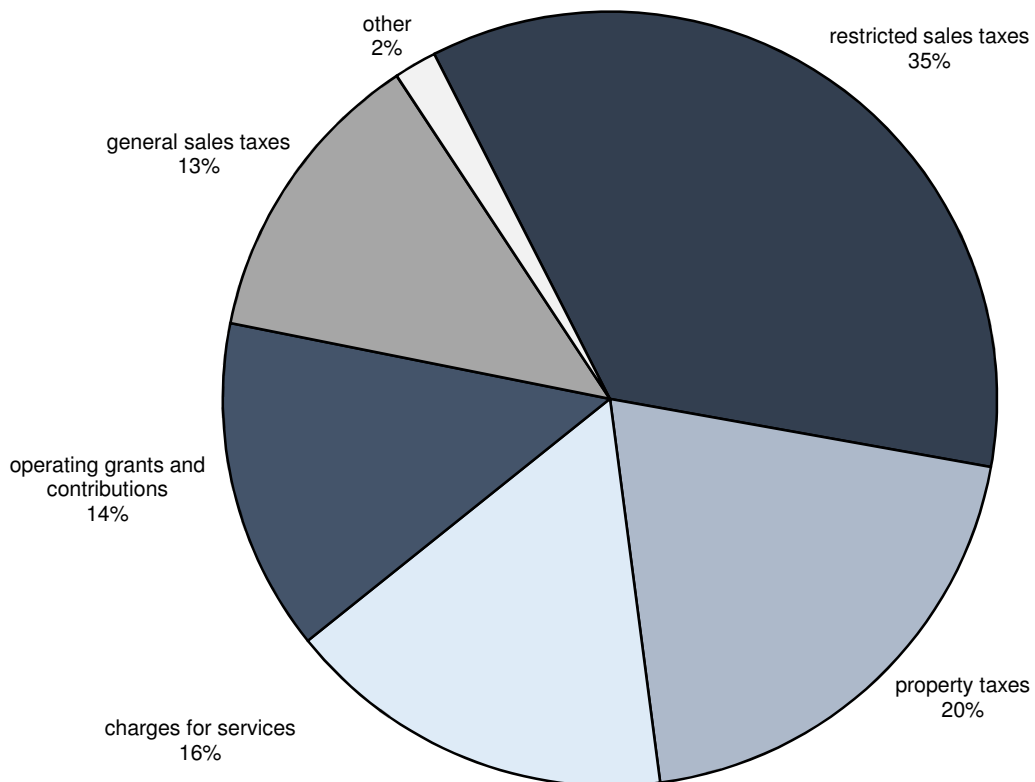
Utah County's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$36,130,584	\$40,600,228	\$ 0	\$ 0	\$36,130,584	\$40,600,228
Operating grants and contributions	30,744,111	28,831,844	0	0	30,744,111	28,831,844
Capital grants and contributions	0	0	0	0	0	0
General revenues:						
Property taxes	44,473,978	44,528,176	0	0	44,473,978	44,528,176
Other taxes	105,973,444	96,055,177	0	0	105,973,444	96,055,177
Other	3,954,106	3,040,775	0	0	3,954,106	3,040,775
Total revenues	221,276,223	213,056,200	0	0	221,276,223	213,056,200
Expenses:						
General government	\$41,392,765	\$39,399,925	0	0	\$41,392,765	\$39,399,925
Public safety	55,341,820	51,135,267	0	0	55,341,820	51,135,267
Public health and welfare	34,600,178	32,300,465	0	0	34,600,178	32,300,465
Roads and public improvements	82,784,821	61,128,370	0	0	82,784,821	61,128,370
Parks and recreation	4,464,337	2,100,331	0	0	4,464,337	2,100,331
Interest on long-term debt	12,957,564	11,504,694	0	0	12,957,564	11,504,694
Total expenses	231,541,485	197,569,052	0	0	231,541,485	197,569,052
Increase / (decrease) in net position	(10,265,262)	15,487,148	0	0	(10,265,262)	15,487,148
Net position – beginning	338,394,332	322,907,184	0	0	338,394,332	322,907,184
Net position – ending	\$328,129,070	\$338,394,332	\$ 0	\$ 0	\$328,129,070	\$338,394,332

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the County's Funds

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

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

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$179,521,269, a decrease of \$17,718,255 in comparison with the prior year. Approximately 9 percent of this amount (\$16,564,225) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0), (2) legally required to be maintained intact (\$0), (3) restricted for particular purposes (\$135,296,036), (4) committed for particular purposes (\$22,995,245), or (5) assigned for particular purposes (\$4,665,762).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,556,960 while total fund balance decreased to \$24,909,978. 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 22 percent of total general fund expenditures while total fund balance represents approximately 32 percent of total general fund expenditures.

The fund balance of the County's general fund decreased by \$3,178,528 during the current fiscal year. The primary reason for this decrease is the discontinuation of a contract with United States Immigration and Customs Enforcement, resulting in lower revenue of \$4-5 million without an associated decrease in expenditures.

The Health fund, a major fund, had a \$546,253 increase in fund balance during the current fiscal year. The increase in fund balance resulted from an increase in the fees collected. Part of this increase is attributable to increases in the fee schedule approved by the Board of Health and part of the increase is attributable to more services being provided.

The Transportation Projects fund, a major fund, had a \$20,799,651 decrease in fund balance during the current fiscal year. The decrease in fund balance is due to the expenditure of bond proceeds issued in 2016. In December 2016, the County issued \$65 million in Series 2016 Subordinated Transportation Sales Tax Revenue Bonds to finance a Transportation Improvement Project, more commonly known as Bus Rapid Transit, to be operated by the Utah Transit Authority. By the end of the year, there were still \$28.7 million in unspent bond proceeds.

The Capital Projects fund, a major fund, had a \$71,452 increase in fund balance during the current fiscal year. The increase in fund balance can mainly be attributed to interest earnings as there was only a minor capital expenditure, a facility needs assessment, paid directly from the Capital Projects fund. Other expenditures were funded by transfers from other funds.

The Debt Service fund, the remaining major governmental fund, had an increase of \$1,122,166 in fund balance during the current year to bring the year-end fund balance to \$4,186,306. This increase was due to an operating transfer associated with the Series 2014 Sales Tax Revenue Refunding Bonds.

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

Unrestricted net position of the internal service funds at the end of the year amounted to \$6,039,600. The total increase in net position was \$1,457,354.

General Fund Budgetary Highlights

During the year there was a \$3,589,643 increase in appropriations between the original and final amended budgets. During 2017, the County acquired a new Human Resources Information System (Workday) that resulted in a budgetary increase of \$1,002,646, which is the major reason for the change in appropriations.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental activities as of December 31, 2017 amounts to \$413,436,427 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total increase in the County's investment in capital assets for the current fiscal year was 0.3 percent.

Utah County's Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 46,939,657	\$ 46,489,657	\$ 0	\$ 0	\$ 46,939,657	\$ 46,489,657
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	0	0	0	0	0	0
Buildings	112,119,299	113,716,479	0	0	112,119,299	113,716,479
Improvements other than buildings	4,210,870	3,435,091	0	0	4,210,870	3,435,091
Equipment	10,909,646	10,238,277	0	0	10,909,646	10,238,277
Infrastructure	239,045,217	238,104,879	0	0	239,045,217	238,104,879
Total	\$413,436,429	\$412,196,123	\$ 0	\$ 0	\$413,436,429	\$412,196,123

Major capital asset events occurring during the current fiscal year include purchase of land at Lincoln Point near Utah Lake, improvements to Bridal Veil Park, improvements to the historic Utah County Courthouse, and replacement of the roof at the Utah County Security Center.

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

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$259,095,000. The full amount of the bonded debt, \$259,095,000, is debt that is secured solely by specific revenue sources; none of this debt is backed by the full faith and credit of the government (e.g. property taxes).

The County's total debt decreased by \$8,735,000 (3 percent) during the current fiscal year. The key factor in this decrease was principal payments in accordance with debt service schedules.

Utah County's Outstanding Debt

General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Revenue bonds	259,095,000	267,830,000	0	0	259,095,000	267,830,000
Total	\$259,095,000	\$267,830,000	\$ 0	\$ 0	\$259,095,000	\$267,830,000

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

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the County at December 2017 was 2.7 percent (seasonally adjusted). This compares favorably to both the State's unemployment rate of 3.2 percent and to the national unemployment rate of 4.1 percent (Source: U.S. Department of Labor, Bureau of Labor Statistics and Utah Department of Workforce Services).
- Utah County's estimated population in 2017 was 606,425. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). New growth generates additional property tax and sales tax revenues.
- The County continues to build a foundation for stronger economic growth. Some large projects taking place within cities are as follows: (1) Construction of a 970,000 square foot Facebook data center in Eagle Mountain; (2) Redevelopment of the University Mall (known as "University Place") in Orem; (3) Construction of a 62-acre development project known as "The Grove" in Pleasant Grove; (4) Redevelopment of Plumtree Plaza (known as "The Mix") and Provo Towne Centre in Provo; (5) Grand opening of a 220-acre development project known as "Canyon Creek" in Spanish Fork. Important transportation projects include continuing construction of the Bus Rapid Transit system that will operate in Orem and Provo with a scheduled start date in August 2018 and design of a pedestrian bridge over Interstate 15 in Orem that will connect Utah Valley University with Utah Transit Authority's FrontRunner station. The County's sponsorship of arts and recreational facilities adds to the quality of life of its residents. During 2017, the Board of County Commissioners demonstrated its support of arts and recreational facilities by continuing to develop a park at Bridal Veil Falls in Provo Canyon and contributing operating funds to both the Spanish Fork Fairgrounds and the Springville Museum of Art.
- A decrease in property values does not affect the County's projected property tax revenue. The Utah State Tax Commission uses a property tax formula that generally allows counties to generate the same amount of property tax each year. If property values increase, the property tax rate automatically decreases and vice versa. If the County wishes to adopt a rate in excess of the calculated or certified rate, it must be done through a truth-in-taxation process that involves holding public hearings prior to the adoption of the budget. The Board of Utah County Commissioners did not elect to raise the general property tax rates in either 2017 or 2018.

These factors were considered in preparing the County's budget for 2018.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$16,556,960. The County has appropriated \$7,003,222 of this amount for spending in the 2018 budget. The use of available fund balance is a one-time funding source that will not be available in subsequent years.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

UTAH COUNTY
Statement of Net Position
December 31, 2017

	Primary Government Governmental Activities	Component Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and Investments	\$ 188,095,541	\$ 48,019,361
Receivables:		
Taxes Receivable	20,770,460	169,000
Other	12,383,250	7,760,005
Inventories	358,651	12,086
Other Current Assets	787,214	1,030,827
Capital Assets (net of depreciation):		
Land	46,939,657	10,019,583
Rights of Way and Water Rights	211,740	437,671
Construction In Progress	-	655,143
Buildings	112,119,299	9,565,555
Improvements Other Than Buildings	4,210,870	128,170,195
Equipment	10,909,644	5,252,250
Infrastructure	239,045,217	-
Net Pension Asset	11,073	2
Other Non Current Assets	-	45,145,943
Total Assets	635,842,616	256,237,621
Deferred Outflow of Resources	28,655,514	6,448,979
Total Assets and Deferred Outflow of Resources	664,498,130	262,686,600
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts Payable and Accruals	\$ 15,647,407	\$ 5,264,147
Accrued Interest	955,550	331,024
Unearned Revenues	6,290,497	8,600
Other Liabilities	2,820,010	897,211
Revenue Bonds, Notes and Capital Leases - Due Within One Year	8,892,668	2,324,344
Noncurrent liabilities:		
Revenue Bonds and Notes - Due More Than One Year	251,586,020	83,043,716
Other Noncurrent Liabilities	-	163,484
Net Pension Liability	34,824,628	10,889,116
Compensated Absences and Other Post Employment Benefits	11,112,139	570,098
Total Liabilities	332,128,919	103,491,740
Deferred Inflow of Resources	4,240,141	1,546,660
Total Liabilities and Deferred Inflow of Resources	336,369,060	105,038,400
Net Position:		
Net investment in capital assets	216,352,739	101,333,556
Restricted for:		
Debt Service	4,186,306	16,744,331
Assessing and Collecting Property Tax	5,281,093	-
Transient Room Tax	733,124	-
Public Transit Tax	75,601,550	-
Restaurant Tax	15,306,920	-
Unrestricted	10,667,338	39,570,313
Total Net Position	\$ 328,129,070	\$ 157,648,200

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

UTAH COUNTY
Statement of Activities
Year Ended December 31, 2017

Functions Primary Government	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total Governmental Activities	Total	
Governmental activities:							
General Government	\$ 41,392,765	\$ 16,339,086	\$ -	\$ -	\$ (25,053,679)	\$ (25,053,679)	\$ -
Public Safety	55,341,820	8,401,507	4,242,844	-	(42,697,469)	(42,697,469)	-
Public Health	34,600,178	11,389,991	18,297,279	-	(4,912,908)	(4,912,908)	-
Highways and Streets	82,784,821	-	8,203,988	-	(74,580,833)	(74,580,833)	-
Parks and Recreation	4,464,337	-	-	-	(4,464,337)	(4,464,337)	-
Interest on Long-term Liabilities	12,957,564	-	-	-	(12,957,564)	(12,957,564)	-
Total County	<u>\$ 231,541,485</u>	<u>\$ 36,130,584</u>	<u>\$ 30,744,111</u>	<u>\$ -</u>	<u>(164,666,790)</u>	<u>(164,666,790)</u>	<u>-</u>
Component Units							
Timpanogos Special Service District	\$ 15,209,673	\$ 17,685,146	\$ -	\$ -	\$ -	\$ -	\$ 2,475,473
North Pointe Solid Waste Special Service District	9,609,834	9,270,623	-	-	-	-	(339,211)
North Fork Special Service District	1,351,224	1,436,441	-	-	-	-	85,217
Utah Valley Convention and Visitors Bureau	1,837,345	1,943,982	-	-	-	-	106,637
Wasatch Mental Health	34,449,245	33,746,685	-	-	-	-	(702,560)
	<u>\$ 62,457,321</u>	<u>\$ 64,082,877</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 1,625,556</u>
General revenues:							
Property Taxes					44,473,978	44,473,978	173,326
Sales Taxes					93,194,377	93,194,377	-
Restaurant Tax					9,177,694	9,177,694	-
Transient Room Tax					3,601,373	3,601,373	-
Earnings on Investments					2,538,252	2,538,252	896,304
Impact Fees and Other					-	-	-
Miscellaneous					1,415,854	1,415,854	2,223,866
Total general revenues					<u>154,401,528</u>	<u>154,401,528</u>	<u>3,293,496</u>
Change in net position					(10,265,262)	(10,265,262)	4,919,052
Net position - beginning					<u>338,394,332</u>	<u>338,394,332</u>	<u>152,729,148</u>
Net position - ending					<u>\$ 328,129,070</u>	<u>\$ 328,129,070</u>	<u>\$ 157,648,200</u>

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

UTAH COUNTY
Balance Sheet
Governmental Funds
December 31, 2017

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects	Debt Service		
ASSETS							
Cash and investments	\$ 28,989,868	\$ 5,953,357	\$ 104,768,911	\$ 10,294,600	\$ 4,092,444	\$ 26,666,834	\$ 180,766,013
Receivables:							
Tax receivables	11,597,439	-	4,215,085	-	618	4,957,318	20,770,460
Other receivables	1,597,020	1,518,439	2,768,456	-	96,243	5,889,644	11,869,803
Due from other funds	1,747,000	-	-	-	-	-	1,747,000
Other assets	121,183	147,636	2,606	-	-	397,628	669,053
Total assets	<u>\$ 44,052,510</u>	<u>\$ 7,619,432</u>	<u>\$ 111,755,059</u>	<u>\$ 10,294,600</u>	<u>\$ 4,189,306</u>	<u>\$ 37,911,423</u>	<u>\$ 215,822,329</u>
LIABILITIES							
Accounts payable and accruals	\$ 4,183,488	\$ 800,856	\$ 3,954,746	\$ 665,459	\$ 3,000	\$ 4,608,549	\$ 14,216,097
Unearned revenues	1,448,562	59,359	3,444,747	-	-	1,329,204	6,281,872
Due to other funds	-	-	-	-	-	1,747,000	1,747,000
Other liabilities	12,351,077	-	-	-	-	-	12,351,077
Total liabilities	<u>17,983,126</u>	<u>860,214</u>	<u>7,399,493</u>	<u>665,459</u>	<u>3,000</u>	<u>7,684,754</u>	<u>34,596,047</u>
DEFERRED INFLOWS OF RESOURCES	<u>1,159,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>545,608</u>	<u>1,705,014</u>
FUND BALANCES							
Restricted:							
Transient room tax	-	-	-	-	-	733,124	733,124
Assessing and collecting	-	-	-	-	-	5,281,093	5,281,093
Public transit taxes	-	-	75,601,550	-	-	-	75,601,550
TRCC tax	-	-	-	-	-	15,306,920	15,306,920
Special service areas/districts	-	-	-	-	-	5,932,079	5,932,079
Bond proceeds	-	-	28,754,015	-	-	-	28,754,015
Debt service	-	-	-	-	-	-	-
Statutory minimum balance	3,687,256	-	-	-	-	-	3,687,256
Committed:							
Public health and welfare	-	6,759,218	-	-	-	1,438,121	8,197,339
Public safety	-	-	-	-	-	982,460	982,460
Capital projects	-	-	-	9,629,141	-	-	9,629,141
Debt service	-	-	-	-	4,186,306	-	4,186,306
Assigned:							
Medicaid reserve	600,000	-	-	-	-	-	600,000
Equipment replacement	3,065,762	-	-	-	-	-	3,065,762
Presidential election (2020)	1,000,000	-	-	-	-	-	1,000,000
Unassigned	16,556,960	-	-	-	-	7,265	16,564,225
Total fund balances	<u>24,909,978</u>	<u>6,759,218</u>	<u>104,355,565</u>	<u>9,629,141</u>	<u>4,186,306</u>	<u>29,681,062</u>	<u>179,521,269</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,052,510</u>	<u>\$ 7,619,432</u>	<u>\$ 111,755,059</u>	<u>\$ 10,294,600</u>	<u>\$ 4,189,306</u>	<u>\$ 37,911,423</u>	<u>\$ 215,822,329</u>

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

UTAH COUNTY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2017

Total fund balances for governmental funds	\$ 179,521,271
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Total net position reported for governmental activities in the statement of net position is different because:

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

Land	\$ 46,939,657	
Rights of Way	211,740	
Buildings net of accum. depreciation of \$35,150,659	112,119,299	
Improvements other than buildings net of accum. depreciation \$4,997,224	4,210,870	
Equipment net of accum. depreciation of \$18,887,370	10,909,644	
Infrastructure	239,045,217	413,436,427

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(955,550)
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The net pension asset is not an available resource and therefore is not reported in the governmental funds	11,073
--	--------

Unamortized bond premiums originally shown as revenue in the governmental funds	(2,368,456)
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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.	1,705,014
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Unamortized deferred outflow of resources - refundings	145,882
--	---------

Unamortized bond discounts originally shown as expenditures the governmental funds	984,768
--	---------

Internal service funds are used by management to provide a method of charging individual funds and departments for use of facilities, communication systems, fleet, information systems support, and other services. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds unrestricted net position at year-end are:	6,879,850
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

Net Pension liability	(34,824,628)	
Deferred outflows of resources related to pensions	28,509,632	
Deferred inflow of resources related to pensions	(4,240,141)	
Compensated absences and OPEB	(1,581,072)	(271,231,209)

Total net position of governmental activities	\$ 328,129,070
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The notes to the financial statements are an integral part of this statement.

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects	Debt Service		
REVENUES							
Property taxes	\$ 31,870,975	\$ -	\$ -	\$ -	\$ 990	\$ 13,668,027	\$ 45,539,992
Sales taxes	27,815,838	-	65,378,539	-	-	12,779,067	105,973,444
Franchise taxes	3,145	-	-	-	-	-	3,145
Licenses and permits	393,746	-	-	-	-	22,010	415,756
Intergovernmental	796,225	12,168,885	4,169,785	-	3,165,044	10,184,004	30,483,943
Charges for services	10,056,386	9,585,252	4,034,203	-	-	10,177,178	33,853,019
Fines and forfeitures	2,116,978	-	-	-	-	5,000	2,121,978
Interest	331,279	92,149	1,647,238	141,874	-	322,567	2,535,107
Miscellaneous	360,546	57,178	279,765	-	-	718,363	1,415,853
Total revenues	<u>73,745,119</u>	<u>21,903,464</u>	<u>75,509,530</u>	<u>141,874</u>	<u>3,166,034</u>	<u>47,876,216</u>	<u>222,342,237</u>
EXPENDITURES							
Current:							
General government	26,836,350	-	-	70,421	-	19,171,194	46,077,966
Public safety	48,207,864	-	-	-	-	4,779,689	52,987,552
Public health and welfare	949,275	24,038,403	-	-	-	9,224,494	34,212,173
Roads and public improvements	-	-	81,174,927	-	-	712,695	81,887,622
Parks and recreation	607,866	-	-	-	-	3,477,500	4,085,366
Debt service:							
Principal	-	-	-	-	8,735,000	-	8,735,000
Interest	-	-	-	-	13,010,793	-	13,010,793
Fiscal charges	-	-	-	-	25,700	-	25,700
Capital outlay:							
General government	28,484	-	-	591,339	-	-	619,823
Public safety	98,491	-	-	549,259	-	23,276	671,026
Public health and welfare	-	13,000	-	-	-	-	13,000
Roads and public improvements	-	-	887,613	-	-	-	887,613
Parks and recreation	-	-	-	-	-	11,346	11,346
Total expenditures	<u>76,728,331</u>	<u>24,051,403</u>	<u>82,062,540</u>	<u>1,211,019</u>	<u>21,771,493</u>	<u>37,400,194</u>	<u>243,224,980</u>
Excess (deficiency) of revenues over expenditures	<u>(2,983,212)</u>	<u>(2,147,939)</u>	<u>(6,553,010)</u>	<u>(1,069,145)</u>	<u>(18,605,460)</u>	<u>10,476,022</u>	<u>(20,882,743)</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	3,618,928	2,694,191	-	1,140,598	19,728,616	1,045,811	28,228,144
Transfers out	(3,814,245)	-	(14,246,641)	-	(990)	(7,001,781)	(25,063,656)
Issuance of bonds	-	-	-	-	-	-	-
Payments to refunding escrow	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(195,317)</u>	<u>2,694,191</u>	<u>(14,246,641)</u>	<u>1,140,598</u>	<u>19,727,626</u>	<u>(5,955,970)</u>	<u>3,164,488</u>
Net change in fund balances	(3,178,528)	546,253	(20,799,651)	71,452	1,122,166	4,520,052	(17,718,255)
Fund balances - beginning	<u>28,088,506</u>	<u>6,212,965</u>	<u>125,155,216</u>	<u>9,557,688</u>	<u>3,064,139</u>	<u>25,161,009</u>	<u>197,239,524</u>
Fund balances - ending	<u>\$ 24,909,978</u>	<u>\$ 6,759,218</u>	<u>\$ 104,355,565</u>	<u>\$ 9,629,141</u>	<u>\$ 4,186,306</u>	<u>\$ 29,681,062</u>	<u>\$ 179,521,269</u>

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

UTAH COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2017

Net change in fund balances for governmental funds	\$ (17,718,255)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment, buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 7,510,412	
Depreciation expense	<u>(3,474,180)</u>	4,036,232

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	(1,082,387)
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Expenses in the statement of activities that do not use current financial resources are not reported as expenses in the funds	74,942
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The net effect of various miscellaneous transactions involving capital assets (i.e. trade ins, disposals, or annexations).	(6,044,503)
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The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Issuance of long term obligations		
Repayment of bond principal	8,735,000	
Net amortization of bond premiums and discounts	137,668	
Net changes in compensated absences and OPEB liability	1,096,590	
Net negative pension expense	<u>(957,903)</u>	9,011,355

Internal service funds are used by management to charge the costs of information systems, fleet, building maintenance, communications, and other services to individual funds.	1,457,354
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Change in net position of governmental activities	<u><u>\$ (10,265,262)</u></u>
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UTAH COUNTY
Statement of Net Position
Proprietary Funds
December 31, 2017

	Governmental Activities - Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current assets:	
Cash and investments	\$ 7,329,527
Accounts receivable	513,448
Inventory	358,651
Prepaid expenses	118,161
Total current assets	<u>8,319,787</u>
Noncurrent assets:	
Net pension asset	637
Capital assets:	
Equipment, vehicles, furniture	25,001,590
Accumulated depreciation	(14,911,782)
Net capital assets	<u>10,089,807</u>
Total noncurrent assets	<u>10,090,444</u>
Total assets	18,410,232
Deferred outflows of resources:	
Pension-related deferred outflows	<u>2,621,289</u>
Total assets and deferred outflows of resources	<u>21,031,521</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable and accruals	1,431,309
Unearned revenues	8,626
Due to other funds	-
Total current liabilities	<u>1,439,935</u>
Noncurrent liabilities:	
Net pension liability	3,117,412
Total noncurrent liabilities	<u>3,117,412</u>
Total liabilities	4,557,347
Deferred inflows of resources:	
Pension-related deferred inflows	<u>344,767</u>
Total liabilities and deferred inflows of resources	<u>4,902,114</u>
NET POSITION	
Restricted - invested in capital assets, net of related debt	10,089,807
Unrestricted	6,039,600
Total net position	<u><u>\$ 16,129,407</u></u>

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

UTAH COUNTY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges to other funds	\$ 19,323,768
Charges to outside agencies	1,583,889
Other revenues	41,356
Total operating revenues	<u>20,949,013</u>
Operating expenses:	
Salaries, wages, and benefits	6,744,979
Materials, supplies, and services	7,895,576
Depreciation	2,750,735
Total operating expenses	<u>17,391,290</u>
Operating income (loss)	<u>3,557,723</u>
Non-operating revenues (expenses):	
Interest income	98,465
Intergovernmental income	-
Intergovernmental expenses	-
Gain (loss) on sale of fixed assets	965,653
Total non-operating income (loss)	<u>1,064,118</u>
Net income (loss) before operating transfers	<u>4,621,842</u>
Transfers:	
Transfers in	-
Transfers out	(3,164,488)
Total transfers	<u>(3,164,488)</u>
Net income (loss)	1,457,354
Net position at beginning of year	<u>14,672,054</u>
Net position at end of year	<u><u>\$ 16,129,407</u></u>

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

UTAH COUNTY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from customers and users	\$ 21,230,694
Payments to suppliers	(7,590,515)
Payments to employees	(6,664,367)
Net cash provided (used) by operating activities	<u>6,975,812</u>
Cash flows from non-capital financing activities:	
Transfers in	-
Transfers out	(3,164,488)
Net cash provided (used) by non-capital financing activities	<u>(3,164,488)</u>
Cash flows from capital and related financing activities:	
Payments for acquisitions of capital assets	(3,616,492)
Proceeds from sales of capital assets	965,653
Intergovernmental revenue	-
Net cash provided (used) by capital and related financing activities	<u>(2,650,839)</u>
Cash flows from investing activities:	
Interest received	<u>98,465</u>
Net change in cash and cash equivalents	1,258,951
Cash and cash equivalents - beginning	<u>6,070,576</u>
Cash and cash equivalents - ending	<u><u>\$ 7,329,527</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	<u>\$ 3,557,723</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	2,750,735
(Increase) decrease in accounts receivable	281,681
(Increase) decrease in prepaid expenses	(16,519)
(Increase) decrease in inventory	22,923
Increase (decrease) in accounts payable	298,658
Increase (decrease) in accrued payroll	15,036
Increase (decrease) in unearned revenue	-
Increase (decrease) in amounts due to other funds	-
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	65,576
Total adjustments	<u>3,418,089</u>
Net cash provided (used) by operating activities	<u><u>\$ 6,975,812</u></u>
Noncash investing, capital, and financing activities:	none

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

UTAH COUNTY
Statement of Fiduciary Net Position
Agency Funds
December 31, 2017

	Agency Funds
ASSETS	
Cash and investments	\$ 104,956,400
Taxes receivable	747,139
Accounts receivable	68,312
Other assets	6,033
 Total assets	 <u><u>\$ 105,777,885</u></u>
 LIABILITIES	
Due to other taxing units or entities	\$ 103,424,878
Other liabilities	2,353,007
 Total liabilities	 <u><u>\$ 105,777,885</u></u>

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying basic financial statements present the financial position of various fund types and account groups and the results of operations of the various fund types. The basic financial statements are presented for the year ended December 31, 2017.

A. Reporting Entity

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

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

Blended Component Units

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

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

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

NOTE 1 (Continued)

Discretely Presented Component Units

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

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

Administrative Office: 5050 West 6400 North, American Fork, UT 84003
Fiscal Year Ended: December 31, 2017
Report dated April 13, 2018

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

Administrative Office: 2008 West 200 South, Lindon, UT 84042
Fiscal Year Ended: December 31, 2017
Report dated March 20, 2018

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

Administrative Office: 750 North 200 West, Provo, UT 84604
Fiscal Year Ended: June 30, 2017
Report dated October 27, 2017

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

Administrative Office: RR3 Box B1, Provo, UT 84604
Fiscal Year Ended: December 31, 2016
Report dated June 29, 2017

Note: The report for the 2017 fiscal year was unavailable as of the date of this report.

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

Administrative Office: 220 West Center Street, Suite 100, Provo, UT 84601
Fiscal Year Ending: December 31, 2017
Report dated March 14, 2018

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 (Continued)

Related Organizations

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

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

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
ASSETS						
Current assets	\$ 34,518,546	\$ 4,230,813	\$ 4,248,605	\$ 489,014	\$ 13,504,301	\$ 56,991,279
Capital assets, net of accumulated depreciation	128,666,428	7,148,259	7,011,401	42,612	11,231,697	154,100,397
Other noncurrent assets	44,562,011	-	2	214,491	369,441	45,145,945
Total assets	<u>207,746,985</u>	<u>11,379,072</u>	<u>11,260,008</u>	<u>746,117</u>	<u>25,105,439</u>	<u>256,237,621</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>1,057,500</u>	<u>600,554</u>	<u>54,658</u>	<u>-</u>	<u>4,736,267</u>	<u>6,448,979</u>
Total assets and deferred outflows of resources	<u>\$ 208,804,485</u>	<u>\$ 11,979,626</u>	<u>\$ 11,314,666</u>	<u>\$ 746,117</u>	<u>\$ 29,841,706</u>	<u>\$ 262,686,600</u>
LIABILITIES						
Current liabilities	\$ 3,729,756	\$ 498,903	\$ 464,643	\$ 180,490	\$ 3,951,534	\$ 8,825,326
Noncurrent liabilities	79,407,043	812,916	5,260,341	-	9,186,114	94,666,414
Total liabilities	<u>83,136,799</u>	<u>1,311,819</u>	<u>5,724,984</u>	<u>180,490</u>	<u>13,137,648</u>	<u>103,491,740</u>
DEFERRED INFLOWS OF RESOURCES	<u>206,337</u>	<u>95,912</u>	<u>12,374</u>	<u>-</u>	<u>1,232,037</u>	<u>1,546,660</u>
NET POSITION						
Net position	<u>125,461,349</u>	<u>10,571,895</u>	<u>5,577,308</u>	<u>565,627</u>	<u>15,472,021</u>	<u>157,648,200</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 208,804,485</u>	<u>\$ 11,979,626</u>	<u>\$ 11,314,666</u>	<u>\$ 746,117</u>	<u>\$ 29,841,706</u>	<u>\$ 262,686,600</u>

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Operating revenues	\$ 17,685,146	\$ 9,270,623	\$ 1,436,441	\$ 1,943,982	\$ 33,746,685	\$ 64,082,877
Operating expenses:						
Depreciation	4,742,552	643,004	245,065	16,413	525,711	6,172,745
Other operating expenses	8,150,495	8,965,494	928,576	1,820,932	33,923,534	53,789,031
Operating income (loss)	<u>4,792,099</u>	<u>(337,875)</u>	<u>262,800</u>	<u>106,637</u>	<u>(702,560)</u>	<u>4,121,101</u>
Non-operating revenues (expenses)	<u>(205,534)</u>	<u>181,734</u>	<u>7,890</u>	<u>(7,803)</u>	<u>821,664</u>	<u>797,951</u>
Change in net position	<u>4,586,565</u>	<u>(156,141)</u>	<u>270,690</u>	<u>98,834</u>	<u>119,104</u>	<u>4,919,052</u>
Net position - beginning	<u>120,874,784</u>	<u>10,728,036</u>	<u>5,306,618</u>	<u>466,793</u>	<u>15,352,917</u>	<u>152,729,148</u>
Net position - ending	<u>\$ 125,461,349</u>	<u>\$ 10,571,895</u>	<u>\$ 5,577,308</u>	<u>\$ 565,627</u>	<u>\$ 15,472,021</u>	<u>\$ 157,648,200</u>

NOTE 1 (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

NOTE 1 (Continued)

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

The County reports the following major governmental funds:

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

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

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

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

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

The County also reports the following nonmajor funds:

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

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

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

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

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

NOTE 1 (Continued)

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

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

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

1. Cash & Cash Equivalents and Investments

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

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

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

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

2. Capital Assets

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

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

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

NOTE 1 (Continued)

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

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

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

3. Inventory

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

4. Compensated Absences

At December 31, 2017, the County was liable for accumulated vacation/gift holiday and compensatory pay for all employees and up to 720 hours of sick pay for retirement-eligible employees (employees can accumulate unlimited sick hours but the hours only have cash value upon retirement with 720 hours being the maximum number of hours eligible for payout at 25 percent of the employee’s pay rate at the time of retirement plus a reserve balance for a limited number of qualified employees). The liability was computed according to the County’s Human Resources Rules & Regulations and totaled \$4,648,970.

5. Long-Term Obligations

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

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

6. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary

NOTE 1 (Continued)

net position of the Utah Retirement Systems Pension Plan (“URS”) and additions to/deductions from URS’s fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

7. *Deferred Outflows/Inflows of Resources*

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

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

8. *Fund Equity*

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

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

NOTE 1 (Continued)

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

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

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

• **Assigned.** This category includes general fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the Board of County Commissioners after advisement by the County Auditor and other finance personnel. Assigned fund balances include reserves related to drug and alcohol treatment, including a Medicaid reserve fund, equipment replacement, and the 2020 presidential election.

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

9. Net Position

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

E. Property Taxes

The County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including cities, school districts, and special districts, in accordance with state law. Property taxes are collected on two types of assets: 1) personal property, which represents business assets other than real estate, and 2) real estate and improvements. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through a tax sale process that is conducted

NOTE 1 (Continued)

when property taxes have been delinquent for five years. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes becomes a lien against the property as of January 1 in the year in which taxes are due. Property valuation notices are mailed to property owners in July.

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

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

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

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

NOTE 1 (Continued)

F. Use of Estimates

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

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

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

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

1. On or before November 1, the County Auditor prepares a tentative budget for the next budget year. The tentative budget is made available to the public for inspection for a number of days, as provided by law, prior to adoption of the budget.
2. The Board of County Commissioners establishes the time and place of a public hearing to consider adoption of the budget and publishes notice of the hearing at least seven days prior to the hearing in at least one issue of a newspaper of general circulation published within the County.
3. After the public notice has been published, a public hearing is held regarding the budget.
4. After the public hearing, the Board of County Commissioners makes final adjustments to the tentative budget.
5. On or before December 31, the Board of County Commissioners adopts a final balanced budget by resolution.
6. Control of budgeted expenditures is exercised, under state law, at the departmental level. The County Auditor, however, acting as budget officer, has authority to transfer unexpended budgeted amounts within departments.
7. By resolution, the Board of County Commissioners may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund.

NOTE 2 (Continued)

8. By resolution, the Board of County Commissioners may reduce the budget appropriation for any department provided that both five days' notice of the proposed action is given to all Commissioners and to the director of the department affected and also that such director is permitted to be heard on the proposed reduction. Notice may be waived in writing by the affected department or by any member of the Board of County Commissioners.
9. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and a public notice of that hearing has been posted for a certain number of days as set forth by state law and the amended budget is adopted by resolution of the Board of County Commissioners.
10. Encumbrances lapse at year end. Therefore, no encumbrances are presented in the financial statements.

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

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

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

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2017, the County's custodial credit risk for deposits was as follows:

Custodial Credit Risk	Balance December 31, 2017
Insured	\$ 500,000
Uninsured	5,854,796
Total	<u>\$ 6,354,796</u>

NOTE 3 (Continued)

The County's bank balance is \$6,354,796, of which \$500,000 is covered by federal depository insurance. Uninsured deposits are not collateralized. As of December 31, 2017, \$5,854,796 of the County's bank balances was uninsured and uncollateralized.

Investments

The State of Utah Money Management Council ("Council") has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

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

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

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

Fair Value of Investments

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

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 (Continued)

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

At December 31, 2017, the County had the following recurring fair value measurements:

	12/31/2017	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investments by fair value level				
Debt securities:				
Utah Public Treasurers' Investment Fund	\$ 266,140,678	\$ 0	\$ 266,140,678	\$ 0
United States Agencies	11,272,096	11,272,096	0	0
Corporate Bonds	9,782,372	9,782,372	0	0
Municipal/Public Bonds	137,128	0	137,128	0
Commercial Paper	0	0	0	0
Money Market Mutual Funds	89,743	0	89,743	0
Total debt securities	287,422,017	21,054,468	266,367,549	0
Equity securities:				
None	0	0	0	0
Other:				
None	0	0	0	0
Total investments by fair value level	\$ 287,422,017	\$ 21,054,468	\$ 266,367,549	\$ 0
Investments measured at the net asset value (NAV)				
None	0			
Total investments measured at fair value	\$ 287,422,017			

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

- **Municipal Bonds.** Quoted prices for similar securities in active markets.
- **Money Market Mutual Funds.** Published fair value per share (unit) for each fund.
- **Utah Public Treasurers' Investment Fund.** Application of the December 31, 2017 fair value factor, as calculated by the Utah State Treasurer, to the County's average daily balance in the Fund. The fair value factor at December 31, 2017 is 1.00416858. The fair value of the PTIF investment is approximately equal to the value of the pool shares with a difference of \$1,109,429, which is immaterial.

NOTE 3 (Continued)

Interest Rate Risk

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

As of December 31, 2017, the County's investments had the following maturities:

Investment Types	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
State of Utah Public Treasurers' Investment Fund	\$ 266,140,678	\$ 266,140,678	-	-	-
United States Agencies (Debt Securities)	11,272,096	-	11,272,096	-	-
Corporate Bonds (Debt Securities)	9,782,372	3,102,288	6,680,084	-	-
Municipal/Public Bonds (Debt Securities)	137,128	-	137,128	-	-
Commercial Paper (Debt Securities)	-	-	-	-	-
Money Market Mutual Funds (Debt Securities)	89,743	89,743	-	-	-
Total	<u>\$ 287,422,017</u>	<u>\$ 269,332,709</u>	<u>\$ 18,089,308</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

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

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 (Continued)

At December 31, 2017, the County's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
State of Utah Public Treasurers' Investment Fund	\$ 266,140,678	\$ -	-	-	266,140,678
United States Agencies (Debt Securities)	11,272,096	6,844,274	4,427,822	-	-
Corporate Bonds (Debt Securities)	9,782,372	-	1,054,890	8,727,483	-
Municipal/Public Bonds (Debt Securities)	137,128	-	137,128	-	-
Commercial Paper (Debt Securities)	-	-	-	-	-
Money Market Mutual Funds (Debt Securities)	89,743	50	-	-	89,693
Total	<u>\$ 287,422,017</u>	<u>\$ 6,844,324</u>	<u>\$ 5,619,839</u>	<u>\$ 8,727,483</u>	<u>\$ 266,230,371</u>

Concentration of Credit Risk

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

The following schedule reconciles the deposits and investments described above to the financial statements:

Deposits (as described in this note)	\$ 6,354,796
Fair value of investments (as described in this note)	287,422,017
Add: Cash on hand/petty cash	<u>19,900</u>
Total cash and investments per note disclosure	<u>\$ 293,796,713</u>
Cash and investments per:	
Balance Sheet-Governmental Funds	\$ 180,766,013
Statement of Net Position-Proprietary Funds	7,329,527
Statement of Fiduciary Net Position-Agency Funds	104,956,400
Deposits in transit/(outstanding checks)	824,869
Investment accrual	<u>(80,096)</u>
Total cash and investments per statements	<u>\$ 293,796,713</u>

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 - INTERFUND LOANS, BALANCES, AND TRANSFERS

At December 31, 2017, the County had the following interfund balances:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$1,747,000	\$ -
Grants/Outside Funding Special Revenue Fund	-	774,000
Children's Justice Center Special Revenue Fund	-	222,000
Contract Law Enforcement Special Revenue Fund	-	751,000
Totals	<u>\$1,747,000</u>	<u>\$1,747,000</u>

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

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

	<u>Transfers TO:</u>					Totals
	General Fund	Health Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	
Transfers FROM:						
Major governmental funds:						
General fund	\$ -	\$ 2,694,191	\$ -	\$ 324,243	\$ 795,811	\$ 3,814,245
Transportation projects fund	-	-	-	14,246,641	-	14,246,641
Debt service fund	-	-	-	990	-	990
Other governmental funds	3,618,928	-	577,967	2,554,886	250,000	7,001,781
Internal service (proprietary) funds	-	-	562,631	2,601,857	-	3,164,488
Totals	<u>\$ 3,618,928</u>	<u>\$ 2,694,191</u>	<u>\$ 1,140,598</u>	<u>\$ 19,728,616</u>	<u>\$ 1,045,811</u>	<u>\$ 28,228,144</u>

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
PRIMARY GOVERNMENT				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 46,489,657	\$ 450,000	\$ -	\$ 46,939,657
Rights of way	211,740	-	-	211,740
Construction in progress	-	-	-	-
Infrastructure	238,104,879	940,338	-	239,045,217
Total capital assets not being depreciated	<u>284,806,276</u>	<u>1,390,338</u>	<u>-</u>	<u>286,196,614</u>
Capital assets being depreciated:				
Buildings	146,115,427	1,154,531	-	147,269,958
Improvements other than buildings	8,075,513	1,132,581	-	9,208,094
Machinery and equipment	28,056,584	3,832,962	(2,092,531)	29,797,015
Total capital assets being depreciated	<u>182,247,524</u>	<u>6,120,074</u>	<u>(2,092,531)</u>	<u>186,275,067</u>
Less accumulated depreciation for:				
Buildings	32,398,948	2,751,711	-	35,150,659
Improvements other than buildings	4,640,422	356,802	-	4,997,224
Machinery and equipment	17,818,307	3,116,401	(2,047,339)	18,887,369
Total accumulated depreciation	<u>54,857,677</u>	<u>6,224,914</u>	<u>(2,047,339)</u>	<u>59,035,252</u>
Total capital assets, being depreciated, net	<u>127,389,847</u>	<u>(104,840)</u>	<u>(45,192)</u>	<u>127,239,815</u>
Governmental activities, capital assets, net	<u>\$ 412,196,123</u>	<u>\$ 1,285,498</u>	<u>\$ (45,192)</u>	<u>\$ 413,436,429</u>

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

Governmental activities:	
General government	\$ 1,566,720
Public health	365,546
Public safety	1,106,562
Highways and public improvements	78,550
Parks and recreation	356,802
Internal service funds (charged to individual funds based on usage)	2,750,734
Total depreciation expense, governmental activities	<u>\$ 6,224,914</u>

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NOTE 6 – LONG-TERM OBLIGATIONS

Bonds

2009B Transportation Sales Tax Revenue Bonds

On August 27, 2009, the County issued \$85.49 million of Series 2009B Transportation Sales Tax Revenue Bonds for use in construction of certain transportation projects in the County. The Series 2009B Transportation Sales Tax Revenue Bonds were issued as Build America Bonds and are, therefore, eligible for a 35-percent interest subsidy from the United States Treasury. Maturities of the Series 2009B Transportation Sales Tax Revenue Bonds are as follows:

<u>Due Date</u>		<u>Principal</u>	<u>Interest Rate</u>
December 1	2018	\$ 3,000,000	4.72%
	2019	3,150,000	4.92%
	2020	3,300,000	5.17%
	2021	3,475,000	5.42%
	2022	3,650,000	5.57%
	2023	3,860,000	5.77%
	2024	4,080,000	5.87%
	2025	4,335,000	6.36%
	2026	4,610,000	6.36%
	2027	4,905,000	6.36%
	2028	5,215,000	6.36%
	2029	5,550,000	6.36%
	2030	5,880,000	6.51%
	2031	6,265,000	6.51%
	2032	6,670,000	6.51%
	2033	7,100,000	6.51%
	2034	7,570,000	6.51%
		<u>\$ 82,615,000</u>	

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NOTE 6 (Continued)

2009B Vehicle Registration Fee Revenue Bonds

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

Due Date		Principal	Interest Rate
December 1	2018	\$ 815,000	4.60%
	2019	850,000	4.80%
	2020	890,000	5.10%
	2021	940,000	5.35%
	2022	990,000	5.50%
	2023	1,045,000	5.70%
	2024	1,100,000	5.80%
	2025	1,165,000	6.29%
	2026	1,240,000	6.29%
	2027	1,320,000	6.29%
	2028	1,400,000	6.29%
	2029	1,490,000	6.29%
	2030	1,580,000	6.44%
	2031	1,685,000	6.44%
	2032	1,795,000	6.44%
	2033	1,910,000	6.44%
	2034	2,030,000	6.44%
		<u>\$ 22,245,000</u>	

2010A Excise Tax Revenue Bonds

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

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

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

2010B Excise Tax Revenue Bonds

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

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

2010C Excise Tax Revenue Bonds

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

NOTE 6 (Continued)

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

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

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

NOTE 6 (*Continued*)

Due Date		Principal	Interest Rate
February 1	2018	\$ 300,000	5.39%
	2019	315,000	5.39%
	2020	335,000	5.39%
	2021	355,000	5.39%
	2022	375,000	5.39%
	2023	395,000	5.39%
	2024	410,000	5.39%
	2025	415,000	5.39%
	2026	415,000	5.39%
	2027	420,000	5.39%
		<u>\$ 3,735,000</u>	

2012 Sales Tax Revenue Bonds

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

NOTE 6 (Continued)

Due Date		Principal	Interest Rate
December 1	2018	\$ 945,000	4.00%
	2019	945,000	4.00%
	2020	950,000	4.00%
	2021	945,000	5.00%
	2022	950,000	5.00%
	2023	950,000	3.00%
	2024	925,000	3.00%
	2025	890,000	3.00%
	2026	850,000	3.00%
	2027	800,000	3.00%
	2028	755,000	4.00%
	2029	675,000	4.00%
	2030	640,000	4.00%
	2031	585,000	4.00%
	2032	430,000	4.00%
	2033	410,000	4.00%
	2034	315,000	4.00%
	2035	6,070,000	4.00%
	2036	6,315,000	4.00%
	2037	6,570,000	4.00%
	2038	6,830,000	4.00%
	2039	7,100,000	4.00%
		<u>\$ 45,845,000</u>	

2013 Excise Tax Revenue Bonds

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

NOTE 6 (Continued)

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

2014 Sales Tax Revenue Refunding Bonds

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

Due Date		Principal	Interest Rate
December 1	2018	\$ 1,325,000	1.83%
	2019	1,345,000	1.83%
	2020	1,370,000	1.83%
		<u>\$ 4,040,000</u>	

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

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

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

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

2016 Subordinated Transportation Sales Tax Revenue Bonds

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

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
November 1 2018	\$ 1,365,000	3.17%
2019	1,410,000	3.17%
2020	1,450,000	3.17%
2021	1,500,000	3.17%
2022	1,545,000	3.17%
2023	1,595,000	3.17%
2024	1,645,000	3.17%
2025	1,700,000	3.17%
2026	1,750,000	3.17%
2027	1,805,000	3.17%
2028	1,865,000	3.17%
2029	45,765,000	3.17%
	<u>\$ 63,395,000</u>	

The following table summarizes the changes in long-term debt for 2017:

	January 1 2017	Additions	Retirements	December 31 2017	Due in One Year
Governmental Activities:					
<i>General Obligation Bonds</i>					
<none>	\$ -	\$ -	\$ -	\$ -	\$ -
Total General Obligation Bonds	-	-	-	-	-
<i>Revenue Bonds</i>					
2009B Transportation Sales Tax Revenue Bonds	85,490,000	-	(2,875,000)	82,615,000	3,000,000
2009B Vehicle Registration Fee Revenue Bonds	23,025,000	-	(780,000)	22,245,000	815,000
2010A Excise Tax Revenue Bonds	1,685,000	-	(825,000)	860,000	860,000
2010B Excise Tax Revenue Bonds	5,000,000	-	-	5,000,000	-
2010C Excise Tax Revenue Bonds	28,200,000	-	-	28,200,000	-
2010 Taxable Sales Tax Revenue Bonds (QECB)	4,015,000	-	(280,000)	3,735,000	300,000
2012 Sales Tax Revenue Bonds	46,775,000	-	(930,000)	45,845,000	945,000
2013 Excise Tax Revenue Bonds	3,300,000	-	(140,000)	3,160,000	145,000
2014 Sales Tax Revenue Refunding Bonds	5,340,000	-	(1,300,000)	4,040,000	1,325,000
2016 Subordinated Sales Tax Revenue Bonds	65,000,000	-	(1,605,000)	63,395,000	1,365,000
Unamortized Bond Discounts	(1,043,643)	-	58,875	(984,768)	(58,875)
Unamortized Bond Premiums	2,564,999	-	(196,543)	2,368,456	196,543
Total Revenue Bonds	269,351,356	-	(8,872,668)	260,478,688	8,892,668
Total Bonds Payable	269,351,356	-	(8,872,668)	260,478,688	8,892,668
Compensated Absences	4,269,825	379,145	-	4,648,970	-
OPEB Liability	9,283,179	-	-	9,283,179	-
	<u>\$ 282,904,360</u>	<u>\$ 379,145</u>	<u>\$ (8,872,668)</u>	<u>\$ 274,410,837</u>	<u>\$ 8,892,668</u>

NOTE 6 (Continued)

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

Fiscal Year	All Bonds		
	Principal	Interest	Total
2018	\$ 8,755,000	\$ 12,971,452	\$ 21,726,452
2019	9,065,000	12,622,017	21,687,017
2020	9,400,000	12,246,801	21,646,801
2021	8,375,000	11,838,801	20,213,801
2022	8,725,000	11,418,062	20,143,062
2023-2027	49,660,000	49,897,678	99,557,678
2028-2032	97,330,000	31,080,425	128,410,425
2033-2037	48,890,000	11,784,338	60,674,338
2038-2040	18,895,000	1,376,663	20,271,663
Totals	\$ 259,095,000	\$ 155,236,238	\$ 414,331,238

Compensated Absences and Other Postemployment Benefits

Employees are granted vacation and sick leave in amounts varying with tenure and hire date. An employee may accrue up to 240 hours of vacation and unlimited hours of sick leave. Active employees may convert sick leave to vacation or cash under certain options available under the plan. Upon retirement, up to 720 hours of sick leave may be paid as cash at 25 percent of the employee's pay rate at time of retirement. A limited number of employees are also eligible to have a sick leave reserve balance that was accrued before January 1, 2011 paid as cash at 25 percent of the employee's pay rate as of December 31, 2010. In 2017, the Board of County Commissioners granted up to an additional four hours of vacation leave that could be utilized in 2018. As of December 31, 2017, the liability for accrued compensated absences amounted to \$4,648,970. As of December 31, 2017, the accrued liability for other postemployment benefits ("OPEB") was \$9,283,179.

NOTE 7 – PENSION AND RETIREMENT PLANS

Utah Retirement Systems

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

- Public Employees Noncontributory Retirement System (“Noncontributory System”) and Public Employees Contributory Retirement System (“Contributory System”) are multiple-employer, cost-sharing, retirement systems.
- The 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 Firefighters System”) are multiple-employer, cost-sharing, public-employees retirement systems.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011 who have no previous service credit with any of the Utah Retirement Systems are members of the Tier 2 Retirement System.

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

Utah Retirement Systems issues a publicly available financial report that can be obtained either by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102, or by visiting the website: www.urs.org.

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

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NOTE 7 (Continued)

Summary of Benefits by System

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

* with actuarial reductions

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

Contributions. As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2017 are as follows:

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 (Continued)

	Paid by Employer for Employee	Employer Contribution Rates	Employer Rate for 401(k) Plan
Contributory System:			
11 - Local Government Division Tier 1	6.0%	14.46%	N/A
111 - Local Government Division Tier 2	N/A	15.11%	1.58%
Noncontributory System:			
15 - Local Government Division Tier 1	N/A	18.47%	N/A
Public Safety System:			
Contributory			
29 - Other Division B with 2.5% COLA	10.5%	22.29%	N/A
122 - Tier 2 DB Hybrid Public Safety	N/A	20.46%	1.26%
Noncontributory			
49 - Other Division B with 2.5% COLA	N/A	32.20%	N/A
Tier 2 Defined Contribution Only:			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	9.72%	12.00%

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

For fiscal year ended December 31, 2017, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 4,758,689	N/A
Contributory System	80,842	\$ -
Public Safety System	4,047,466	-
Tier 2 Public Employees System	1,098,190	-
Tier 2 Public Safety and Firefighter	332,806	-
Tier 2 DC Only System	86,299	N/A
Tier 2 DC Public Safety and Firefighter System	14,171	N/A
Total Contributions	\$ 10,418,464	\$ -

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.

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2017

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 (Continued)

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

At December 31, 2017, the County reported a net pension asset of \$11,073 and a net pension liability of \$34,824,629.

	Measurement Date: December 31, 2016				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share 31 Dec 2015	Change (Decrease)
Noncontributory System	\$ -	\$ 21,033,186	3.2755727%	3.2023221%	0.0732506%
Contributory System	-	936,815	2.8551754%	1.6017960%	1.2533794%
Public Safety System	-	12,775,219	20.4961943%	19.9125957%	0.5835986%
Tier 2 Public Employees System	-	79,409	0.7118714%	0.6239731%	0.0878983%
Tier 2 Public Safety and Firefighter	11,073	-	1.2755688%	1.2069467%	0.0686221%
	<u>\$ 11,073</u>	<u>\$ 34,824,629</u>			

The net pension asset and liability were measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2016 and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2017, the County recognized pension expense of \$11,469,648.

At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,593,009	\$ 645,275
Changes in assumptions	5,406,502	1,343,609
Net difference between projected and actual earnings on pension plan investments	7,567,818	2,251,257
Changes in proportion and differences between contributions and proportionate share of contributions	523,840	0
Contributions subsequent to the measurement date	10,418,464	0
Total	<u>\$ 28,509,632</u>	<u>\$ 4,240,141</u>

NOTE 7 (Continued)

\$10,418,464 was reported as deferred outflows of resources related to pensions resulting from contributions made by the County prior to the County's fiscal year end, but subsequent to the measurement date of December 31, 2016.

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
2017	\$ 3,898,401
2018	3,919,713
2019	4,278,348
2020	1,235,622
2021	479,388
Thereafter	39,555

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.35 - 10.35 percent, average, including inflation
Investment rate of return	7.20 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and are applied consistently to each defined-benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

NOTE 7 (Continued)

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	40.00 %	7.06 %	2.82 %
Debt securities	20.00 %	0.80 %	0.16 %
Real assets	13.00 %	5.10 %	0.66 %
Private equity	9.00 %	11.30 %	1.02 %
Absolute return	18.00 %	3.15 %	0.57 %
Cash and cash equivalents	0.00 %	0.00 %	0.00 %
Totals	100.00 %		5.23 %
	Inflation		2.60 %
	Expected arithmetic nominal return		7.83 %

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60%, a real return of 4.60% that is net of investment expense.

Discount rate. The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 7.20 percent from 7.50 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate. The following table presents the proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one (1) percentage-point lower (6.20 percent) or one (1) percentage-point higher (8.20 percent) than the current rate:

System	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Noncontributory System	\$43,566,856	\$21,033,186	\$ 2,230,071
Contributory System	2,255,236	936,815	(173,821)
Public Safety System	26,473,556	12,775,219	1,580,636
Tier 2 Public Employees System	540,508	79,409	(271,373)
Tier 2 Public Safety and Firefighter	77,468	(11,073)	(79,114)
Total	\$72,913,624	\$34,813,556	\$ 3,286,399

NOTE 7 (Continued)

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

Defined Contribution Savings Plans

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

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

- 401(k) Plan

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

	Year Ended December 31,		
	2017	2016	2015
<i>401(k) Plan</i>			
Employer Contributions	\$290,228	\$229,881	\$ 147,100
Employee Contributions	0	0	808

Deferred Compensation Plans

Utah County participates in a 401(k) plan administered by Prudential Financial, Inc. The County matches contributions to the plan, up to 6.2 percent of base wages. Contributions during the year were \$6,150,257, which is comprised of \$3,355,566 in employee deductions and \$2,794,691 in matching County contributions.

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

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

NOTE 8 - CONTINGENT LIABILITIES - LITIGATION

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

NOTE 9 - RISK MANAGEMENT

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

NOTE 10 – JOINT VENTURE

The Provo City/Utah County Ice Sheet Authority ("Ice Sheet Authority") was created March 19, 1996 as a joint venture between Utah County and Provo City for the purpose of financing, constructing, maintaining, and operating an Olympic ice sheet to be constructed at the Seven Peaks property in Provo, Utah. The Ice Sheet Authority entered into a development agreement with Seven Peaks under which Seven Peaks designed and constructed the ice sheet under the direction and control of the Ice Sheet Authority. Provo City and Utah County each own 50 percent of the ice sheet. Please refer to Note 12 – Subsequent Events for additional information regarding this Joint Venture.

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

As of June 30, 2017	
Total assets	\$ 12,008,818
Total liabilities	(85,055)
Total net position	<u>\$ 11,923,763</u>
For the year ended June 30, 2017	
Total operating revenues	\$ 1,141,350
Total operating expenses	(1,653,967)
Contributions	340,000
Non-operating revenues (expenses)	4,027
Net income (loss)	<u>\$ (168,590)</u>

NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

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

Eligibility

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

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

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

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

Spouse Benefit

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

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

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

NOTE 11 (Continued)

Health Reimbursement Account Benefit

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

Explicit Subsidy

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

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

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

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

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

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

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

Retiree Cost Sharing

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

NOTE 11 (Continued)

Medical Benefit

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

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

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

Annual OPEB Cost and Net OPEB Obligation

	2016	2017
Annual Required Contribution (“ARC”) as of the end of the year	\$1,075,249	\$1,075,249
Interest on Net OPEB Obligation (“NOO”) to end of the year	131,737	156,504
NOO amortization adjustment to the ARC	(179,722)	(213,511)
Annual OPEB cost	\$1,027,264	\$1,018,242
Total annual employer contribution for pay-as-you-go	(476,887)	(519,807)
Total annual employer contribution for pre-funding	0	0
Change in NOO	\$550,377	\$498,435
NOO as of beginning of year	2,927,481	3,477,858
NOO as of end of year	\$3,477,858	\$3,976,293

For purposes of determining whether the County has contributed the full amount of the ARC, contributions are limited to amounts paid to outside parties or placed in trust or an equivalent arrangement. Amounts that are simply “earmarked” by the County or otherwise set apart (e.g. designations, separate funds) do not qualify as contributions for accounting purposes. Therefore, while the County has earmarked \$9,283,179 for its OPEB obligations through a balance sheet accrual, because the County has not placed the funding in an outside trust arrangement, the County is considered to finance its OPEB obligations on a pay-as-you-go basis.

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

NOTE 11 (Continued)

There was a substantive plan provision change for the full valuation calculated for the fiscal year ended December 31, 2016. Surviving spouses of public safety employees qualifying under the State of Utah's Public Safety Officer and Firefighter Line-of-Duty Death Act are now entitled to remain on an employer plan at no cost. This benefit was originally adopted by the Utah State Legislature in its 2015 general session and the benefit is set forth in Utah Code Annotated 53-17-201, as amended.

In addition, two actuarial assumptions were updated for the full valuation calculated for the fiscal year ended December 31, 2016:

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

Finally, provided data changed for the valuation for the fiscal year ended December 31, 2016. Six spouses receiving the survivor income benefit were known and valued. This change resulted in an increase in liabilities.

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

NOTE 12 – SUBSEQUENT EVENTS

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

NOTE 13 – LEGAL COMPLIANCE

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

**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

UTAH COUNTY
Ratings for Utah County's Roads System
For the year ended December 31, 2017

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

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

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

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

The rating system includes the following variables:

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

On December 31, 2017 the County had 47.77 miles of dirt roads, 140.09 miles of gravel roads, 259.68 miles of chip-seal roads, and 90.93 miles of asphalt roads.

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

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

<u>YEAR</u>	<u>BUDGET</u>	<u>EXPENDITURES</u>
2013	\$5,269,770	\$4,247,527
2014	\$3,718,187	\$3,444,633
2015	\$3,913,834	\$3,802,299
2016	\$3,463,668	\$2,812,869
2017	\$3,727,910	\$4,360,025

The total value of the County's roads system increased from \$63,692,792 on December 31, 2016 to \$63,942,792 on December 31, 2017.

Report prepared by the Utah County Public Works Department.

UTAH COUNTY
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/(Negative)
Revenues:				
Property taxes	\$ 32,040,000	\$ 32,040,000	\$ 31,870,975	\$ (169,025)
Sales taxes	26,676,000	27,689,000	27,815,838	126,838
Franchise taxes	4,000	4,000	3,145	(855)
Licenses and permits	382,000	389,645	393,746	4,101
Intergovernmental	841,605	785,105	796,225	11,120
Charges for services	9,344,273	9,799,726	10,056,386	256,660
Fines and forfeitures	2,223,300	2,110,935	2,116,978	6,043
Miscellaneous revenue	501,000	650,711	691,826	41,115
Total revenues	<u>72,012,178</u>	<u>73,469,122</u>	<u>73,745,119</u>	<u>275,997</u>
Expenditures:				
Current:				
General government	27,997,642	29,417,694	26,864,834	2,552,860
Public safety	48,525,194	49,733,435	48,306,355	1,427,080
Public health and welfare	980,553	1,046,333	949,275	97,058
Parks and recreation	570,200	690,200	607,866	82,334
Total expenditures	<u>78,073,589</u>	<u>80,887,662</u>	<u>76,728,331</u>	<u>4,159,331</u>
Excess (deficiency) of revenues over expenditures	<u>(6,061,411)</u>	<u>(7,418,540)</u>	<u>(2,983,212)</u>	<u>4,435,328</u>
Other financing sources (uses):				
Transfers in	4,018,772	4,002,275	3,618,928	(383,347)
Transfers out	(4,285,888)	(5,061,458)	(3,814,245)	1,247,213
Total other financing sources (uses)	<u>(267,116)</u>	<u>(1,059,183)</u>	<u>(195,317)</u>	<u>863,866</u>
Net change in fund balance	(6,328,527)	(8,477,723)	(3,178,528)	5,299,195
Fund balance - beginning	<u>28,088,506</u>	<u>28,088,506</u>	<u>28,088,506</u>	<u>-</u>
Fund balance - ending	<u>\$ 21,759,979</u>	<u>\$ 19,610,783</u>	<u>\$ 24,909,978</u>	<u>\$ 5,299,195</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Fund
Major Special Revenue Fund
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/(Negative)
Revenues:				
Intergovernmental	\$ 14,719,033	\$ 14,584,285	\$ 12,168,885	\$ (2,415,400)
Charges for services	9,354,770	9,492,285	9,585,252	92,967
Miscellaneous revenue	136,767	190,250	149,328	(40,922)
Total revenues	<u>24,210,570</u>	<u>24,266,820</u>	<u>21,903,464</u>	<u>(2,363,356)</u>
Expenditures:				
Salaries, wages, and benefits	13,367,563	13,734,289	12,892,221	842,068
Materials, supplies, and services	14,528,646	14,157,920	11,146,182	3,011,738
Capital outlay	9,000	13,000	13,000	-
Total expenditures	<u>27,905,209</u>	<u>27,905,209</u>	<u>24,051,403</u>	<u>3,853,806</u>
Excess (deficiency) of revenues over expenditures	<u>(3,694,639)</u>	<u>(3,638,389)</u>	<u>(2,147,939)</u>	<u>1,490,450</u>
Other financing sources (uses):				
Transfers in	2,772,150	2,772,150	2,694,191	(77,959)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,772,150</u>	<u>2,772,150</u>	<u>2,694,191</u>	<u>(77,959)</u>
Net change in fund balance	(922,489)	(866,239)	546,253	1,412,492
Fund balance - beginning	<u>6,212,965</u>	<u>6,212,965</u>	<u>6,212,965</u>	<u>-</u>
Fund balance - ending	<u>\$ 5,290,476</u>	<u>\$ 5,346,726</u>	<u>\$ 6,759,218</u>	<u>\$ 1,412,492</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Projects Fund
Major Special Revenue Fund
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive/(Negative)
Revenues:				
Sales taxes	\$ 60,693,000	\$ 63,561,000	\$ 65,378,539	\$ 1,817,539
Intergovernmental revenue	6,825,000	6,732,397	4,169,785	(2,562,612)
Charges for services	4,071,000	4,272,000	4,034,203	(237,797)
Miscellaneous revenue	350,000	2,350,387	1,927,004	(423,383)
Total revenues	71,939,000	76,915,784	75,509,530	(1,406,254)
Expenditures:				
Salaries, wages, and benefits	1,193,865	1,279,930	1,025,249	254,681
Materials, supplies, and services	5,529,331	57,019,754	2,799,685	54,220,069
Capital outlay	140,874,508	195,900	887,613	(691,713)
Contributions to other governmental agencies	39,932,210	129,059,900	77,349,993	51,709,907
Total expenditures	187,529,914	187,555,484	82,062,540	105,492,944
Excess (deficiency) of revenues over expenditures	(115,590,914)	(110,639,700)	(6,553,010)	104,086,690
Other financing sources (uses):				
Transfers in	202,910	228,480	-	(228,480)
Transfers out	(14,743,996)	(14,743,996)	(14,246,641)	497,355
Issuance of bonds	65,000,000	-	-	-
Bond premiums (discounts)	-	-	-	-
Total other financing sources (uses)	50,458,914	(14,515,516)	(14,246,641)	268,875
Net change in fund balance	(65,132,000)	(125,155,216)	(20,799,651)	104,355,565
Fund balance - beginning	125,155,216	125,155,216	125,155,216	-
Fund balance - ending	\$ 60,023,216	\$ (0)	\$ 104,355,565	\$ 104,355,565

UTAH COUNTY
Required Supplementary Information
December 31, 2017

County Retiree Health Care Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/2009	\$ -	\$ 7,999,689	\$ 7,999,689	0.00%	\$ 41,016,801	19.50%
1/1/2010	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2011	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2012	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%
1/1/2013	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%
1/1/2014	\$ -	\$ 7,413,792	\$ 7,413,792	0.00%	\$ 46,678,034	15.88%
1/1/2015	\$ -	\$ 7,413,792	\$ 7,413,792	0.00%	\$ 46,678,034	15.88%
1/1/2016	\$ -	\$ 9,283,179	\$ 9,283,179	0.00%	\$ 48,482,324	19.15%
1/1/2017	\$ -	\$ 9,283,179	\$ 9,283,179	0.00%	\$ 48,482,324	19.15%

UTAH COUNTY
Required Supplementary Information
December 31, 2017

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

	As of Fiscal Year Ended December 31,	Noncontributory Retirement System	Contributory Retirement System	Public Safety System	Tier 2 Public Employees Retirement System	Tier 2 Public Safety and Firefighters Retirement System
Proportion of the net pension liability (asset)	2015	3.1789053%	1.3635599%	19.5867048%	0.5119697%	1.0888488%
	2016	3.2023221%	1.6017960%	19.9125957%	0.6239731%	1.2069467%
	2017	3.2755727%	2.8551754%	20.4961943%	0.7118714%	1.2755688%
Proportionate share of the net pension liability (asset)	2015	\$ 13,803,555	\$ 393,310	\$ 7,745,223	\$ (15,515)	\$ (16,108)
	2016	\$ 18,120,296	\$ 1,125,829	\$ 9,716,378	\$ (1,362)	\$ (17,634)
	2017	\$ 21,033,186	\$ 936,815	\$ 12,775,219	\$ 79,409	\$ (11,073)
Covered employee payroll	2015	\$ 27,061,127	\$ 730,686	\$ 12,246,827	\$ 2,511,911	\$ 450,257
	2016	\$ 26,949,576	\$ 682,507	\$ 12,731,406	\$ 4,031,816	\$ 718,350
	2017	\$ 28,577,052	\$ 685,070	\$ 14,058,214	\$ 5,837,928	\$ 1,053,894
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	2015	51.0%	53.8%	63.2%	-0.6%	-3.6%
	2016	67.24%	164.95%	76.32%	-3.00%	-2.45%
	2017	73.60%	136.75%	90.87%	1.36%	-1.05%
Plan fiduciary net position as a percentage of the total pension liability	2015	90.2%	94.0%	89.0%	103.5%	120.5%
	2016	87.8%	85.7%	87.6%	100.2%	110.7%
	2017	87.3%	92.9%	172.6%	95.1%	103.6%

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

Notes to Required Supplementary Information for fiscal year ended December 31, 2017

Changes in Assumptions:

The following actuarial assumption changes were adopted January 1, 2016. The assumed investment return assumption was decreased from 7.50% to 7.20% and the assumed inflation rate was decreased from 2.75% to 2.60%. With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased 0.15% from the prior year's assumption.

UTAH COUNTY
Required Supplementary Information
December 31, 2017

Schedule of Contributions
Utah Retirement Systems
Last Ten Fiscal Years*

	As of Fiscal Year Ended December 31,	Actuarial determined calculations	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered- employee payroll**
Noncontributory System	2014	\$ 4,812,841	\$ 4,812,841	\$ -	\$ 27,064,751	17.78%
	2015	4,961,885	4,961,885	-	26,948,474	18.41%
	2016	5,109,445	5,109,445	-	30,953,891	16.51%
	2017	4,758,689	4,758,689	-	26,612,212	17.88%
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%
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%
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%
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%
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%
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%

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

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

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

Notes to Required Supplementary Information for fiscal year ended December 31, 2017

Changes in Assumptions:

The following actuarial assumption changes were adopted January 1, 2016. The assumed investment return assumption was decreased from 7.50% to 7.20% and the assumed inflation rate was decreased from 2.75% to 2.60%. With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased 0.15% from the prior year's assumption.

**OTHER SUPPLEMENTARY
INFORMATION**

**Utah County Government
Legal Compliance Audit Guide
For the Year Ended December 31, 2017**

TRANSIENT ROOM TAX

Establishing and promoting:	
Recreation	\$ -
Tourism	1,790,646
Film production	-
Conventions	-
Acquiring, leasing, constructing, furnishing, or operating:	
Convention meeting rooms	-
Exhibit halls	-
Visitor information centers	-
Museums	-
Related facilities	-
Acquiring or leasing land required for or related to:	
Convention meeting rooms	-
Exhibit halls	-
Visitor information centers	-
Museums	-
Related facilities	-
Mitigation costs	
Payment of principal, interest, premiums, and reserves on bonds	1,763,000
Total expenditures	<u><u>\$ 3,553,646</u></u>

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

Financing tourism promotion	\$ 63,713
Development, operation, and maintenance of:	
Tourist facilities	-
Recreation facilities	3,941,246
Cultural facilities	1,226,510
Convention facilities	754,791
Airport facilities	
Pledges as security for evidence of indebtedness	
Reserves and Pledges	
Reserves on bonds related to TRT funds	
Pledges as security for evidences of indebtedness related to TRCC	
Total expenditures	<u><u>\$ 5,986,260</u></u>

**COMBINING FINANCIAL STATEMENTS
AND
SUPPLEMENTARY SCHEDULES**

UTAH COUNTY
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2017

	Special Revenue Funds															Total
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax	Assessing & Collecting	
Assets:																
Cash and investments	\$ 350,281	\$ -	\$ 1,587,335	\$ 1,289,971	\$ 1,687,894	\$ 413,463	\$ 803,975	\$ 40,601	\$ 399	\$ 823	\$ 1,026,016	\$ 979	\$ 325,640	\$ 15,216,529	\$ 3,922,928	\$ 26,666,834
Receivables:																
Tax receivables	-	-	676,838	147,631	151,800	38,755	-	5,734	-	-	-	-	457,731	1,523,647	1,955,182	4,957,318
Other receivables	1,756,995	-	-	5,991	-	-	37,635	14,714	2,735,234	327,055	979	880,094	-	119,009	11,938	5,889,644
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	179,849	-	-	135,665	-	-	-	-	1,575	12,500	-	6,126	-	52,746	9,168	397,628
Total assets	<u>\$ 2,287,124</u>	<u>\$ -</u>	<u>\$ 2,264,174</u>	<u>\$ 1,579,258</u>	<u>\$ 1,839,694</u>	<u>\$ 452,218</u>	<u>\$ 841,610</u>	<u>\$ 61,049</u>	<u>\$ 2,737,208</u>	<u>\$ 340,378</u>	<u>\$ 1,026,996</u>	<u>\$ 887,199</u>	<u>\$ 783,371</u>	<u>\$ 16,911,931</u>	<u>\$ 5,899,215</u>	<u>\$ 37,911,423</u>
Liabilities and fund balances:																
Accounts payable and accruals	\$ 885,328	\$ -	\$ -	\$ 15,888	\$ -	\$ -	\$ -	\$ 1,077	\$ 1,518,262	\$ 77,772	\$ 44,535	\$ 105,320	\$ 50,248	\$ 1,597,667	\$ 312,453	\$ 4,608,549
Unearned revenues	879	-	7,221	1,138	1,618	502	821,711	725	437,681	3,403	-	30,879	-	7,345	16,103	1,329,204
Due to other funds	-	-	-	-	-	-	-	-	774,000	222,000	-	751,000	-	-	-	1,747,000
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>886,206</u>	<u>-</u>	<u>7,221</u>	<u>17,026</u>	<u>1,618</u>	<u>502</u>	<u>821,711</u>	<u>1,802</u>	<u>2,729,943</u>	<u>303,175</u>	<u>44,535</u>	<u>887,199</u>	<u>50,248</u>	<u>1,605,011</u>	<u>328,556</u>	<u>7,684,754</u>
Deferred inflows of resources	-	-	165,871	44,536	37,300	8,287	-	49	-	-	-	-	-	-	289,566	545,608
Fund balances:																
Restricted for:																
Transient room tax	-	-	-	-	-	-	-	-	-	-	-	-	733,124	-	-	733,124
Assessing and collecting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,281,093	5,281,093
Public transit taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRCC tax	-	-	-	-	-	-	-	-	-	-	-	-	-	15,306,920	-	15,306,920
Special service areas/districts	-	-	2,091,082	1,517,696	1,800,776	443,429	19,899	59,198	-	-	-	-	-	-	-	5,932,079
Bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Committed for:																
Public health and welfare	1,400,918	-	-	-	-	-	-	-	-	37,203	-	-	-	-	-	1,438,121
Public safety	-	-	-	-	-	-	-	-	-	-	982,460	-	-	-	-	982,460
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assigned for:																
Medicaid reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	7,265	-	-	-	-	-	-	7,265
Total fund balances	<u>1,400,918</u>	<u>-</u>	<u>2,091,082</u>	<u>1,517,696</u>	<u>1,800,776</u>	<u>443,429</u>	<u>19,899</u>	<u>59,198</u>	<u>7,265</u>	<u>37,203</u>	<u>982,460</u>	<u>-</u>	<u>733,124</u>	<u>15,306,920</u>	<u>5,281,093</u>	<u>29,681,062</u>
Total liabilities and fund balance	<u>\$ 2,287,124</u>	<u>\$ -</u>	<u>\$ 2,264,174</u>	<u>\$ 1,579,258</u>	<u>\$ 1,839,694</u>	<u>\$ 452,218</u>	<u>\$ 841,610</u>	<u>\$ 61,049</u>	<u>\$ 2,737,208</u>	<u>\$ 340,378</u>	<u>\$ 1,026,996</u>	<u>\$ 887,199</u>	<u>\$ 783,371</u>	<u>\$ 16,911,931</u>	<u>\$ 5,899,215</u>	<u>\$ 37,911,423</u>

UTAH COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2017

Special Revenue Funds																
	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax	Assessing & Collecting	Total
Revenues:																
Property taxes	\$ -	\$ -	\$ 2,119,466	\$ 546,188	\$ 475,090	\$ 103,354	\$ -	\$ 25,020	\$ 2,298,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,100,412	\$ 13,668,027
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-	3,601,373	9,177,694	-	12,779,067
Licenses and permits	-	-	-	22,010	-	-	-	-	-	-	-	-	-	-	-	22,010
Intergovernmental	6,128,394	-	857,582	-	192,194	89,470	-	-	1,886,488	903,956	-	-	-	-	125,920	10,184,004
Charges for services	1,804,739	-	-	28,138	-	-	-	72,420	2,815,513	20,508	308,401	2,737,671	-	274,284	2,115,504	10,177,178
Fines and forfeitures	-	-	-	-	-	-	-	-	5,000	-	-	-	-	-	-	5,000
Interest	317	-	18,915	18,053	22,936	6,263	11,683	-	-	-	14,143	-	4,013	186,973	39,271	322,567
Miscellaneous revenue	8,900	335,831	-	6,708	-	-	-	-	137,664	159,849	-	-	-	19,168	50,243	718,363
Total revenues	7,942,350	335,831	2,995,963	621,097	690,221	199,087	11,683	97,440	7,143,161	1,084,313	322,544	2,737,671	3,605,385	9,658,119	10,431,350	47,876,216
Expenditures:																
Current:																
General government	-	335,888	-	-	43	-	-	-	5,361,144	-	-	-	1,790,646	1,324,562	10,358,911	19,171,194
Public safety	-	-	43	833,560	-	43	-	-	863,753	-	222,224	2,860,067	-	-	-	4,779,689
Public health and welfare	7,932,450	-	-	-	-	-	-	-	12,490	1,279,555	-	-	-	-	-	9,224,494
Roads and public improvements	-	-	-	-	-	-	47	27,150	685,498	-	-	-	-	-	-	712,695
Parks and recreation	-	-	-	-	-	-	-	-	197,000	-	-	-	-	3,280,500	-	3,477,500
Debt service:																
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:																
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	23,276	-	-	-	-	-	-	23,276
Public health and welfare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roads and public improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	11,346	-	11,346
Total expenditures	7,932,450	335,888	43	833,560	43	43	47	27,150	7,143,161	1,279,555	222,224	2,860,067	1,790,646	4,616,408	10,358,911	37,400,194
Excess/(deficiency) of revenues over/(under) expenditures	9,900	(57)	2,995,920	(212,463)	690,178	199,045	11,636	70,290	-	(195,241)	100,320	(122,396)	1,814,739	5,041,712	72,439	10,476,022
Other financing sources/(uses):																
Transfers in	508,129	57	-	250,000	-	-	-	-	-	165,229	-	122,396	-	-	-	1,045,811
Transfers out	-	-	(3,051,500)	-	(567,428)	(250,000)	-	-	-	-	-	-	(1,763,000)	(1,369,852)	-	(7,001,781)
Issuance of bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond premiums (discounts)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources/(uses)	508,129	57	(3,051,500)	250,000	(567,428)	(250,000)	-	-	-	165,229	-	122,396	(1,763,000)	(1,369,852)	-	(5,955,970)
Net change in fund balance	518,029	-	(55,580)	37,537	122,749	(50,955)	11,636	70,290	-	(30,012)	100,320	-	51,739	3,671,859	72,439	4,520,052
Fund balances - beginning	882,889	-	2,146,662	1,480,159	1,678,026	494,384	8,263	(11,092)	7,265	67,215	882,140	-	681,384	11,635,060	5,208,654	25,161,009
Fund balances - ending	\$ 1,400,918	\$ -	\$ 2,091,082	\$ 1,517,696	\$ 1,800,776	\$ 443,429	\$ 19,899	\$ 59,198	\$ 7,265	\$ 37,203	\$ 982,460	\$ -	\$ 733,124	\$ 15,306,920	\$ 5,281,093	\$ 29,681,062

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Soldier Summit Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

GENERAL FUND:

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 21,500	\$ 25,020	\$ 3,520	\$ 22,690
Charges for services	65,562	72,420	6,858	31,273
Miscellaneous revenue	-	-	-	(7,265)
Total revenues	87,062	97,440	10,378	46,697
Operating Expenditures:				
Salaries, wages, and benefits	16,320	14,074	2,246	17,126
Materials, supplies, and services	17,160	13,076	4,084	18,752
Total expenditures	33,480	27,150	6,330	35,878
Excess (deficiency) of revenues over expenditures	53,582	70,290	16,708	10,819
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(35,550)	(35,000)	550	-
Total other financing sources (uses)	(35,550)	(35,000)	550	-
Net change in fund balance	18,032	35,290	17,258	10,819
Fund balance - January 1	(11,092)	(11,092)	-	(21,912)
Fund balance - December 31	<u>\$ 6,940</u>	<u>\$ 24,198</u>	<u>\$ 17,258</u>	<u>\$ (11,092)</u>

CAPITAL PROJECTS FUND:

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
<none>	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Capital Projects Expenditures:				
Capital outlay	35,550	-	35,550	-
Total expenditures	35,550	-	35,550	-
Excess (deficiency) of revenues over expenditures	(35,550)	-	35,550	-
Other financing sources (uses):				
Transfers in	35,550	35,000	(550)	-
Transfers out	-	-	-	-
Total other financing sources (uses)	35,550	35,000	(550)	-
Net change in fund balance	-	35,000	35,000	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Transient Room Tax (TRT) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Sales taxes	\$ 3,550,000	\$ 3,601,373	\$ 51,373	\$ 3,320,110
Miscellaneous revenue	4,000	4,013	13	1,038
Total revenues	<u>3,554,000</u>	<u>3,605,385</u>	<u>51,385</u>	<u>3,321,148</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	2,129,000	1,790,646	338,354	1,791,926
Capital outlay	-	-	-	-
Total expenditures	<u>2,129,000</u>	<u>1,790,646</u>	<u>338,354</u>	<u>1,791,926</u>
Excess (deficiency) of revenues over expenditures	1,425,000	1,814,739	389,739	1,529,222
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,425,000)	(1,763,000)	(338,000)	(1,220,969)
Total other financing sources (uses)	<u>(1,425,000)</u>	<u>(1,763,000)</u>	<u>(338,000)</u>	<u>(1,220,969)</u>
Net change in fund balance	-	51,739	51,739	308,253
Fund balance - January 1	681,384	681,384	-	373,131
Fund balance - December 31	<u>\$ 681,384</u>	<u>\$ 733,124</u>	<u>\$ 51,739</u>	<u>\$ 681,384</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Municipal Building Authority Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Miscellaneous revenue	\$ 335,832	\$ 335,831	\$ (1)	\$ 335,831
Total revenues	<u>335,832</u>	<u>335,831</u>	<u>(1)</u>	<u>335,831</u>
Expenditures:				
Materials, supplies, and services	336,332	335,888	444	335,887
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>336,332</u>	<u>335,888</u>	<u>444</u>	<u>335,887</u>
Excess (deficiency) of revenues over expenditures	(500)	(57)	443	(56)
Other financing sources (uses):				
Transfers in	500	57	(443)	56
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>500</u>	<u>57</u>	<u>(443)</u>	<u>56</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Assessing and Collecting Property Tax Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 9,445,000	\$ 8,100,412	\$ (1,344,588)	\$ 8,212,231
Intergovernmental revenue	125,920	125,920	-	129,523
Charges for services	2,169,222	2,115,504	(53,718)	2,027,591
Miscellaneous revenue	97,979	89,514	(8,465)	21,217
Total revenues	11,838,121	10,431,350	(1,406,771)	10,390,563
Expenditures:				
Salaries, wages, and benefits	6,845,426	6,213,359	632,067	5,877,660
Materials, supplies, and services	9,471,004	4,145,552	5,325,452	3,802,745
Capital outlay	-	-	-	6,930
Total expenditures	16,316,430	10,358,911	5,957,519	9,687,335
Excess (deficiency) of revenues over expenditures	(4,478,309)	72,439	4,550,748	703,228
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	(4,478,309)	72,439	4,550,748	703,228
Fund balance - January 1	5,208,654	5,208,654	-	4,505,426
Fund balance - December 31	<u>\$ 730,345</u>	<u>\$ 5,281,093</u>	<u>\$ 4,550,748</u>	<u>\$ 5,208,654</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 6 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 2,003,000	\$ 2,119,466	\$ 116,466	\$ 2,045,261
Intergovernmental revenue	857,582	857,582	-	830,754
Miscellaneous revenue	12,000	18,915	6,915	12,697
Total revenues	<u>2,872,582</u>	<u>2,995,963</u>	<u>123,381</u>	<u>2,888,712</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	500	43	457	42
Capital outlay	-	-	-	-
Total expenditures	<u>500</u>	<u>43</u>	<u>457</u>	<u>42</u>
Excess (deficiency) of revenues over expenditures	2,872,082	2,995,920	123,838	2,888,671
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(3,051,500)	(3,051,500)	-	(2,952,000)
Total other financing sources (uses)	<u>(3,051,500)</u>	<u>(3,051,500)</u>	<u>-</u>	<u>(2,952,000)</u>
Net change in fund balance	(179,418)	(55,580)	123,838	(63,329)
Fund balance - January 1	2,146,662	2,146,662	-	2,209,991
Fund balance - December 31	<u>\$ 1,967,244</u>	<u>\$ 2,091,082</u>	<u>\$ 123,838</u>	<u>\$ 2,146,662</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 7 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 609,000	\$ 546,188	\$ (62,812)	\$ 648,613
Licenses and permits	23,654	22,010	(1,644)	31,889
Charges for services	29,146	28,138	(1,008)	33,451
Miscellaneous revenue	20,700	24,762	4,062	17,961
Total revenues	<u>682,500</u>	<u>621,097</u>	<u>(61,403)</u>	<u>731,914</u>
Expenditures:				
Salaries, wages, and benefits	232,520	185,369	47,151	183,222
Materials, supplies, and services	742,797	648,192	94,605	636,213
Capital outlay	-	-	-	-
Total expenditures	<u>975,317</u>	<u>833,560</u>	<u>141,757</u>	<u>819,435</u>
Excess (deficiency) of revenues over expenditures	(292,817)	(212,463)	80,354	(87,520)
Other financing sources (uses):				
Transfers in	250,000	250,000	-	250,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Net change in fund balance	(42,817)	37,537	80,354	162,480
Fund balance - January 1	<u>1,480,159</u>	<u>1,480,159</u>	<u>-</u>	<u>1,317,679</u>
Fund balance - December 31	<u><u>\$ 1,437,342</u></u>	<u><u>\$ 1,517,696</u></u>	<u><u>\$ 80,354</u></u>	<u><u>\$ 1,480,159</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 8 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 400,000	\$ 475,090	\$ 75,090	\$ 458,443
Intergovernmental revenue	192,194	192,194	-	186,152
Miscellaneous revenue	24,000	22,936	(1,064)	13,205
Total revenues	616,194	690,221	74,027	657,800
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	266,670	43	266,627	42
Capital outlay	-	-	-	-
Total expenditures	266,670	43	266,627	42
Excess (deficiency) of revenues over expenditures	349,524	690,178	340,654	657,758
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(950,775)	(567,428)	383,347	(500,317)
Total other financing sources (uses)	(950,775)	(567,428)	383,347	(500,317)
Net change in fund balance	(601,251)	122,749	724,000	157,441
Fund balance - January 1	1,678,026	1,678,026	-	1,520,585
Fund balance - December 31	<u>\$ 1,076,775</u>	<u>\$ 1,800,776</u>	<u>\$ 724,000</u>	<u>\$ 1,678,026</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 9 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 95,000	\$ 103,354	\$ 8,354	\$ 97,326
Intergovernmental revenue	89,470	89,470	-	83,738
Miscellaneous revenue	3,500	6,263	2,763	4,510
Total revenues	<u>187,970</u>	<u>199,087</u>	<u>11,117</u>	<u>185,573</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	5,500	43	5,457	42
Capital outlay	-	-	-	-
Total expenditures	<u>5,500</u>	<u>43</u>	<u>5,457</u>	<u>42</u>
Excess (deficiency) of revenues over expenditures	182,470	199,045	16,575	185,532
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(250,000)	(250,000)	-	(250,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balance	(67,530)	(50,955)	16,575	(64,468)
Fund balance - January 1	494,384	494,384	-	558,853
Fund balance - December 31	<u>\$ 426,854</u>	<u>\$ 443,429</u>	<u>\$ 16,575</u>	<u>\$ 494,384</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah Valley Road Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Intergovernmental revenue	\$ 297,606	\$ -	\$ (297,606)	\$ -
Miscellaneous revenue	3,394	11,683	8,289	5,827
Total revenues	<u>301,000</u>	<u>11,683</u>	<u>(289,317)</u>	<u>5,827</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	301,000	47	300,953	46
Capital outlay	-	-	-	-
Total expenditures	<u>301,000</u>	<u>47</u>	<u>300,953</u>	<u>46</u>
Excess (deficiency) of revenues over expenditures	-	11,636	11,636	5,781
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	11,636	11,636	5,781
Fund balance - January 1	<u>8,263</u>	<u>8,263</u>	<u>-</u>	<u>2,482</u>
Fund balance - December 31	<u><u>\$ 8,263</u></u>	<u><u>\$ 19,899</u></u>	<u><u>\$ 11,636</u></u>	<u><u>\$ 8,263</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Tourism, Recreation, Cultural and Convention Facilities Tax (TRCC) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Sales taxes	\$ 9,299,000	\$ 9,177,694	\$ (121,306)	\$ 8,696,787
Intergovernmental revenue	-	-	-	-
Charges for services	277,400	274,284	(3,116)	238,051
Miscellaneous revenue	178,676	206,141	27,465	87,186
Total revenues	9,755,076	9,658,119	(96,957)	9,022,024
Expenditures:				
Salaries, wages, and benefits	827,686	818,843	8,843	752,637
Materials, supplies, and services	12,787,536	3,786,218	9,001,318	2,400,487
Capital outlay	11,346	11,346	-	5,540
Total expenditures	13,626,568	4,616,408	9,010,160	3,158,663
Excess (deficiency) of revenues over expenditures	(3,871,492)	5,041,712	8,913,204	5,863,361
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,732,432)	(1,369,852)	362,580	(1,707,486)
Total other financing sources (uses)	(1,732,432)	(1,369,852)	362,580	(1,707,486)
Net change in fund balance	(5,603,924)	3,671,859	9,275,783	4,155,875
Fund balance - January 1	11,635,060	11,635,060	-	7,479,185
Fund balance - December 31	<u>\$ 6,031,136</u>	<u>\$ 15,306,920</u>	<u>\$ 9,275,783</u>	<u>\$11,635,060</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Children's Justice Center Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Intragovernmental revenue	\$ 1,039,329	\$ 903,956	\$ (135,373)	\$ 812,425
Charges for services	104,762	20,508	(84,254)	63,513
Miscellaneous revenue	184,225	159,849	(24,376)	118,682
Total revenues	<u>1,328,316</u>	<u>1,084,313</u>	<u>(244,003)</u>	<u>994,620</u>
Expenditures:				
Salaries, wages, and benefits	1,232,864	1,104,713	128,151	1,023,379
Materials, supplies, and services	257,079	174,842	82,237	139,395
Capital outlay	2,776	-	2,776	5,191
Total expenditures	<u>1,492,719</u>	<u>1,279,555</u>	<u>213,164</u>	<u>1,167,966</u>
Excess (deficiency) of revenues over expenditures	(164,403)	(195,241)	(30,838)	(173,346)
Other financing sources (uses):				
Transfers in	164,403	165,229	826	150,838
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>164,403</u>	<u>165,229</u>	<u>826</u>	<u>150,838</u>
Net change in fund balance	-	(30,012)	(30,012)	(22,508)
Fund balance - January 1	67,215	67,215	-	89,723
Fund balance - December 31	<u>\$ 67,215</u>	<u>\$ 37,203</u>	<u>\$ (30,012)</u>	<u>\$ 67,215</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Grants / Outside Projects Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 4,000,000	\$ 2,298,496	\$ (1,701,504)	\$ 2,258,094
Intergovernmental revenue	12,195,917	1,886,488	(10,309,429)	2,760,161
Charges for services	3,996,671	2,815,513	(1,181,158)	1,957,888
Fines and forfeitures	21,298	5,000	(16,298)	34,690
Miscellaneous revenue	162,326	137,664	(24,662)	167,082
Total revenues	<u>20,376,212</u>	<u>7,143,161</u>	<u>(13,233,051)</u>	<u>7,177,916</u>
Expenditures:				
Salaries, wages, and benefits	1,327,231	712,208	615,023	535,167
Materials, supplies, and services	9,902,613	1,146,461	8,756,152	1,067,890
Capital outlay	110,000	23,276	86,724	309,764
Contributions to other governmental agencies	9,036,368	5,261,217	3,775,151	5,257,829
Total expenditures	<u>20,376,212</u>	<u>7,143,161</u>	<u>13,233,051</u>	<u>7,170,650</u>
Excess (deficiency) of revenues over expenditures	-	-	-	7,265
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	7,265
Fund balance - January 1	<u>7,265</u>	<u>7,265</u>	-	-
Fund balance - December 31	<u><u>\$ 7,265</u></u>	<u><u>\$ 7,265</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,265</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Contract Law Enforcement Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Charges for services	3,074,938	2,737,671	(337,267)	2,326,877
Miscellaneous revenue	-	-	-	-
Total revenues	<u>3,074,938</u>	<u>2,737,671</u>	<u>(337,267)</u>	<u>2,326,877</u>
Expenditures:				
Salaries, wages, and benefits	2,305,450	2,257,472	47,978	2,021,837
Materials, supplies, and services	1,519,488	602,595	916,893	646,856
Capital outlay	-	-	-	-
Total expenditures	<u>3,824,938</u>	<u>2,860,067</u>	<u>964,871</u>	<u>2,668,693</u>
Excess (deficiency) of revenues over expenditures	(750,000)	(122,396)	627,604	(341,816)
Other financing sources (uses):				
Transfers in	750,000	122,396	(627,604)	341,816
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>750,000</u>	<u>122,396</u>	<u>(627,604)</u>	<u>341,816</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Inmate Benefit Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Charges for services	\$ 315,911	\$ 308,401	\$ (7,510)	\$ 298,172
Miscellaneous revenue	12,144	14,143	1,999	7,693
Total revenues	<u>328,055</u>	<u>322,544</u>	<u>(5,511)</u>	<u>305,864</u>
Expenditures:				
Salaries, wages, and benefits	225,000	158,372	66,628	165,911
Materials, supplies, and services	142,232	63,851	78,381	55,010
Capital outlay	-	-	-	-
Total expenditures	<u>367,232</u>	<u>222,224</u>	<u>145,008</u>	<u>220,921</u>
Excess (deficiency) of revenues over expenditures	(39,177)	100,320	139,497	84,943
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(39,177)	100,320	139,497	84,943
Fund balance - January 1	<u>882,140</u>	<u>882,140</u>	<u>-</u>	<u>797,197</u>
Fund balance - December 31	<u><u>\$ 842,963</u></u>	<u><u>\$ 982,460</u></u>	<u><u>\$ 139,497</u></u>	<u><u>\$ 882,140</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Department of Drug & Alcohol Prevention and Treatment ("DDAPT") Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Intergovernmental revenue	\$ 6,187,436	\$ 6,128,394	\$ (59,042)	\$ 5,262,860
Charges for services	4,349,625	1,804,739	(2,544,886)	1,643,566
Miscellaneous revenue	421,962	9,217	(412,745)	2,721
Total revenues	<u>10,959,023</u>	<u>7,942,350</u>	<u>(3,016,673)</u>	<u>6,909,146</u>
Expenditures:				
Salaries, wages, and benefits	5,452,592	4,781,452	671,140	4,846,502
Materials, supplies, and services	6,546,626	3,150,997	3,395,629	2,414,112
Capital outlay	-	-	-	-
Total expenditures	<u>11,999,218</u>	<u>7,932,450</u>	<u>4,066,768</u>	<u>7,260,615</u>
Excess (deficiency) of revenues over expenditures	(1,040,195)	9,900	1,050,095	(351,469)
Other financing sources (uses):				
Transfers in	820,195	508,129	(312,066)	399,061
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>820,195</u>	<u>508,129</u>	<u>(312,066)</u>	<u>399,061</u>
Net change in fund balance	(220,000)	518,029	738,029	47,592
Fund balance - January 1	882,889	882,889	-	835,297
Fund balance - December 31	<u>\$ 662,889</u>	<u>\$ 1,400,918</u>	<u>\$ 738,029</u>	<u>\$ 882,889</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund
Major Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Property taxes	\$ 5,000	\$ 990	\$ (4,010)	\$ 2,668
Intergovernmental revenue	3,165,047	3,165,044	(3)	3,204,636
Miscellaneous revenue	-	-	-	-
Total revenues	<u>3,170,047</u>	<u>3,166,034</u>	<u>(4,013)</u>	<u>3,207,305</u>
Expenditures:				
Principal	8,735,000	8,735,000	-	10,550,000
Interest	13,020,920	13,010,793	10,127	11,644,174
Fiscal charges	28,450	25,700	2,750	25,200
Other debt service appropriations	1,665,846	-	1,665,846	-
Total expenditures	<u>23,450,216</u>	<u>21,771,493</u>	<u>1,678,723</u>	<u>22,219,374</u>
Excess (deficiency) of revenues over expenditures	(20,280,169)	(18,605,460)	1,674,709	(19,012,070)
Other financing sources (uses):				
Transfers in	20,232,515	19,728,616	(503,899)	16,764,537
Transfers out	(5,000)	(990)	4,010	(2,668)
Total other financing sources (uses)	<u>20,227,515</u>	<u>19,727,626</u>	<u>(499,889)</u>	<u>16,761,869</u>
Net change in fund balance	(52,654)	1,122,166	1,174,820	(2,250,201)
Fund balance - January 1	<u>3,064,139</u>	<u>3,064,139</u>	-	<u>5,314,340</u>
Fund balance - December 31	<u>\$ 3,011,485</u>	<u>\$ 4,186,306</u>	<u>\$ 1,174,820</u>	<u>\$ 3,064,139</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
Major Fund
For the Year Ended December 31, 2017
With Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	Actual Amounts
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ -
Miscellaneous revenue	140,000	141,874	\$ 1,874	80,112
Total revenues	140,000	141,874	1,874	80,112
Expenditures:				
Materials, supplies, and services	90,550	70,421	20,129	34,108
Capital outlay	9,187,535	1,140,598	8,046,937	530,363
Total expenditures	9,278,085	1,211,019	8,067,066	564,471
Excess (deficiency) of revenues over expenditures	(9,138,085)	(1,069,145)	8,068,940	(484,359)
Other financing sources (uses):				
Transfers in	600,000	1,140,598	540,598	1,443,963
Total other financing sources (uses)	600,000	1,140,598	540,598	1,443,963
Net change in fund balance	(8,538,085)	71,452	8,609,537	959,604
Fund balance - January 1	9,557,688	9,557,688	-	8,598,085
Fund balance - December 31	<u>\$ 1,019,603</u>	<u>\$ 9,629,141</u>	<u>\$ 8,609,537</u>	<u>\$ 9,557,688</u>

UTAH COUNTY
Combining Statement of Net Position
Internal Service Funds
December 31, 2017

	Internal Service Funds						
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Current assets:							
Cash and investments	\$ 2,856,860	\$ 309,580	\$ 1,096,081	\$ 768,043	\$ 519,978	\$ 1,778,985	\$ 7,329,527
Accounts receivable	94,233	53,709	24,457	22,591	122,214	196,245	513,448
Inventory	133,208	148,909	291	9,643	27,600	39,001	358,651
Prepaid expenses	1,640	-	-	8,091	18,939	89,492	118,161
Total current assets	<u>3,085,940</u>	<u>512,197</u>	<u>1,120,829</u>	<u>808,368</u>	<u>688,730</u>	<u>2,103,723</u>	<u>8,319,787</u>
Noncurrent assets:							
Net pension asset	220	241	-	321	(327)	182	637
Capital assets:							
Equipment, vehicles, furniture	17,821,591	795,556	1,064,393	2,630,557	1,151,198	1,538,295	25,001,590
Accumulated depreciation	(9,471,815)	(324,675)	(917,486)	(2,409,621)	(600,695)	(1,187,491)	(14,911,782)
Net capital assets	<u>8,349,776</u>	<u>470,881</u>	<u>146,907</u>	<u>220,936</u>	<u>550,503</u>	<u>350,804</u>	<u>10,089,807</u>
Total noncurrent assets	<u>8,349,996</u>	<u>471,122</u>	<u>146,907</u>	<u>221,257</u>	<u>550,176</u>	<u>350,986</u>	<u>10,090,444</u>
Total assets	<u>11,435,936</u>	<u>983,319</u>	<u>1,267,736</u>	<u>1,029,625</u>	<u>1,238,906</u>	<u>2,454,709</u>	<u>18,410,232</u>
Deferred outflows of resources:							
Pension-related deferred outflows	275,310	268,435	46,882	46,542	967,909	1,016,211	2,621,289
Total assets and deferred outflows of resources	<u>11,711,246</u>	<u>1,251,754</u>	<u>1,314,618</u>	<u>1,076,167</u>	<u>2,206,815</u>	<u>3,470,920</u>	<u>21,031,521</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES							
Current liabilities:							
Accounts payable and accruals	401,610	336,573	23,321	16,182	451,305	202,317	1,431,309
Unearned revenues	-	-	-	-	8,626	-	8,626
Due to other funds	-	-	-	-	-	-	-
Total current liabilities	<u>401,610</u>	<u>336,573</u>	<u>23,321</u>	<u>16,182</u>	<u>459,931</u>	<u>202,317</u>	<u>1,439,935</u>
Noncurrent liabilities:							
Net pension liability	340,961	322,417	58,128	68,216	1,102,411	1,225,279	3,117,412
Total noncurrent liabilities	<u>340,961</u>	<u>322,417</u>	<u>58,128</u>	<u>68,216</u>	<u>1,102,411</u>	<u>1,225,279</u>	<u>3,117,412</u>
Total liabilities	<u>742,571</u>	<u>658,990</u>	<u>81,449</u>	<u>84,398</u>	<u>1,562,342</u>	<u>1,427,596</u>	<u>4,557,347</u>
Deferred inflows of resources:							
Pension-related deferred inflows	40,279	49,325	6,762	8,605	103,734	136,062	344,767
Total liabilities and deferred inflows of resources	<u>782,850</u>	<u>708,315</u>	<u>88,211</u>	<u>93,003</u>	<u>1,666,076</u>	<u>1,563,658</u>	<u>4,902,114</u>
NET POSITION							
Restricted - invested in capital assets, net of related debt	8,349,776	470,881	146,907	220,936	550,503	350,804	10,089,807
Unrestricted	2,578,620	72,559	1,079,500	762,227	(9,764)	1,556,458	6,039,600
Total net position	<u>10,928,396</u>	<u>543,440</u>	<u>1,226,407</u>	<u>983,164</u>	<u>540,739</u>	<u>1,907,261</u>	<u>16,129,407</u>
Total liabilities and net position	<u>\$ 11,711,246</u>	<u>\$ 1,251,754</u>	<u>\$ 1,314,618</u>	<u>\$ 1,076,167</u>	<u>\$ 2,206,815</u>	<u>\$ 3,470,920</u>	<u>\$ 21,031,521</u>

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

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2017

	Internal Service Funds						
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	Total
Operating revenues:							
Charges to other funds	\$ 4,366,220	\$ 2,242,490	\$ 548,992	\$ 574,396	\$ 8,141,498	\$ 3,450,172	\$ 19,323,768
Charges to outside agencies	59,487	569,073	84,940	212,713	576,701	80,975	1,583,889
Other revenues	1,580	1,176	-	0	38,062	539	41,356
Total operating revenues	<u>4,427,287</u>	<u>2,812,739</u>	<u>633,932</u>	<u>787,109</u>	<u>8,756,261</u>	<u>3,531,685</u>	<u>20,949,013</u>
Operating expenses:							
Salaries, wages, and benefits	898,425	958,202	239,787	112,723	2,209,823	2,326,019	6,744,979
Materials, supplies, and services	1,411,992	1,670,632	252,977	373,006	3,223,600	963,370	7,895,576
Depreciation	2,277,113	91,953	39,491	103,925	134,177	104,076	2,750,735
Total operating expenses	<u>4,587,529</u>	<u>2,720,786</u>	<u>532,255</u>	<u>589,654</u>	<u>5,567,600</u>	<u>3,393,465</u>	<u>17,391,290</u>
Operating income (loss)	<u>(160,242)</u>	<u>91,953</u>	<u>101,677</u>	<u>197,455</u>	<u>3,188,661</u>	<u>138,221</u>	<u>3,557,723</u>
Non-operating revenues (expenses):							
Interest income	36,047	574	14,743	9,157	11,637	26,307	98,465
Intergovernmental income	-	-	-	-	-	-	-
Intergovernmental expenses	-	-	-	-	-	-	-
Gain (loss) on sale of fixed assets	909,907	-	20,655	4,850	16,821	13,421	965,653
Total non-operating income (loss)	<u>945,954</u>	<u>574</u>	<u>35,398</u>	<u>14,007</u>	<u>28,458</u>	<u>39,728</u>	<u>1,064,118</u>
Net income (loss) before operating transfers	<u>785,712</u>	<u>92,527</u>	<u>137,074</u>	<u>211,462</u>	<u>3,217,118</u>	<u>177,948</u>	<u>4,621,842</u>
Transfers:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,164,488)	-	(3,164,488)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,164,488)</u>	<u>-</u>	<u>(3,164,488)</u>
Net income (loss)	<u>785,712</u>	<u>92,527</u>	<u>137,074</u>	<u>211,462</u>	<u>52,630</u>	<u>177,948</u>	<u>1,457,354</u>
Net position at beginning of year	<u>10,142,684</u>	<u>450,913</u>	<u>1,089,332</u>	<u>771,702</u>	<u>488,109</u>	<u>1,729,313</u>	<u>14,672,054</u>
Net position at end of year	<u>\$ 10,928,396</u>	<u>\$ 543,440</u>	<u>\$ 1,226,407</u>	<u>\$ 983,164</u>	<u>\$ 540,739</u>	<u>\$ 1,907,261</u>	<u>\$ 16,129,407</u>

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

UTAH COUNTY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2017

	Internal Service Funds						
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	Total
Cash flows from operating activities:							
Receipts from customers and users	\$ 4,369,524	\$ 2,933,742	\$ 644,687	\$ 996,024	\$ 8,888,932	\$ 3,397,785	\$ 21,230,694
Payments to suppliers	(1,096,859)	(1,439,923)	(250,049)	(439,044)	(3,330,127)	(1,034,514)	(7,590,515)
Payments to employees	(855,413)	(939,474)	(238,297)	(113,636)	(2,213,877)	(2,303,669)	(6,664,367)
Net cash provided (used) by operating activities	<u>2,417,252</u>	<u>554,345</u>	<u>156,340</u>	<u>443,344</u>	<u>3,344,928</u>	<u>59,603</u>	<u>6,975,812</u>
Cash flows from non-capital financing activities:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(3,164,488)	-	(3,164,488)
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,164,488)</u>	<u>-</u>	<u>(3,164,488)</u>
Cash flows from capital and related financing activities:							
Payments for acquisitions of capital assets	(3,003,737)	(245,339)	(18,296)	(39,626)	(151,270)	(158,224)	(3,616,492)
Proceeds from sales of capital assets	909,907	-	20,655	4,850	16,821	13,421	965,653
Intergovernmental revenue	-	-	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(2,093,830)</u>	<u>(245,339)</u>	<u>2,359</u>	<u>(34,776)</u>	<u>(134,450)</u>	<u>(144,803)</u>	<u>(2,650,839)</u>
Cash flows from investing activities:							
Interest received	<u>36,047</u>	<u>574</u>	<u>14,743</u>	<u>9,157</u>	<u>11,637</u>	<u>26,307</u>	<u>98,465</u>
Net change in cash and cash equivalents	359,468	309,580	173,443	417,725	57,627	(58,893)	1,258,951
Cash and cash equivalents - beginning	<u>2,497,391</u>	<u>-</u>	<u>922,638</u>	<u>350,318</u>	<u>462,351</u>	<u>1,837,878</u>	<u>6,070,576</u>
Cash and cash equivalents - ending	<u><u>\$ 2,856,860</u></u>	<u><u>\$ 309,580</u></u>	<u><u>\$ 1,096,081</u></u>	<u><u>\$ 768,043</u></u>	<u><u>\$ 519,978</u></u>	<u><u>\$ 1,778,985</u></u>	<u><u>\$ 7,329,527</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	<u>\$ (160,242)</u>	<u>\$ 91,953</u>	<u>\$ 101,677</u>	<u>\$ 197,455</u>	<u>\$ 3,188,661</u>	<u>\$ 138,221</u>	<u>\$ 3,557,723</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	2,277,113	91,953	39,491	103,925	134,177	104,076	2,750,735
(Increase) decrease in accounts receivable	(57,764)	121,003	10,755	208,915	132,671	(133,900)	281,681
(Increase) decrease in prepaid expenses	628	-	2,028	-	(344)	(18,831)	(16,519)
(Increase) decrease in inventory	28,893	28,276	762	-	(12,900)	(22,109)	22,923
Increase (decrease) in accounts payable	285,612	202,433	138	(66,038)	(93,283)	(30,204)	298,658
Increase (decrease) in accrued payroll	35,534	2,609	102	(1,870)	(17,799)	(3,541)	15,036
Increase (decrease) in unearned revenue	-	-	-	-	-	-	-
Increase (decrease) in amounts due to other funds	-	-	-	-	-	-	-
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	7,477	16,118	1,388	957	13,745	25,891	65,576
Total adjustments	<u>2,577,494</u>	<u>462,393</u>	<u>54,664</u>	<u>245,890</u>	<u>156,267</u>	<u>(78,618)</u>	<u>3,418,089</u>
Net cash provided (used) by operating activities	<u><u>\$ 2,417,252</u></u>	<u><u>\$ 554,345</u></u>	<u><u>\$ 156,340</u></u>	<u><u>\$ 443,344</u></u>	<u><u>\$ 3,344,928</u></u>	<u><u>\$ 59,603</u></u>	<u><u>\$ 6,975,812</u></u>
Noncash investing, capital, and financing activities:	none	none	none	none	none	none	none

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

UTAH COUNTY
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2017

	Balance January 1 2017	Additions	Deductions	Balance December 31 2017
AUDITOR'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 2,762,362	\$ 111,905,679	\$ (109,789,809)	\$ 4,878,232
Accounts receivable	124,330	1,738,837	(1,794,855)	68,312
Prepaid expenses	449	57,000	(51,416)	6,033
Total assets	<u>\$ 2,887,142</u>	<u>\$ 113,701,516</u>	<u>\$ (111,636,081)</u>	<u>\$ 4,952,577</u>
Liabilities:				
Accounts payable	\$ 392,280	\$ 6,236,067	\$ (4,275,340)	\$ 2,353,007
Due to other governments	2,494,862	62,010,765	(61,906,057)	2,599,570
Total liabilities	<u>\$ 2,887,142</u>	<u>\$ 68,246,833</u>	<u>\$ (66,181,397)</u>	<u>\$ 4,952,577</u>
TREASURER'S TRUST ACCOUNTS				
Current assets:				
Cash	\$ 104,162,116	\$ 541,013,965	\$ (545,097,912)	\$ 100,078,169
Taxes receivable	714,317	36,519	(3,696)	747,139
Total assets	<u>\$ 104,876,433</u>	<u>\$ 541,050,484</u>	<u>\$ (545,101,609)</u>	<u>\$ 100,825,308</u>
Liabilities:				
Due to other governments	\$ 104,876,433	\$ 541,050,484	\$ (545,101,609)	\$ 100,825,308
Total liabilities	<u>\$ 104,876,433</u>	<u>\$ 541,050,484</u>	<u>\$ (545,101,609)</u>	<u>\$ 100,825,308</u>
TOTALS - ALL AGENCY FUNDS				
Current assets:				
Cash	\$ 106,924,478	\$ 652,919,644	\$ (654,887,721)	\$ 104,956,400
Accounts receivable	124,330	1,738,837	(1,794,855)	68,312
Taxes receivable	714,317	36,519	(3,696)	747,139
Prepaid expenses	449	57,000	(51,416)	6,033
Total assets	<u>\$ 107,763,574</u>	<u>\$ 654,752,000</u>	<u>\$ (656,737,689)</u>	<u>\$ 105,777,885</u>
Liabilities:				
Accounts payable	\$ 392,280	\$ 6,236,067	\$ (4,275,340)	\$ 2,353,007
Due to other governments	107,371,294	603,061,249	(607,007,665)	103,424,878
Total liabilities	<u>\$ 107,763,574</u>	<u>\$ 609,297,317</u>	<u>\$ (611,283,006)</u>	<u>\$ 105,777,885</u>

UTAH COUNTY
Combining Statement of Net Position
Discretely Presented Component Units
December 31, 2017

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets:						
Cash and investments	\$ 31,823,173	\$ 3,493,903	\$ 3,741,706	\$ 346,850	\$ 8,262,700	\$ 47,668,332
Investments	-	-	-	-	344,240	344,240
Restricted cash	-	-	-	-	6,789	6,789
Accounts and notes receivable	2,592,090	709,343	332,865	111,440	4,014,267	7,760,005
Taxes receivable	-	-	169,000	-	-	169,000
Inventory	1,152	-	-	10,934	-	12,086
Other current assets	102,131	27,567	5,034	19,790	876,305	1,030,827
Total current assets	<u>34,518,546</u>	<u>4,230,813</u>	<u>4,248,605</u>	<u>489,014</u>	<u>13,504,301</u>	<u>56,991,279</u>
Noncurrent assets:						
Notes receivable	-	-	-	-	306,243	306,243
Net pension asset	-	-	2	-	-	2
Other noncurrent assets	44,562,011	-	-	214,491	63,198	44,839,700
Capital assets:						
Land, easements, water rights, construction in progress	2,808,616	2,207,049	817,112	-	5,279,620	11,112,397
Depreciable assets, net of accumulated depreciation/amortization	125,857,812	4,941,210	6,194,289	42,612	5,952,077	142,988,000
Net capital assets	<u>128,666,428</u>	<u>7,148,259</u>	<u>7,011,401</u>	<u>42,612</u>	<u>11,231,697</u>	<u>154,100,397</u>
Total noncurrent assets	<u>173,228,439</u>	<u>7,148,259</u>	<u>7,011,403</u>	<u>257,103</u>	<u>11,601,138</u>	<u>199,246,342</u>
Total assets	<u>207,746,985</u>	<u>11,379,072</u>	<u>11,260,008</u>	<u>746,117</u>	<u>25,105,439</u>	<u>256,237,621</u>
Deferred outflows of resources	<u>1,057,500</u>	<u>600,554</u>	<u>54,658</u>	<u>-</u>	<u>4,736,267</u>	<u>6,448,979</u>
Total assets and deferred outflows of resources	<u>208,804,485</u>	<u>11,979,626</u>	<u>11,314,666</u>	<u>746,117</u>	<u>29,841,706</u>	<u>262,686,600</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS						
Current liabilities:						
Accounts payable	1,017,689	301,297	19,920	59,173	1,642,900	3,040,979
Accrued interest payable	257,015	-	74,009	-	-	331,024
Accrued expenses	475,052	189,006	26,370	81,364	1,451,376	2,223,168
Unearned revenue	-	8,600	-	-	-	8,600
Current portion of long-term debt	1,980,000	-	344,344	-	-	2,324,344
Other current liabilities	-	-	-	39,953	857,258	897,211
Total current liabilities	<u>3,729,756</u>	<u>498,903</u>	<u>464,643</u>	<u>180,490</u>	<u>3,951,534</u>	<u>8,825,326</u>
Noncurrent liabilities:						
Bonds, notes, and leases payable	77,872,919	-	5,170,797	-	-	83,043,716
Net pension liability	1,534,124	649,432	89,544	-	8,616,016	10,889,116
Compensated absences and OPEB	-	-	-	-	570,098	570,098
Other long-term liabilities	-	163,484	-	-	-	163,484
Total noncurrent liabilities	<u>79,407,043</u>	<u>812,916</u>	<u>5,260,341</u>	<u>-</u>	<u>9,186,114</u>	<u>94,666,414</u>
Total liabilities	<u>83,136,799</u>	<u>1,311,819</u>	<u>5,724,984</u>	<u>180,490</u>	<u>13,137,648</u>	<u>103,491,740</u>
Deferred inflows of resources	<u>206,337</u>	<u>95,912</u>	<u>12,374</u>	<u>-</u>	<u>1,232,037</u>	<u>1,546,660</u>
Total liabilities and deferred inflows of resources	<u>83,343,136</u>	<u>1,407,731</u>	<u>5,737,358</u>	<u>180,490</u>	<u>14,369,685</u>	<u>105,038,400</u>
Net position:						
Restricted - Invested in capital assets, net of related debt	78,711,428	7,148,259	4,242,172	-	11,231,697	101,333,556
Restricted	16,357,700	149,195	-	237,436	-	16,744,331
Unrestricted	30,392,221	3,274,441	1,335,136	328,191	4,240,324	39,570,313
Total net position	<u>\$ 125,461,349</u>	<u>\$ 10,571,895</u>	<u>\$ 5,577,308</u>	<u>\$ 565,627</u>	<u>\$ 15,472,021</u>	<u>\$ 157,648,200</u>

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Units
Year Ended December 31, 2017

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
Operating revenues	\$ 17,685,146	\$ 9,270,623	\$ 1,436,441	\$ 1,943,982	\$ 33,746,685	\$ 64,082,877
Operating expenses:						
Cost of services	8,150,495	8,965,494	928,576	1,820,932	33,923,534	53,789,031
Depreciation	4,742,552	643,004	245,065	16,413	525,711	6,172,745
Total operating expenses	<u>12,893,047</u>	<u>9,608,498</u>	<u>1,173,641</u>	<u>1,837,345</u>	<u>34,449,245</u>	<u>59,961,776</u>
Operating income (loss)	<u>4,792,099</u>	<u>(337,875)</u>	<u>262,800</u>	<u>106,637</u>	<u>(702,560)</u>	<u>4,121,101</u>
Nonoperating revenues (expenses):						
Interest revenue	710,976	49,205	12,147	-	123,976	896,304
Interest expense and fiscal charges	(2,316,626)	(1,336)	(177,583)	-	-	(2,495,545)
Other revenues (expenses)	1,400,116	133,865	173,326	(7,803)	697,688	2,397,192
Total nonoperating revenues (expenses)	<u>(205,534)</u>	<u>181,734</u>	<u>7,890</u>	<u>(7,803)</u>	<u>821,664</u>	<u>797,951</u>
Net income (loss)	4,586,565	(156,141)	270,690	98,834	119,104	4,919,052
Net position - beginning	<u>120,874,784</u>	<u>10,728,036</u>	<u>5,306,618</u>	<u>466,793</u>	<u>15,352,917</u>	<u>152,729,148</u>
Net position - ending	<u>\$ 125,461,349</u>	<u>\$ 10,571,895</u>	<u>\$ 5,577,308</u>	<u>\$ 565,627</u>	<u>\$ 15,472,021</u>	<u>\$ 157,648,200</u>

UTAH COUNTY
Combining Statement of Cash Flows
Discretely Presented Component Units
For the Year Ended December 31, 2017

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
Cash flows from operating activities:						
Receipts from customers and users and others	\$ 18,022,115	\$ 9,272,039	\$ 1,264,965	\$ 1,947,386	\$ 31,598,765	\$ 62,105,270
Payments to suppliers and others	(3,487,091)	(7,410,066)	(394,038)	(908,200)	(5,646,777)	(17,846,172)
Payments to employees	(4,153,773)	(1,931,284)	(517,882)	(900,302)	(27,448,149)	(34,951,390)
Net cash provided (used) by operating activities	<u>10,381,251</u>	<u>(69,311)</u>	<u>353,045</u>	<u>138,884</u>	<u>(1,496,161)</u>	<u>9,307,708</u>
Cash flows from non-capital financing activities:						
Property taxes collected and other	-	-	57,507	-	31,090	88,597
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>57,507</u>	<u>-</u>	<u>31,090</u>	<u>88,597</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(1,047,522)	(184,606)	(252,401)	(8,634)	(4,008,913)	(5,502,076)
Proceeds from sales of capital assets	242,860	23,994	-	900	542,659	810,413
Proceeds from issuance of debt	29,763,378	-	2,800,000	-	-	32,563,378
Interest paid on noncurrent liabilities	(3,084,186)	(1,336)	(43,421)	-	-	(3,128,943)
Principal paid on noncurrent liabilities	-	(26,729)	(81,951)	-	-	(108,680)
Impact fees, capital facility fees, and other	(23,236,689)	-	(63,125)	-	-	(23,299,814)
Net cash provided (used) by capital and related financing activities	<u>2,637,841</u>	<u>(188,677)</u>	<u>2,359,102</u>	<u>(7,734)</u>	<u>(3,466,254)</u>	<u>1,334,278</u>
Cash flows from investing activities:						
Receipt (payment) of note receivable	-	-	-	-	17,620	17,620
Land lease receipts and other	1,008,224	111,495	-	-	359,770	1,479,489
Net sales (purchases) of investments	(44,656,234)	-	-	345	(286,910)	(44,942,799)
Interest and dividends received	710,976	49,205	12,147	-	123,976	896,304
Net cash provided (used) by investing activities	<u>(42,937,034)</u>	<u>160,700</u>	<u>12,147</u>	<u>345</u>	<u>214,456</u>	<u>(42,549,386)</u>
Net change in cash and cash equivalents	(29,917,942)	(97,288)	2,781,801	131,495	(4,716,869)	(31,818,803)
Cash and cash equivalents - beginning	<u>61,741,115</u>	<u>3,591,191</u>	<u>959,905</u>	<u>215,355</u>	<u>12,979,569</u>	<u>79,487,135</u>
Cash and cash equivalents - ending	<u>\$ 31,823,173</u>	<u>\$ 3,493,903</u>	<u>\$ 3,741,706</u>	<u>\$ 346,850</u>	<u>\$ 8,262,700</u>	<u>\$ 47,668,332</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 4,792,099	\$ (337,875)	\$ 262,800	\$ 98,834	\$ (702,560)	\$ 4,113,298
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation/amortization expense	4,742,552	683,148	245,065	16,413	525,711	6,212,889
Net (gain) loss on investments	-	-	-	(1,453)	-	(1,453)
Other noncash expenses	3,758	-	-	-	(2,220)	1,538
(Increase) decrease in accounts receivable	336,969	1,416	(119,663)	(7,346)	(169,145)	42,231
(Increase) decrease in prepaid expenses	(21,644)	-	(5,034)	3,345	-	(23,333)
(Increase) decrease in inventory	-	-	-	(2,143)	-	(2,143)
(Increase) decrease in other assets	-	(7,140)	-	-	(233,522)	(240,662)
Increase (decrease) in accounts payable	197,335	(454,282)	(36,551)	36,984	1,157,580	901,066
Increase (decrease) in accrued expenses	195,782	5,417	11,299	(25,756)	(1,024,781)	(838,039)
Increase (decrease) in unearned revenue	-	-	-	-	-	-
Change in net position assets, deferred outflows of resources, liabilities, and deferred inflows of resources	134,400	40,005	(4,871)	-	(1,208,151)	(1,038,617)
Increase (decrease) in other liabilities	-	-	-	20,006	160,926	180,932
Total adjustments	<u>5,589,152</u>	<u>268,564</u>	<u>90,245</u>	<u>40,050</u>	<u>(793,602)</u>	<u>5,194,409</u>
Net cash provided (used) by operating activities	<u>\$ 10,381,251</u>	<u>\$ (69,311)</u>	<u>\$ 353,045</u>	<u>\$ 138,884</u>	<u>\$ (1,496,162)</u>	<u>\$ 9,307,707</u>

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2017

Taxing Unit	<a> Year-End Real Property Value	 Year-End Centrally Assessed Value	<c> <a> + Total Real & Centrally Assessed Value	<d> Total Personal Property Value	<e> <c> + <d> Total Taxable Value	<f> Current Year Tax Rate	<g> Prior Year Tax Rate	<h> <c> * <f> Real & Cent. Assessed Taxes Charged	<i> <d> * <g> Personal Property Taxes Charged	<j> <h> + <i> Total Taxes Charged
Alpine City	974,882,379	14,651,319	989,533,698	5,952,781	995,486,479	0.001305	0.001388	1,291,341	8,262	1,299,604
Alpine School Charter	22,087,775,191	1,120,415,642	23,208,190,833	1,677,480,782	24,885,671,615	0.000080	-	1,856,655	-	1,856,655
Alpine School District	22,087,775,191	1,120,415,642	23,208,190,833	1,677,480,782	24,885,671,615	0.007087	0.007718	164,476,448	12,946,797	177,423,245
American Fork City	2,048,719,252	50,518,676	2,099,237,928	112,919,190	2,212,157,118	0.002082	0.002261	4,370,613	255,310	4,625,924
Benjamin Cemetery Maintenance District	68,295,228	7,218,916	75,514,144	1,183,254	76,697,398	0.000150	0.000165	11,327	195	11,522
Bluffdale	-	60,592	60,592	344,159	404,751	0.001751	0.001218	106	419	525
Cedar Fort Town	23,294,449	2,041,643	25,336,092	364,540	25,700,632	0.000924	0.001037	23,411	378	23,789
Cedar Hills City	511,642,176	7,290,427	518,932,603	5,924,149	524,856,752	0.002024	0.002186	1,050,320	12,950	1,063,270
Central Utah Water Conservancy District	34,696,335,249	1,696,146,636	36,392,481,885	2,473,984,710	38,866,466,595	0.000400	0.000400	14,556,993	989,594	15,546,587
Draper City	205,415,884	5,635,224	211,051,108	26,928	211,078,036	0.001460	0.001560	308,135	42	308,177
Eagle Mountain City	1,205,360,238	68,680,398	1,274,040,636	9,230,081	1,283,270,717	0.001011	0.001081	1,288,055	9,978	1,298,033
Elk Ridge City	203,938,032	2,230,708	206,168,740	842,827	207,011,567	0.001949	0.002180	401,823	1,837	403,660
Fairfield Town	13,380,384	671,282	14,051,666	147,946	14,199,612	0.001043	0.001012	14,656	150	14,806
Genola Town	66,290,368	6,271,850	72,562,218	1,231,723	73,793,941	0.001045	0.000902	75,828	1,111	76,939
Goshen Town	29,911,239	1,377,685	31,288,924	408,388	31,697,312	0.000678	0.000799	21,214	326	21,540
Highland City	1,370,243,403	31,338,322	1,401,581,725	13,100,128	1,414,681,853	0.001428	0.001494	2,001,459	19,572	2,021,030
Jordan Valley Water Conservancy District	194,836,635	4,546,277	199,382,912	371,087	199,753,999	0.000400	0.000372	79,753	138	79,891
Lehi City	4,694,115,192	65,253,057	4,759,368,249	983,810,421	5,743,178,670	0.001830	0.002005	8,709,644	1,972,540	10,682,184
Lehi Metropolitan Water District	4,694,115,192	65,253,057	4,759,368,249	983,810,421	5,743,178,670	0.000010	0.000011	47,594	10,822	58,416
Lindon City	1,258,619,303	25,240,829	1,283,860,132	126,662,357	1,410,522,489	0.001451	0.001630	1,862,881	206,460	2,069,341
Mapleton City	708,439,687	9,272,051	717,711,738	5,905,957	723,617,695	0.002729	0.002729	1,958,635	16,117	1,974,753
Nebo School Charter	7,183,177,730	453,495,066	7,636,672,796	439,536,198	8,076,208,994	0.000086	-	656,754	-	656,754
Nebo School District	7,183,177,730	453,495,066	7,636,672,796	439,536,198	8,076,208,994	0.009212	0.009298	70,349,030	4,086,808	74,435,837
North Fork Special Service District	243,883,723	2,264,430	246,148,153	7,898,354	254,046,507	0.000641	0.000658	157,781	5,197	162,978
North Utah County Water Conservancy District	12,237,897,735	829,350,327	13,067,248,062	1,204,498,635	14,271,746,697	0.000021	0.000023	274,412	27,703	302,116
Orem City	5,369,356,288	130,310,508	5,499,666,796	319,992,444	5,819,659,240	0.001346	0.001550	7,402,552	495,988	7,898,540
Orem Metropolitan Water District	5,369,356,288	130,310,508	5,499,666,796	319,992,444	5,819,659,240	0.000031	0.000033	170,490	10,560	181,049
Payson City	868,069,411	14,672,768	882,742,179	70,165,459	952,907,638	0.001280	0.001279	1,129,910	89,742	1,219,652
Pleasant Grove City	1,973,490,997	39,669,516	2,013,160,513	48,798,315	2,061,958,828	0.002029	0.001775	4,084,703	86,617	4,171,320
Pole Canyon Basic Local District	550,824	658,488	1,209,312	1,975	1,211,287	0.000227	0.000219	275	0	275
Provo City	5,434,300,443	122,361,799	5,556,662,242	357,034,507	5,913,696,749	0.002089	0.002239	11,607,867	799,400	12,407,268
Provo City School District	5,425,382,328	122,235,928	5,547,618,256	356,967,730	5,904,585,986	0.007244	0.007883	40,186,947	2,813,977	43,000,923
Provo School Charter	5,425,382,328	122,235,928	5,547,618,256	356,967,730	5,904,585,986	0.000083	-	460,452	-	460,452
Salem City	458,549,316	7,652,415	466,201,731	6,654,469	472,856,200	0.001633	0.001697	761,307	11,293	772,600
Santaquin City	441,947,080	14,028,259	455,975,339	6,908,149	462,883,488	0.001734	0.001909	790,661	13,188	803,849
Saratoga Springs City	1,516,960,135	24,424,708	1,541,384,843	15,984,498	1,557,369,341	0.001822	0.001994	2,808,403	31,873	2,840,276
Soldier Summit Special Service District	2,399,022	1,064,229	3,463,251	91,951	3,555,202	0.003141	0.003385	10,878	311	11,189
South Valley Sewer District	203,460,784	5,695,675	209,156,459	371,087	209,527,546	0.000316	0.000331	66,093	123	66,216
Spanish Fork City	1,938,939,565	23,150,723	1,962,090,288	166,542,505	2,128,632,793	0.000955	0.001031	1,873,796	171,705	2,045,502
Springville City	1,793,028,370	38,017,585	1,831,045,955	144,510,657	1,975,556,612	0.002087	0.002262	3,821,393	326,883	4,148,276
Springville Drainage District	529,800,263	3,702,360	533,502,623	22,671,318	556,173,941	0.000357	0.000371	190,460	8,411	198,872
Traverse Ridge Special Service District	194,836,635	4,485,685	199,322,320	26,928	199,349,248	0.000585	0.000622	116,604	17	116,620
Unified Fire Service Area (Salt Lake County)	1,205,360,238	68,680,398	1,274,040,636	9,230,081	1,283,270,717	0.001809	0.001884	2,304,740	17,389	2,322,129
Multi-County (State) Assessing & Collecting	34,696,335,249	1,696,146,636	36,392,481,885	2,473,984,710	38,866,466,595	0.000010	0.000011	363,925	27,214	391,139
Utah County Local Assessing & Collecting	34,696,335,249	1,696,146,636	36,392,481,885	2,473,984,710	38,866,466,595	0.000180	0.000204	6,550,647	504,693	7,055,340
Utah County	34,696,335,249	1,696,146,636	36,392,481,885	2,473,984,710	38,866,466,595	0.000779	0.000834	28,349,743	2,063,303	30,413,047
Utah County Service Area #6	1,014,742,882	427,395,078	1,442,137,960	50,042,493	1,492,180,453	0.001294	0.001379	1,866,127	69,009	1,935,135
Utah County Service Area #7	676,102,423	50,285,640	726,388,063	34,492,388	760,880,451	0.000611	0.000831	443,823	28,663	472,486
Utah County Service Area #8	1,014,742,882	427,395,078	1,442,137,960	50,042,493	1,492,180,453	0.000290	0.000309	418,220	15,463	433,683
Utah County Service Area #9	336,241,437	376,023,011	712,264,448	15,458,154	727,722,602	0.000135	0.000139	96,156	2,149	98,304
Vineyard Town	440,867,695	563,277,932	1,004,145,627	19,980,387	1,024,126,014	0.000415	0.003446	4,031,645	68,852	4,100,497
Woodland Hills City	131,831,081	651,282	132,482,363	499,252	132,981,615	0.004613	0.004839	611,141	2,416	613,557
TOTAL								<u>396,363,824</u>	<u>28,231,946</u>	<u>424,595,770</u>

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2017

Taxing Unit	Treasurer's Relief				Other Collections			Delinquent Collections					
	Unpaid Taxes	Abate-ments	Other	Total Relief	<k>	<k> / <j>	Fee-in-Lieu / Age-Based	Misc. Collections & Pers.	Tax	Interest / Penalty	Tax Increments Paid	Refunds Paid	Total All Collections
					Current Year Taxes Collected			Collection Rate					
Alpine City	108,711	4,082	(116)	112,676	1,186,927	91.33%	102,701	26,889	103,489	2,224	-	-	1,422,232
Alpine School Charter	106,671	9,713	(100,633)	15,751	1,840,905	99.15%	35,362	77,245	29,233	291	153,976	-	1,829,059
Alpine School District	9,449,684	860,422	(168,939)	10,141,167	167,282,078	94.28%	13,363,256	3,351,984	9,043,838	347,677	13,771,607	-	179,617,227
American Fork City	301,395	22,808	(235)	323,967	4,301,956	93.00%	323,306	56,420	231,939	9,587	373,913	-	4,549,294
Benjamin Cemetery Maintenance District	610	158	15	784	10,739	93.20%	1,251	400	509	15	-	-	12,913
Bluffdale	-	-	(168)	(168)	693	131.93%	-	1	-	-	-	-	694
Cedar Fort Town	1,087	172	83	1,343	22,446	94.35%	3,951	469	1,830	95	-	-	28,792
Cedar Hills City	39,229	5,810	(241)	44,799	1,018,471	95.79%	111,308	17,083	41,524	833	-	-	1,189,220
Central Utah Water Conservancy District	905,950	76,839	(79,657)	903,132	14,643,455	94.19%	1,095,228	283,026	801,903	29,570	1,137,497	-	15,715,685
Draper City	14,289	4,917	(34)	19,173	289,004	93.78%	24,415	3,479	20,880	1,061	-	-	338,839
Eagle Mountain City	42,490	14,270	(2,230)	54,530	1,243,503	95.80%	135,225	21,552	40,896	1,579	22,389	-	1,420,365
Elk Ridge City	25,642	3,769	(498)	28,913	374,747	92.84%	37,002	5,527	27,161	819	-	-	445,256
Fairfield Town	1,514	237	(194)	1,557	13,249	89.49%	1,929	116	949	34	-	-	16,276
Genola Town	4,549	662	(103)	5,108	71,831	93.36%	7,228	4,830	4,313	118	-	-	88,320
Goshen Town	1,662	475	99	2,236	19,304	89.62%	3,492	69	1,154	68	-	-	24,088
Highland City	109,083	8,256	(533)	116,806	1,904,225	94.22%	186,229	11,353	118,735	3,410	-	-	2,223,952
Jordan Valley Water Conservancy District	3,628	1,347	(31)	4,944	74,947	93.81%	5,459	817	3,424	127	-	-	84,775
Lehi City	362,780	37,483	66,640	466,903	10,215,281	95.63%	656,847	256,681	370,879	15,455	2,260,799	-	9,254,344
Lehi Metropolitan Water District	1,982	205	403	2,590	55,826	95.57%	3,600	1,396	2,006	82	12,228	-	50,682
Lindon City	198,797	4,035	(16,620)	186,213	1,883,128	91.00%	130,788	106,593	245,455	10,647	70,775	-	2,305,836
Mapleton City	148,257	5,876	1,613	155,746	1,819,007	92.11%	145,452	42,038	136,457	4,017	-	-	2,146,971
Nebo School Charter	43,516	4,406	(15,277)	32,645	624,109	95.03%	12,004	31,173	9,555	71	8,224	-	668,689
Nebo School District	4,661,229	472,002	109,487	5,242,718	69,193,120	92.96%	5,666,453	1,303,451	4,037,801	169,888	858,386	-	79,512,326
North Fork Special Service District	14,315	131	21	14,467	148,511	91.12%	636	1,885	15,432	364	-	-	166,828
North Utah County Water Conservancy District	14,528	1,238	846	16,611	285,504	94.50%	21,332	6,305	14,052	483	39,109	-	288,567
Orem City	482,545	37,961	(70,634)	449,872	7,448,667	94.30%	673,790	18,791	417,851	21,999	693,850	-	7,887,249
Orem Metropolitan Water District	11,114	874	(1,941)	10,047	171,002	94.45%	14,612	914	9,083	466	15,933	-	180,145
Payson City	60,181	8,199	(1,333)	67,048	1,152,604	94.50%	101,340	28,532	52,326	2,359	-	-	1,337,161
Pleasant Grove City	224,406	24,105	(12,972)	235,539	3,935,781	94.35%	334,210	113,366	166,473	5,770	168,341	-	4,387,259
Pole Canyon Basic Local District	0	-	(0)	0	275	99.91%	34	15	108	2	-	-	433
Provo City	888,865	40,633	(77,327)	852,171	11,555,097	93.13%	791,862	80,193	877,580	23,471	597,958	-	12,730,243
Provo City School District	3,082,306	140,902	(257,288)	2,965,919	40,035,004	93.10%	2,777,879	250,474	3,053,900	75,834	742,965	-	45,450,127
Provo School Charter	35,316	1,614	(14,850)	22,081	438,372	95.20%	7,574	20,071	11,804	128	8,135	-	469,814
Salem City	70,207	8,582	(1,399)	77,390	695,210	89.98%	74,982	31,426	44,517	1,480	-	-	847,616
Santaquin City	60,024	7,404	2,997	70,424	733,425	91.24%	84,258	8,158	50,976	1,632	-	-	878,450
Saratoga Springs City	166,533	29,908	533	196,973	2,643,303	93.06%	275,640	100,129	111,302	3,477	-	-	3,133,850
Soldier Summit Special Service District	29	-	2	31	11,158	99.72%	-	1,633	-	20	-	369	12,442
South Valley Sewer District	2,986	1,064	(1)	4,049	62,167	93.89%	4,739	732	3,624	162	-	-	71,424
Spanish Fork City	87,392	12,642	4,974	105,008	1,940,493	94.87%	175,982	14,852	99,941	5,310	77,320	-	2,159,259
Springville City	286,101	25,884	37,963	349,948	3,798,328	91.56%	302,792	33,211	244,295	12,351	30,880	-	4,360,097
Springville Drainage District	10,825	1,050	(47)	11,828	187,043	94.05%	10,747	5,637	12,433	391	4,951	-	211,301
Traverse Ridge Special Service District	5,305	1,970	(14)	7,261	109,359	93.77%	8,793	1,351	7,625	484	-	-	127,612
Unified Fire Service Area (Salt Lake County)	76,028	25,534	(484)	101,078	2,221,051	95.65%	237,142	38,668	73,724	2,521	-	-	2,573,107
Multi-County (State) Assessing & Collecting	22,649	1,921	2,620	27,189	363,949	93.05%	30,098	6,253	22,712	834	-	-	423,846
Utah County Local Assessing & Collecting	407,677	34,577	9,539	451,794	6,603,546	93.60%	541,765	106,514	408,809	15,011	-	-	7,675,645
Utah County	1,764,339	149,644	(77,605)	1,836,377	28,576,669	93.96%	2,246,581	563,365	1,654,828	916,741	2,339,917	-	31,618,267
Utah County Service Area #6	146,167	4,401	(26,746)	123,822	1,811,314	93.60%	66,665	77,069	158,792	5,617	-	-	2,119,457
Utah County Service Area #7	41,498	1,953	(15,919)	27,532	444,954	94.17%	35,726	11,531	52,110	1,802	-	-	546,123
Utah County Service Area #8	32,758	986	(5,993)	27,751	405,933	93.60%	14,939	17,266	35,666	1,285	-	-	475,089
Utah County Service Area #9	6,079	28	36	6,143	92,162	93.75%	459	3,543	6,917	273	-	-	103,354
Vineyard Town	65,962	2,913	(15,087)	53,788	4,046,709	98.69%	79,383	16,111	38,923	978	2,319,745	-	1,862,358
Woodland Hills City	38,987	5,235	956	45,179	568,378	92.64%	35,666	7,068	32,092	590	-	-	643,795
TOTAL	24,637,879	2,109,296	(726,323)	26,020,853	398,574,917		31,002,111	7,167,656	22,951,826	1,699,509	25,708,897	369	435,686,753

**SUPPLEMENTAL STATISTICAL
INFORMATION**

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353
Restricted	57,779	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378	101,109
Unrestricted	42,505	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690	10,667
Total governmental activities net position	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>
Business-type activities										
None										
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government										
Invested in capital assets, net of related debt	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353
Restricted	57,779	65,996	59,731	89,872	68,756	73,746	75,918	72,021	89,378	101,109
Unrestricted	42,505	39,507	44,299	23,636	38,352	43,953	51,489	53,711	46,690	10,667
Total primary government net position	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>

Source: Utah County Statements of Net Position at December 31, 2008 through 2017.

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$ 34,435	\$ 32,490	\$ 26,063	\$ 22,277	\$ 31,836	\$ 37,695	\$ 38,498	\$ 37,907	\$ 39,400	\$ 41,393
Public safety	36,630	39,441	40,388	43,146	44,994	46,787	48,865	48,362	51,135	55,342
Public health and welfare	26,836	26,904	28,268	30,297	31,462	33,660	32,924	32,988	32,301	34,600
Roads and public improvements	6,158	5,942	4,738	10,168	59,278	37,657	44,088	48,453	61,128	82,785
Parks and recreation	6,048	5,690	5,319	3,185	5,157	3,699	1,772	1,760	2,100	4,464
Interest on long-term liabilities	1,960	4,435	11,379	11,398	12,662	12,593	12,326	11,950	11,505	12,957
Total governmental activities expenses	112,067	114,902	116,155	120,471	185,389	172,091	178,473	181,420	197,569	231,541
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	-	-	-	-	-	-	-	-	-	-
Total primary government expenses	<u>\$ 112,067</u>	<u>\$ 114,902</u>	<u>\$ 116,155</u>	<u>\$ 120,471</u>	<u>\$ 185,389</u>	<u>\$ 172,091</u>	<u>\$ 178,473</u>	<u>\$ 181,420</u>	<u>\$ 197,569</u>	<u>\$ 231,541</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 20,346	\$ 20,275	\$ 10,791	\$ 15,887	\$ 14,152	\$ 11,876	\$ 13,163	\$ 15,303	\$ 15,224	\$ 16,339
Public safety	7,773	8,922	9,606	9,657	12,461	13,673	12,955	13,132	13,543	8,402
Public health	6,055	6,431	6,309	6,415	7,692	11,371	11,107	10,397	11,833	11,390
Highways and streets	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term liabilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	14,332	16,209	22,439	23,575	26,923	24,326	30,521	28,501	28,832	30,744
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	48,506	51,837	49,145	55,534	61,228	61,246	67,746	67,333	69,432	66,875
Total primary government program revenues	<u>\$ 48,506</u>	<u>\$ 51,837</u>	<u>\$ 49,145</u>	<u>\$ 55,534</u>	<u>\$ 61,228</u>	<u>\$ 61,246</u>	<u>\$ 67,746</u>	<u>\$ 67,333</u>	<u>\$ 69,432</u>	<u>\$ 66,875</u>

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (expense)/revenue										
Governmental activities	\$ (63,561)	\$ (63,065)	\$ (67,010)	\$ (64,937)	\$ (124,161)	\$ (110,845)	\$ (110,727)	\$ (114,087)	\$ (128,137)	\$ (164,666)
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	<u>\$ (63,561)</u>	<u>\$ (63,065)</u>	<u>\$ (67,010)</u>	<u>\$ (64,937)</u>	<u>\$ (124,161)</u>	<u>\$ (110,845)</u>	<u>\$ (110,727)</u>	<u>\$ (114,087)</u>	<u>\$ (128,137)</u>	<u>\$ (164,666)</u>
General Revenues and Other Changes in Net position										
Governmental activities:										
Taxes										
Property taxes	\$ 34,782	\$ 38,404	\$ 38,872	\$ 40,167	\$ 40,093	\$ 42,611	\$ 40,610	\$ 42,949	\$ 44,528	\$ 44,474
Sales taxes ¹	42,187	50,591	55,366	59,556	48,403	80,375	84,809	90,067	96,055	105,973
Investment earnings	2,492	1,228	1,810	765	935	578	556	695	1,183	2,538
Capital charges	-	-	-	-	-	-	-	-	-	-
Miscellaneous ¹	1,434	667	4,488	4,171	1,059	2,015	2,840	1,688	1,858	1,416
Total governmental activities	<u>80,895</u>	<u>90,890</u>	<u>100,536</u>	<u>104,659</u>	<u>90,490</u>	<u>125,579</u>	<u>128,815</u>	<u>135,399</u>	<u>143,624</u>	<u>154,401</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 80,895</u>	<u>\$ 90,890</u>	<u>\$ 100,536</u>	<u>\$ 104,659</u>	<u>\$ 90,490</u>	<u>\$ 125,579</u>	<u>\$ 128,815</u>	<u>\$ 135,399</u>	<u>\$ 143,624</u>	<u>\$ 154,401</u>
Change in Net position										
Governmental activities	\$ 17,334	\$ 27,825	\$ 33,526	\$ 39,722	\$ (33,671)	\$ 14,734	\$ 18,088	\$ 21,312	\$ 15,487	\$ (10,265)
Business-type activities ²	-	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ 17,334</u>	<u>\$ 27,825</u>	<u>\$ 33,526</u>	<u>\$ 39,722</u>	<u>\$ (33,671)</u>	<u>\$ 14,734</u>	<u>\$ 18,088</u>	<u>\$ 21,312</u>	<u>\$ 15,487</u>	<u>\$ (10,265)</u>

Source: Utah County Statements of Activities for years ended December 31, 2008 through 2017.

Notes:

¹The County has no business-type activities.

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

Year	Property Tax^a	Option Sales Tax	Local Sales Tax	Transient Room (Hotel) Sales Tax	Tourism (Restaurant) Sales Tax	Tourism (Car Rental) Sales Tax	Section 2216 Sales Tax (Fixed Guideway)²	Section 2218 Sales Tax (Roads & Public Transit)	Total
2008	\$ 34,790	\$ 18,108	\$ 897	\$ 2,143	\$ 4,381	\$ 640	\$ 1,281		\$ 62,240
2009	37,808	16,539	1,311	1,719	4,397	601	1,145	\$ 11,724 ¹	75,244
2010	38,868	17,027	1,766	1,705	4,515	649	1,174	11,361	77,065
2011	40,162	17,906	1,724	1,902	4,928	729	1,284	13,365	82,000
2012	39,381	19,282	1,607	2,125	5,269	780	1,395	14,505	84,344
2013	39,770	20,183	1,648	2,348	5,661	823	1,456	14,272	86,161
2014	39,113	21,365	1,398	2,543	6,243	927	1,541	17,072	90,202
2015	40,437	22,553	1,554	2,928	6,975	1,006	1,652	17,207	94,312
2016	42,200	23,832	1,527	3,320	7,610	1,087	1,761	18,336	99,673
2017	43,241	26,181	1,635	3,601	8,038	1,140	1,963	20,431	106,230

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

¹ First year of tax

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

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

Year	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax³	Section 2218 Sales Tax
2008	0.25%	1.00%	4.25%	1.00%	7.00%	0.30% ⁴	na
2009	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25% ⁵
2010	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2011	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2012	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2013	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2014	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2015	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2016	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2017	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%

³ Tax enacted April 1, 2007. The results of an opinion question included on the ballot during the 2006 general election indicated that voters approved of this tax (69 percent for the tax and 31 percent against the tax).

⁴ Tax change enacted January 1, 2008.

⁵ Tax enacted January 1, 2009.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,503	\$ 3,532	\$ 3,590	\$ 3,737	\$ 3,687
Assigned	1,925	373	2,723	1,472	8,315	8,587	7,442	7,574	7,428	4,666
Unassigned	13,334	11,430	11,831	15,861	13,949	13,822	17,407	16,323	16,924	16,557
Total general fund	<u>\$ 15,259</u>	<u>\$ 11,803</u>	<u>\$ 14,554</u>	<u>\$ 17,333</u>	<u>\$ 22,264</u>	<u>\$ 25,912</u>	<u>\$ 28,381</u>	<u>\$ 27,487</u>	<u>\$ 28,089</u>	<u>\$ 24,910</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 2,108	\$ 1,947	\$ 1,825	\$ 1,887	\$ 444	\$ 431	\$ 50	\$ 373	\$ 681	\$ 733
Assessing and collecting	3,668	7,152	6,509	5,271	3,384	3,676	4,055	4,505	5,209	5,281
Public transit tax	28,907	162,395	144,203	37,013	39,582	44,521	51,213	57,085	68,789	75,602
TRCC tax	3,906	5,043	7,435	8,392	4,122	5,711	6,333	7,479	11,635	15,307
Special service areas	3,547	5,459	7,260	7,874	6,958	5,854	6,248	5,588	5,796	5,932
Bond proceeds	-	-	38,789	35,316	10,262	10,047	9,421	8,142	56,461	28,754
Debt service	8,000	7,931	5,006	3,729	1,588	-	-	-	-	-
Other purposes	878	-	-	-	-	-	-	-	-	-
Committed for:										
Public health and welfare	7,051	5,284	4,960	5,455	5,685	6,293	6,732	5,882	7,163	8,197
Public safety	-	-	-	433	534	640	720	797	882	983
Capital projects	9,526	7,569	6,014	8,563	8,014	7,396	6,596	8,503	9,462	9,629
Debt service	9,265	9,258	9,585	9,580	9,593	9,579	9,593	5,314	3,064	4,186
Assigned	112	110	97	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	7	7
Total all other governmental funds	<u>\$ 76,968</u>	<u>\$ 212,148</u>	<u>\$ 231,683</u>	<u>\$ 123,513</u>	<u>\$ 90,166</u>	<u>\$ 94,148</u>	<u>\$ 100,961</u>	<u>\$ 103,668</u>	<u>\$ 169,149</u>	<u>\$ 154,611</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2008 through 2017.

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

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues										
Taxes	\$ 76,969	\$ 88,996	\$ 97,280	\$ 99,723	\$ 88,497	\$ 122,271	\$ 125,999	\$ 132,574	\$ 140,517	\$ 151,516
Licenses and permits	101	293	346	296	267	330	323	384	505	416
Intergovernmental	25,861	29,587	26,190	30,565	32,609	27,774	29,994	29,074	29,494	30,484
Charges for services	19,137	19,104	19,579	21,747	25,349	30,604	35,560	35,294	37,238	33,853
Fines and forfeitures	3,056	2,853	3,030	3,230	3,002	2,862	2,832	2,582	2,262	2,122
Interest	2,499	1,228	1,786	767	935	578	556	695	1,183	2,535
Miscellaneous	1,778	666	1,469	3,865	1,059	1,688	1,878	1,684	1,791	1,416
Total revenues	<u>129,401</u>	<u>142,727</u>	<u>149,680</u>	<u>160,193</u>	<u>151,718</u>	<u>186,107</u>	<u>197,142</u>	<u>202,287</u>	<u>212,990</u>	<u>222,342</u>
Expenditures										
General government	41,482	59,364	81,985	57,133	55,754	41,998	43,589	44,001	43,621	46,698
Public safety	36,243	38,227	39,152	42,077	43,840	45,642	47,968	49,334	52,038	53,658
Public health	26,662	26,518	27,744	30,083	31,061	33,318	32,606	33,903	33,205	34,225
Roads and public improvements	6,205	5,741	4,410	115,119	78,012	39,844	44,428	48,666	61,455	82,775
Parks and recreation	10,615	5,382	5,012	2,879	4,850	1,433	1,465	1,503	1,843	4,097
Debt service:										
Principal	5,108	5,280	9,277	9,327	10,805	9,945	8,590	13,390	10,550	8,735
Interest and fiscal charges	<u>2,362</u>	<u>4,079</u>	<u>11,365</u>	<u>11,682</u>	<u>12,900</u>	<u>12,879</u>	<u>12,691</u>	<u>12,277</u>	<u>11,669</u>	<u>13,036</u>
Total expenditures	<u>128,677</u>	<u>144,591</u>	<u>178,945</u>	<u>268,300</u>	<u>237,222</u>	<u>185,059</u>	<u>191,337</u>	<u>203,074</u>	<u>214,381</u>	<u>243,224</u>
Excess of revenues over (under) expenditures	724	(1,864)	(29,265)	(108,107)	(85,504)	1,048	5,805	(787)	(1,391)	(20,882)

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Other financing sources (uses)										
Transfers in	19,999	18,823	29,086	25,549	31,783	25,623	26,401	28,866	25,040	28,228
Transfers out	(17,557)	(15,221)	(22,831)	(22,886)	(28,698)	(22,993)	(22,982)	(26,264)	(22,566)	(25,064)
Bonds issued	-	129,986	45,291	-	51,675	3,800	-	-	65,000	-
Refunding bonds issued	-	-	-	3,320	-	-	6,755	-	-	-
Payments for bond redemption	-	-	-	(3,370)	-	-	(6,698)	-	-	-
Bond premiums and discounts	-	-	-	106	2,326	154	-	-	-	-
Total other financing sources (uses)	<u>2,442</u>	<u>133,588</u>	<u>51,546</u>	<u>2,719</u>	<u>57,086</u>	<u>6,584</u>	<u>3,476</u>	<u>2,602</u>	<u>67,474</u>	<u>3,164</u>
Net change in fund balances	<u><u>\$ 3,166</u></u>	<u><u>\$ 131,724</u></u>	<u><u>\$ 22,281</u></u>	<u><u>\$ (105,388)</u></u>	<u><u>\$ (28,418)</u></u>	<u><u>\$ 7,632</u></u>	<u><u>\$ 9,281</u></u>	<u><u>\$ 1,815</u></u>	<u><u>\$ 66,083</u></u>	<u><u>\$ (17,718)</u></u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2008 through 2017.

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

Year	Real Property	Centrally Assessed Property	Personal Property	Total Taxable Value	Tax Rate	Total Taxes Charged	Total Taxes Collected	Collection Rate
2008	\$ 25,679,425	\$ 892,257	\$ 2,443,057	\$ 29,014,739	0.000727	\$ 21,094	\$ 16,956	87.52%
2009	24,645,814	939,209	2,123,419	27,708,442	0.000785	21,751	17,748	88.51%
2010	23,454,923	974,728	1,963,760	26,393,411	0.001036	27,344	22,790	83.35%
2011	22,293,795	980,261	1,767,953	25,042,009	0.001098	27,496	23,486	85.42%
2012	22,130,044	1,133,164	1,760,005	25,023,213	0.001116	25,918	23,868	92.09%
2013	23,195,271	1,316,762	1,874,636	26,386,669	0.001006	24,569	22,741	92.56%
2014	25,881,499	1,389,516	1,934,222	29,205,237	0.000916	26,926	25,150	93.40%
2015	28,421,453	1,530,017	2,114,621	32,066,091	0.000870	27,995	26,103	93.24%
2016	31,135,568	1,598,021	2,369,902	35,103,491	0.000834	29,362	27,413	93.36%
2017	34,696,335	1,696,147	2,473,985	38,866,467	0.000779	30,413	28,577	93.96%

¹Amount includes both real property and centrally assessed property.

Source: Utah County Treasurer

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

Year Ended Dec. 31,	Real Property		Agricultural Property	Mobile 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
	Primary Residential Property ¹	Secondary or Non- Residential Property									
2008	\$ 18,928,051	\$ 6,607,865	\$ 143,508	\$ 2,443,057	\$ 892,257	\$ 29,014,738	12.7%	0.001105	\$ 56,397,412	9.3%	51.4%
2009	15,419,124	8,869,273	357,417	2,123,419	939,209	27,708,442	-4.5%	0.001203	50,066,172	-11.2%	55.3%
2010	14,839,270	8,325,710	289,943	1,963,760	974,727	26,393,410	-4.7%	0.001294	47,910,350	-4.3%	55.1%
2011	14,214,233	7,769,102	310,459	1,767,953	980,595	25,042,342	-5.1%	0.001342	45,652,982	-4.7%	54.9%
2012	14,065,087	7,811,216	253,741	1,760,005	1,133,164	25,023,213	-0.1%	0.001324	45,403,264	-0.5%	55.1%
2013	14,922,435	8,172,832	100,005	1,859,319	1,287,724	26,342,315	5.3%	0.001259	49,252,148	8.5%	53.5%
2014	18,021,070	7,463,158	397,491	1,467,708	1,389,535	28,738,962	9.1%	0.001149	42,426,090	-13.9%	67.7%
2015	18,730,419	9,158,614	310,445	1,580,528	1,530,045	31,310,051	8.9%	0.001098	50,109,033	18.1%	62.5%
2016	20,616,379	10,193,886	325,303	2,354,080	1,604,254	35,093,902	12.1%	0.001049	61,394,295	22.5%	57.2%
2017	23,045,191	11,281,823	369,321	2,457,976	1,696,147	38,850,458	10.7%	0.000969	56,883,482	-7.3%	68.3%

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

Notes:

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

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

	2017	2016	2015	2014	2013
County-wide rates¹:					
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 rates³:					
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	0.000080	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
City and town 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.

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

	2012	2011	2010	2009	2008
County-wide rates¹:					
General Fund	0.001116	0.001098	0.001036	0.000785	0.000727
Bond Debt Service Fund	0.000011	0.000045	0.000072	0.000093	0.000082
State Assessing & Collecting	0.000168	0.000172	0.000162	0.000142	0.000121
Local Assessing & Collecting	0.000029	0.000027	0.000024	0.000183	0.000175
Discharge of Judgment	na	na	na	na	na
Total Direct Rate ²	0.001324	0.001342	0.001294	0.001203	0.001105
Other County rates³:					
Law Enforcement - Service Area 6	0.001442	0.001372	0.001378	0.001400	0.000982
Urban Structure Fire - Service Area 7	0.000875	0.000761	0.000670	0.000661	0.000529
Planning - Service Area 8	0.000374	0.000548	0.000573	0.000559	0.000508
Rural Structure Fire - Service Area 9	0.000155	0.000293	0.000300	0.000283	0.000202
Soldier Summit Special Service District	0.003657	0.003876	0.004476	0.003233	0.002356
School district rates:					
Alpine School Charter	na	na	na	na	na
Alpine School District	0.008828	0.008812	0.008220	0.007541	0.007057
Nebo School Charter	na	na	na	na	na
Nebo School District	0.009615	0.009370	0.009173	0.008701	0.008150
Provo City School District	0.007319	0.007153	0.006706	0.006639	0.006214
Provo School Charter	na	na	na	na	na
City and town rates:					
Alpine	0.001916	0.001870	0.001226	0.001121	0.001029
American Fork	0.002812	0.002794	0.002630	0.002423	0.002426
Bluffdale	0.001618	na	na	na	na
Cedar Fort	0.001268	0.001244	0.001311	0.001280	0.001320
Cedar Hills	0.003183	0.003153	0.002994	0.002768	0.002596
Draper	0.002009	0.001996	0.001896	0.001818	0.001528
Eagle Mountain	0.001668	0.001636	0.001510	0.001400	0.001230
Elk Ridge	0.002715	0.002621	0.002494	0.002343	0.001768
Fairfield	0.001665	0.001808	0.001921	0.001895	0.002053
Genola	0.001024	0.000957	0.000953	0.000993	0.000988
Goshen	0.000936	0.000981	0.000980	0.000978	0.000326
Highland	0.002005	0.002004	0.001948	0.001804	0.001565
Lehi	0.002585	0.002519	0.002370	0.001789	0.001901
Lindon	0.002107	0.002080	0.001873	0.001686	0.001296
Mapleton	0.003639	0.003570	0.003416	0.003085	0.002655
Orem	0.001921	0.001879	0.001739	0.001676	0.001578
Payson	0.001380	0.001323	0.001272	0.001213	0.001172
Pleasant Grove	0.002315	0.002256	0.002085	0.001943	0.001806
Provo	0.003032	0.002843	0.002394	0.002307	0.002122
Salem	0.002106	0.002003	0.001336	0.001228	0.001070
Santaquin	0.001817	0.001830	0.001677	0.001571	0.001434
Saratoga Springs	0.003054	0.003120	0.002744	0.002436	0.002019
Spanish Fork	0.001221	0.001186	0.001134	0.001076	0.001033
Springville	0.002190	0.002103	0.002213	0.001538	0.001413
Vineyard	0.002758	0.002249	0.001815	0.001695	0.001802
Woodland Hills	0.005519	0.005469	0.005213	0.004530	0.003600
Other taxing district rates:	0.000013-0.003773	0.000013-0.003803	0.000012-0.003171	0.000009-0.002635	0.000008-0.002073

Source: Utah State Tax Commission

Notes:

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

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

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

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

Taxpayer	Type of Business	2017		Percentage of Total County Taxable Assessed Values ¹	2007		Percentage of Total County Taxable Assessed Values ²
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
PacifiCorp	Electricity	\$ 883,208	1	2.27%	\$ 258,601	1	1.00%
IM Flash Technologies LLC	Semiconductor	266,412	2	0.69%	235,514	2	0.91%
Questar Gas	Natural Gas	251,675	3	0.65%	87,148	5	0.34%
University Mall Shopping Center LC	Retail	145,143	4	0.37%	---	---	---
Union Pacific Railroad	Transportation	130,438	5	0.34%	---	---	---
Nu Skin International Inc	Personal care	94,596	6	0.24%	---	---	---
Walmart Real Estate Business Trust	Retail	93,408	7	0.24%	---	---	---
Sir Properties Trust	Real Estate	83,528	8	0.21%	---	---	---
CenturyLink Inc (formerly Qwest Corp)	Telecommunications	77,818	9	0.20%	115,898	3	0.45%
Adobe Systems Inc	Computer software	76,468	10	0.20%	---	---	---
Kern River Gas	Natural Gas	---	---	---	60,272	8	0.23%
Novell Inc	Computer software	---	---	---	76,647	6	0.30%
Anderson Geneva LLC	Real Estate	---	---	---	53,985	10	0.21%
Ivory Development LLC	Real Estate	---	---	---	75,749	7	0.29%
Richmond American Homes of Utah Inc	Real Estate	---	---	---	94,477	4	0.37%
TCU-Canyon Park LLC	Real Estate	---	---	---	54,498	9	0.21%
Totals		<u>\$2,102,694</u>		<u>5.41%</u>	<u>\$1,112,789</u>		<u>4.32%</u>

Source: Utah County Treasurer

Notes:

¹ Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$38,866,467 (amount expressed in thousands).

² Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$25,745,056 (amount expressed in thousands).

UTAH COUNTY
Principal Sales Taxpayers
Current Year

State law prohibits disclosure of actual dollar figures of sales and use tax collections by a specific business. However, for the calendar year ending December 31, 2017 (January 1, 2017 through December 31, 2017), the ten largest sales and use tax collectors provided approximately 23 percent of all sales and use tax revenue in the County. No single business accounted for more than approximately 7 percent of the County's total sales and use tax revenue.

Source: Utah State Tax Commission

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

Year	Governmental Activities			Business-Type Activities¹	Total Primary Government	Percentage of Personal Income²	Per Capita²
	General Obligation Bonds	Revenue Bonds	Lease Obligations				
2008	\$ 11,250	\$ 36,385	\$ 931		\$ 48,566	0.35%	\$ 100
2009	9,020	164,055	629		173,704	1.31%	344
2010	6,695	202,515	307		209,517	1.55%	403
2011	4,220	195,920	-		200,140	1.37%	377
2012	1,680	239,330	-		241,010	1.51%	447
2013	-	234,865	-		234,865	1.40%	426
2014	-	226,770	-		226,770	1.24%	404
2015	-	213,380	-		213,380	1.07%	372
2016	-	267,830	-		267,830	1.25%	454
2017	-	259,095	-		259,095	na	427

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

Notes:

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

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

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

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property¹	Population²	Per Capita
2008	\$ 11,250	\$ 8,000	\$ 3,250	0.01%	487,615	\$ 7
2009	9,020	7,931	1,089	0.00%	504,801	2
2010	6,695	5,006	1,689	0.01%	519,975	3
2011	4,220	3,729	491	0.00%	530,860	1
2012	1,680	1,588	92	0.00%	539,776	-
2013	-	-	-	0.00%	551,633	-
2014	-	-	-	0.00%	560,909	-
2015	-	-	-	0.00%	573,038	-
2016	-	-	-	0.00%	590,475	-
2017	-	-	-	0.00%	606,425	-

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

Notes:

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

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

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit (2%) ¹	\$ 896,204	\$ 851,335	\$ 819,641	\$ 779,312	\$ 730,620	\$ 771,032	\$ 869,669	\$ 932,699	\$ 1,039,237	\$ 1,154,112
Total net debt applicable to limit	<u>3,250</u>	<u>1,089</u>	<u>1,689</u>	<u>491</u>	<u>92</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 892,954</u>	<u>\$ 850,246</u>	<u>\$ 817,952</u>	<u>\$ 778,821</u>	<u>\$ 730,528</u>	<u>\$ 771,032</u>	<u>\$ 869,669</u>	<u>\$ 932,699</u>	<u>\$ 1,039,237</u>	<u>\$ 1,154,112</u>
Total net debt applicable to the limit as a percentage of debt limit	0.36%	0.13%	0.21%	0.06%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Utah County Auditor's Office

Notes:

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

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

³ **Legal debt margin calculation for 2017:**

	<u>Taxable Value²</u>	<u>Adjusted Fair Market Value¹</u>
Residential values	\$ 23,045,191	\$ 41,900,348
Non-residential values	15,805,266	15,805,266
Totals	<u>\$ 38,850,458</u>	<u>\$ 57,705,614</u>
Debt limit (adjusted fair market value x 0.02)		\$ 1,154,112
Debt applicable to limit:		
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		<u>-</u>
Total net debt applicable to limit		<u>-</u>
Legal debt margin		<u>\$ 1,154,112</u>

UTAH COUNTY
Demographic and Economic Statistics
Last Ten Years

Year	Population		Personal Income (amounts expressed in thousands)³	Per Capita Personal Income	Median Age		School Enrollment		County Unemployment Rate	
2008	487,615	¹	\$14,012,874	\$28,738	24.5	¹	102,103	¹	3.3%	¹
2009	504,801	¹	\$13,234,477	\$26,217	24.6	¹	105,874	¹	7.4%	¹
2010	519,975	²	\$13,482,709	\$25,930	24.5	⁴	108,556	¹	8.0%	¹
2011	530,860	²	\$14,648,928	\$27,595	24.3	⁴	111,736	¹	6.6%	¹
2012	539,776	²	\$15,985,403	\$29,615	24.2	⁴	115,507	⁵	5.2%	¹
2013	551,633	²	\$16,822,234	\$30,495	24.2	⁴	118,448	⁵	4.3%	¹
2014	560,909	²	\$18,270,108	\$32,572	24.3	⁴	121,563	⁵	3.5%	¹
2015	573,038	²	\$20,000,678	\$34,903	24.5	⁴	124,185	⁵	3.2%	¹
2016	590,475	²	\$21,450,346	\$36,327	24.6	⁴	127,620	⁵	2.8%	¹
2017	606,425	²	na	na	24.8	⁴	127,653	⁵	2.7%	⁶

Sources:

¹ Utah County's 2016 Financial Statements.

² U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population: April 1, 2010 to July 1, 2017. Release Date: March 2018. Retrieved June 2018.

³ U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA1, Nov. 2017. Estimates are in current dollars (not adjusted for inflation). Retrieved June 2018. Statistics for 2017 personal income are not yet available.

⁴ U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties, and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2017. Release Date: June 2018. Retrieved June 2018.

⁵ Utah State Office of Education, School Finance & Statistics (as of fall enrollment for each year). District enrollment only for Kindergarten-Grade 12 for Alpine, Nebo, and Provo School Districts. Retrieved June 2018.

⁶ Utah Department of Workforce Services. Utah County unemployment rate, seasonally adjusted, Dec. 2017. Retrieved June 2018.

UTAH COUNTY
Principal Employers
Most Current Year and Five Years Ago

Employer	Industry	2017 ¹			2012 ²		
		Employees	Rank	Percentage of Total County Employment ³	Employees	Rank	Percentage of Total County Employment ³
Brigham Young University	Higher Education (Private)	15,000-19,999	1	5.28% - 7.04%	15,000-19,999	1	6.61% - 8.81%
Alpine School District	Public Education	5,000-6,999	2	1.76% - 2.46%	5,000-6,999	2	2.20% - 3.08%
Utah Valley University	Higher Education (Public)	5,000-6,999	3	1.76% - 2.46%	4,000-4,999	4	1.76% - 2.20%
Utah Valley Hospital	Healthcare	4,000-4,999	4	1.41% - 1.76%	4,000-4,999	3	1.76% - 2.20%
Nebo School District	Public Education	3,000-3,999	5	1.06% - 1.41%	3,000-3,999	5	1.32% - 1.76%
State of Utah	State Government	3,000-3,999	6	1.06% - 1.41%	3,000-3,999	6	1.32% - 1.76%
Vivint Inc	Electrical Contractors	2,000-2,999	7	0.70% - 1.06%	1,000-1,999	9	0.44% - 0.88%
Walmart	Retail	2,000-2,999	8	0.70% - 1.06%	2,000-2,999	7	0.88% - 1.32%
Bluefin Office Group	Office Supplies	2,000-2,999	9	0.70% - 1.06%	---	---	---
Provo City School District	Public Education	1,000-1,999	10	0.35% - 0.70%	1,000-1,999	8	0.44% - 0.88%
IM Flash Technologies LLC	Manufacturing	---	---	---	1,000-1,999	10	0.44% - 0.88%

Notes:

¹ Source: Utah Department of Workforce Services.

² 2012 table originally presented in Utah County's 2012 Financial Statements.

³ Annual average employed labor force (not seasonally adjusted) for 2017 was 283,950 and for 2012 was 226,892. Source: Utah Department of Workforce Services.

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

	<A>		<A> + 	
	County Option	Local Option	Total	% Change
Year	Sales and Use	Sales and	Pledged	from Prior
	Tax¹	Use Tax²	Sales and	Year
			Use Taxes	
2017	\$ 26,181,125	\$ 1,634,714	\$ 27,815,838	9.7%
2016	23,832,442	1,527,303	25,359,745	5.2%
2015	22,553,213	1,554,404	24,107,617	5.9%
2014	21,364,817	1,397,782	22,762,600	4.3%
2013	20,183,106	1,647,755	21,830,861	4.5%
2012	19,282,408	1,606,844	20,889,252	6.4%
2011	17,906,467	1,724,285	19,630,753	4.5%
2010	17,027,009	1,765,635	18,792,644	5.3%
2009	16,539,478	1,310,542	17,850,019	-6.1%
2008	18,107,830	897,108	19,004,938	na

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

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

Source: Utah State Tax Commission

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

	<C>	<D>	<C> + <D>	
	Section 2216	Section 2218	Total	% Change
Year	Sales and Use	Sales and	Pledged	from Prior
	Tax³	Use Tax⁴	Sales and	Year
			Use Taxes	
2017	\$ 1,962,717	\$ 20,430,702	\$ 22,393,420	11.4%
2016	1,761,036	18,336,283	20,097,319	6.6%
2015	1,652,179	17,206,520	18,858,699	1.3%
2014	1,540,735	17,072,130	18,612,865	18.3%
2013	1,455,712	14,272,148	15,727,860	-1.1%
2012	1,394,963	14,505,051	15,900,015	8.5%
2011	1,283,579	13,365,267	14,648,846	16.9%
2010	1,174,513	11,361,030	12,535,543	-2.6%
2009	1,144,522	11,723,540	12,868,062	904.2%
2008	1,281,372	na	1,281,372	na

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

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

Source: Utah State Tax Commission

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

Year	Total Motor Vehicle Registrations⁵	% Change from Prior Year	Total Pledged Fees⁶	% Change from Prior Year
2017	427,029	4.7%	\$ 3,964,465	-4.2%
2016	407,831	4.7%	4,136,812	5.7%
2015	389,623	2.4%	3,912,739	-2.0%
2014	380,396	4.9%	3,993,299	11.0%
2013	362,520	2.1%	3,598,467	4.6%
2012	354,991	2.5%	3,441,020	2.2%
2011	346,184	0.8%	3,367,770	2.1%
2010	343,456	-1.1%	3,297,518	0.8%
2009	347,261	2.0%	3,270,300	-0.2%
2008	340,327	na	3,277,190	na

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

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

Source: Utah State Tax Commission

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

	<E>	<F>	<G>	<E> + <F> + <G>	
Year	Pledged Transient Room Tax (Hotel Tax)⁷	Restaurant Tax⁸	Short-Term Lease Tax⁹	Total Pledged Taxes	% Change from Prior Year
2017	\$ 847,382	\$ 8,037,995	\$ 1,139,700	\$10,025,076	5.8%
2016	781,202	7,609,729	1,087,059	9,477,990	9.3%
2015	689,041	6,974,765	1,005,898	8,669,705	11.6%
2014	598,381	6,242,780	927,235	7,768,395	10.4%
2013	552,410	5,661,378	822,734	7,036,521	7.5%
2012	499,991	5,268,599	779,637	6,548,226	7.3%
2011	447,618	4,927,928	728,994	6,104,540	9.7%
2010	401,250	4,514,695	649,021	5,564,965	3.0%
2009	403,431	4,396,860	600,578	5,400,868	-1.2%
2008	446,914 ¹⁰	4,381,066	640,478	5,468,458	na

⁷ The bonds are not secured by all of the revenues generated by the imposition of the Transient Room Tax ("TRT"). This table reflects only the pledged amount of 23.5% of the total revenues collected from the TRT levy. A supplemental tax of 1.25% was enacted April 1, 2007, raising the total TRT levy from 3.00% to 4.25%.

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

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

¹⁰ Pledged Transient Room Tax is presented here at the same amounts presented in the Official Statement. Does not match the audited financial statements.

Source: Utah State Tax Commission

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

Year	Total Transient Room Tax Collections^{12,13}	Pledged Taxes	% Change from Prior Year
2017	\$ 3,601,373	\$ 1,059,227	8.5%
2016	3,320,110	976,503	13.4%
2015	2,928,424	861,301	15.2%
2014	2,543,118	747,976	8.3%
2013	2,347,741	690,512	10.5%
2012	2,124,962	624,989	11.7%
2011	1,902,378	559,608 ¹⁴	11.5%
2010	1,705,311	502,024 ¹⁴	-0.4%
2009	1,714,580	504,251 ¹⁴	-20.2%
2008	2,142,782	631,731 ¹⁴	na

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

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

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

¹³ From 2004 to 2011, the County collected the TRT directly. Prior to that time, the TRT was collected by the Utah State Tax Commission and remitted to the County. In 2011, a law was adopted requiring TRT to be collected by the Utah State Tax Commission effective July 1, 2011. Amounts reported from 2008 through July 1, 2011 reflect the gross amount of TRT collected. From July 1, 2011 forward TRT is reported net of an administrative fee retained by the Utah State Tax Commission.

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

Source: Utah State Tax Commission

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Assets and deferred outflows of resources					
Assets:					
Cash and investments	\$ 119,645,831	\$ 126,531,446	\$ 132,621,385	\$ 203,590,533	\$ 188,095,541
Receivables:					
Taxes receivable	19,019,145	20,121,279	18,794,382	21,412,033	20,770,460
Other receivables	8,989,944	12,877,575	11,151,686	10,606,495	12,383,250
Inventories	535,761	545,373	496,582	381,574	358,651
Other current assets	773,326	1,168,970	1,162,248	885,755	787,214
Capital assets, net of depreciation					
Land	42,585,551	44,176,139	46,489,657	46,489,657	46,939,657
Rights of way and water rights	211,740	211,740	211,740	211,740	211,740
Buildings	120,122,947	118,137,772	115,881,659	113,716,479	112,119,299
Improvements other than buildings	4,395,331	4,088,859	3,735,273	3,435,091	4,210,870
Equipment	7,966,348	8,765,092	9,405,618	10,238,277	10,909,644
Infrastructure	237,137,757	237,413,904	237,413,904	238,104,879	239,045,217
Construction-in-progress	-	-	-	-	-
Net pension asset	-	-	31,623	18,996	11,073
Total assets	<u>561,383,681</u>	<u>574,038,149</u>	<u>577,395,757</u>	<u>649,091,509</u>	<u>635,842,616</u>
Deferred outflows of resources	-	364,708	11,348,840	22,403,935	28,655,514
Total assets and deferred outflows of resources	<u>561,383,681</u>	<u>574,402,857</u>	<u>588,744,597</u>	<u>671,495,444</u>	<u>664,498,130</u>
Liabilities and deferred inflows of resources					
Liabilities:					
Accounts payable and accruals	\$ 7,568,898	\$ 11,855,382	\$ 8,729,007	\$ 13,803,700	\$ 15,647,407
Accrued interest	983,215	904,871	819,625	896,811	955,550
Unearned revenues	1,788,490	1,401,807	5,229,789	6,212,414	6,290,497
Revenue bonds payable--due within one year	8,831,866	9,331,866	7,425,000	8,976,866	8,892,668
Other liabilities	-	-	-	-	2,820,010
Noncurrent liabilities:					
Revenue bonds payable--due more than one year	228,280,088	219,443,222	207,718,222	260,374,490	251,586,020
Compensated absences and other post-employment benefits	12,078,501	11,524,328	11,099,572	11,112,139	11,112,139
Net pension liability	-	-	21,942,088	28,962,503	34,824,628
Total liabilities	<u>259,531,058</u>	<u>254,461,476</u>	<u>262,963,303</u>	<u>330,338,923</u>	<u>332,128,919</u>
Deferred inflows of resources	-	-	2,874,110	2,762,189	4,240,141
Total liabilities and deferred inflows of resources	<u>259,531,058</u>	<u>254,461,476</u>	<u>265,837,413</u>	<u>333,101,112</u>	<u>336,369,060</u>
Net position					
Invested in capital assets, net of related debt	\$ 184,153,070	\$ 192,534,460	\$ 197,175,004	\$ 202,325,789	\$ 216,352,739
Restricted for:					
Debt service	9,579,453	11,130,082	5,314,340	3,064,139	4,186,306
Assessing and collecting property taxes	3,675,865	4,055,274	4,505,426	5,208,654	5,281,093
Transient room tax	430,808	50,038	373,131	681,384	733,124
Public transit tax	54,349,105	54,349,105	54,349,105	68,789,479	75,601,550
Restaurant tax	5,710,897	6,333,286	7,479,185	11,635,060	15,306,920
Unrestricted	43,953,425	51,489,136	53,710,993	46,689,827	10,667,338
Total net position	<u>\$ 301,852,623</u>	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>	<u>\$ 328,129,070</u>

Source: Utah County Statements of Net Position at December 31, 2013 through 2017.

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Net (expenses)/revenues by function ¹ :					
Governmental activities:					
General government	\$ (25,818,918)	\$ (25,333,999)	\$ (22,604,531)	\$ (24,176,044)	\$ (25,053,679)
Public safety	(29,360,466)	(31,657,768)	(31,203,225)	(33,479,139)	(42,697,469)
Public health and welfare	(5,059,859)	(4,962,752)	(4,917,959)	(2,578,201)	(4,912,908)
Roads and public improvements	(34,314,519)	(34,673,151)	(41,650,786)	(54,298,571)	(74,580,833)
Parks and recreation	(3,699,243)	(1,771,513)	(1,759,817)	(2,100,331)	(4,464,337)
Interest on long-term liabilities	(12,592,935)	(12,326,231)	(11,950,131)	(11,504,694)	(12,957,564)
Total net (expenses)/revenues	<u>(110,845,940)</u>	<u>(110,725,414)</u>	<u>(114,086,449)</u>	<u>(128,136,980)</u>	<u>(164,666,790)</u>
General revenues:					
Property taxes	\$ 42,610,943	\$ 40,609,534	\$ 42,948,851	\$ 44,528,176	\$ 44,473,978
Sales taxes	71,543,120	75,094,950	79,157,753	84,038,280	93,194,377
TRCC taxes	6,484,111	7,170,014	7,980,664	8,696,787	9,177,694
Transient room tax	2,347,741	2,543,118	2,928,424	3,320,110	3,601,373
Earnings on investments	577,698	556,431	694,866	1,182,935	2,538,252
Other revenues	-	-	-	-	-
Miscellaneous revenues	2,015,143	2,840,125	1,687,691	1,857,840	1,415,854
Total general revenues	<u>125,578,756</u>	<u>128,814,172</u>	<u>135,398,249</u>	<u>143,624,128</u>	<u>154,401,528</u>
Change in net position	14,732,816	18,088,758	21,311,800	15,487,148	(10,265,262)
Net position - beginning ²	<u>287,119,807</u>	<u>301,852,623</u>	<u>301,595,384</u>	<u>322,907,184</u>	<u>338,394,332</u>
Net position - ending	<u>\$ 301,852,623</u>	<u>\$ 319,941,381</u>	<u>\$ 322,907,184</u>	<u>\$ 338,394,332</u>	<u>\$ 328,129,070</u>

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

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

Source: Utah County Statements of Activities at December 31, 2013 through 2017.

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
ASSETS					
Cash and investments	\$ 27,467,207	\$ 26,818,140	\$ 29,283,300	\$ 30,968,967	\$ 28,989,868
Receivables:					
Taxes	11,688,015	11,625,910	10,424,192	12,171,799	11,597,439
Other	1,473,318	3,060,994	1,652,726	839,499	1,597,020
Due from other funds	1,339,500	2,824,900	3,071,000	1,761,000	1,747,000
Other assets	19,214	108,703	130,406	91,522	121,183
Total assets	<u>\$ 41,987,254</u>	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>	<u>\$ 44,052,510</u>
LIABILITIES					
Accounts payable and accruals	\$ 2,519,010	\$ 2,927,006	\$ 3,402,002	\$ 3,833,493	\$ 4,183,488
Unearned revenues	1,029,930	1,039,001	1,297,568	1,355,723	1,448,562
Other liabilities	10,411,033	10,450,539	10,450,539	10,627,041	12,351,077
Total liabilities	<u>13,959,973</u>	<u>14,416,546</u>	<u>15,150,109</u>	<u>15,816,257</u>	<u>17,983,126</u>
DEFERRED INFLOWS OF RESOURCES	<u>2,114,979</u>	<u>1,641,278</u>	<u>1,924,316</u>	<u>1,928,024</u>	<u>1,159,405</u>
FUND BALANCES					
Restricted:					
Statutory minimum balance	3,502,865	3,531,824	3,590,196	3,736,802	3,687,256
Assigned:					
Retiree health insurance	872,574	-	-	-	-
Medicaid reserve	600,000	600,000	600,000	600,000	600,000
Assessing and collecting taxes	3,775,838	3,775,838	3,775,838	3,629,232	-
Equipment replacement	3,065,762	3,065,762	3,065,762	3,065,762	3,065,762
DDAPT carryforward	273,285	-	132,531	132,531	-
Presidential election (2020)	-	-	-	-	1,000,000
Unassigned	<u>13,821,978</u>	<u>17,407,400</u>	<u>16,322,872</u>	<u>16,924,179</u>	<u>16,556,960</u>
Total fund balances	<u>25,912,302</u>	<u>28,380,824</u>	<u>27,487,199</u>	<u>28,088,506</u>	<u>24,909,978</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,987,254</u>	<u>\$ 44,438,647</u>	<u>\$ 44,561,624</u>	<u>\$ 45,832,787</u>	<u>\$ 44,052,510</u>

Source: Utah County Balance Sheets at December 31, 2013 through 2017.

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
REVENUES					
Property taxes	\$ 29,314,108	\$ 28,530,647	\$ 29,328,754	\$ 30,712,289	\$ 31,870,975
Sales taxes	21,830,861	22,762,600	24,107,617	25,359,745	27,815,838
Franchise taxes	5,205	4,704	3,745	4,024	3,145
Licenses and permits	302,915	301,961	357,424	472,814	393,746
Intergovernmental	817,427	863,929	849,037	903,826	796,225
Charges for services	14,428,475	14,003,922	14,205,191	14,291,738	10,056,386
Fines and forfeitures	2,861,640	2,822,054	2,545,799	2,227,427	2,116,978
Interest	112,760	138,561	152,308	255,615	331,279
Miscellaneous	383,902	1,208,885	254,039	537,404	360,546
Total revenues	<u>70,057,292</u>	<u>70,637,263</u>	<u>71,803,914</u>	<u>74,764,881</u>	<u>73,745,119</u>
EXPENDITURES					
Current:					
General government	21,284,912	21,011,255	22,886,799	24,225,961	26,836,350
Public safety	41,844,660	43,456,681	44,662,897	46,895,476	48,207,864
Public health and welfare	819,526	867,902	921,060	841,909	949,275
Parks and recreation	1,408,163	422,158	379,352	480,147	607,866
Capital outlay:					
General government	22,411	16,879	5,599	29,374	28,484
Public safety	1,215	87,145	25,765	37,488	98,491
Public health and welfare	-	-	-	23,071	-
Parks and recreation	24,598	-	-	6,825	-
Total expenditures	<u>65,405,484</u>	<u>65,862,019</u>	<u>68,881,472</u>	<u>72,540,250</u>	<u>76,728,331</u>
Excess (deficiency) of revenues over expenditures	<u>4,651,808</u>	<u>4,775,244</u>	<u>2,922,442</u>	<u>2,224,631</u>	<u>(2,983,212)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	4,109,673	3,429,861	4,148,274	3,452,317	3,618,928
Transfers out	(5,112,159)	(5,736,583)	(7,964,341)	(5,075,641)	(3,814,245)
Total other financing sources (uses)	<u>(1,002,486)</u>	<u>(2,306,722)</u>	<u>(3,816,067)</u>	<u>(1,623,324)</u>	<u>(195,317)</u>
Net change in fund balances	3,649,321	2,468,522	(893,625)	601,307	(3,178,528)
Fund balances - beginning	<u>22,262,981</u>	<u>25,912,302</u>	<u>28,380,824</u>	<u>27,487,199</u>	<u>28,088,506</u>
Fund balances - ending	<u>\$ 25,912,302</u>	<u>\$ 28,380,824</u>	<u>\$ 27,487,199</u>	<u>\$ 28,088,506</u>	<u>\$ 24,909,978</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2013 through 2017.

UTAH COUNTY
Outstanding Bonded Indebtedness
Current Year

Outstanding General Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2014 ¹	Refunding	\$ 6,755,000	November 1, 2020	\$ 4,040,000
2010 ²	Energy/Qualified Energy Conservation Bonds	4,940,000	February 1, 2027	3,735,000
Total				<u>\$ 7,775,000</u>

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

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

Outstanding Excise Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2013 ³	Museum	\$ 3,800,000	December 1, 2033	\$ 3,160,000
2010A ⁴	Convention center	6,950,000	December 1, 2018	860,000
2010B ^{4,5}	Convention center	5,000,000	December 1, 2023	5,000,000
2010C ^{4,5}	Convention center	28,200,000	December 1, 2039	28,200,000
Total				<u>\$ 37,220,000</u>

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

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

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

Outstanding Transportation Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2016 ⁶	Transportation (Subordinated Sales Tax)	\$ 65,000,000	November 1, 2029	\$ 63,395,000
2012 ⁷	Transportation	51,675,000	December 1, 2039	45,845,000
2009B ^{8,9}	Transportation	85,490,000	December 1, 2034	82,615,000
Total				<u>\$ 191,855,000</u>

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

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

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

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

Outstanding Vehicle Registration Fee Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2009B ^{10,11}	Transportation	\$ 23,775,000	December 1, 2034	\$ 22,245,000
Total				<u>\$ 22,245,000</u>

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

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

UTAH COUNTY
SINGLE AUDIT AND OTHER COMPLIANCE
INTERNAL CONTROL REPORTS
YEAR ENDED DECEMBER 31, 2017

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UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>Corporation for National and Community Service</u>				
Direct				
Foster Grandparents/Senior Companion Cluster				
Foster Grandparent Program	94.011		\$ 226,339	
Senior Companion Program	94.016		193,244	
Total Corp for National and Community Service/and Cluster			419,583	
<u>U.S. Department of Agriculture</u>				
Passed Through Utah Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	15-2700142	262,599	
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	15-2700142	856,085	
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	15-2700142	46,173	
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	15-2700142	143,537	
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	15-2700142	97,765	
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	15-2700142	298,970	
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Noncash Commodities)	10.557		6,124,116	
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	15-2700142	43,310	
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	15-2700142	241,624	
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	15-2700142	33,562	
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	15-2700142	89,075	
Special Supplemental Nutrition Program for Women, Infants, and Children - Technology Services	10.557	15-2700142	26,744	
Special Supplemental Nutrition Program for Women, Infants, and Children - Infrastructure	10.557	15-2700142	12,000	
Total CFDA	10.557		8,275,560	
Total U.S. Department of Agriculture			8,275,560	
<u>U.S. Department of Transportation</u>				
Passed Through Utah Department of Public Safety				
Highway Safety Cluster				
State & Community Highway Safety	20.600		25,000	
Passed through Utah Highway Safety Office				
National Priority Safety Programs	20.616		10,000	
Total Cluster			35,000	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP-USA-2013	2,608	
Passed Through Utah Department of Natural Resources				
Highway Planning and Construction Cluster				
Recreational Trails Program	20.219	170931	45,000	
Total U.S. Department of Transportation			82,608	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Direct				
Drug-free Communities Support Program Grants	93.276		21,304	
Passed Through NAMI of Utah				
Block Grants for Community Mental Health Services	93.958		4,908	
Passed Through Utah Department of Human Services				
Block Grants for Prevention & Treatment of Substance Abuse	93.959	16-0080	1,795,794	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	16-1018	10,899	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	15-1949	38,931	
Total CFDA	93.959		1,845,624	184,345
Community-Based Child Abuse Prevention	93.590	16-1468	41,408	
Opioid STR	93.788		232,452	
Passed Through Utah Department of Health				
Affordable Care Act Abstinence Education Program	93.235	17-2700336	46,294	
Affordable Care Act Abstinence Education Program	93.235	15-2700336	139,351	
Total CFDA	93.235		185,645	99,412
Domestic Ebola Supplement to ELC	93.815	16-2700881	2,646	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	15-2700566	3,000	
Maternal, Infant, and Early Childhood Home Visiting Cluster	93.870	15-2700422	281,051	
National State Based Tobacco Control Programs	93.305	16-2700063	70,289	
Maternal and Child Health Services Block Grant to the States	93.994	16-2700347	181,232	
Maternal and Child Health Services Block Grant to the States	93.994	17-2700850	41,069	
Total CFDA	93.994		222,301	
Preventive Health & Health Services Block Grant	93.991	16-2700143	78,639	
Immunization Cooperative Agreements	93.268	17-2700655	130,159	
National Bioterrorism Hospital Preparedness Program	93.889	18-2700127	8,000	
National Bioterrorism Hospital Preparedness Program	93.889	16-2701096	142,220	
Total CFDA	93.889		150,220	
Injury Prevention and Control Research	93.136	17-2700453	50,913	
State Innovation Waivers	93.423	17-0110	14,606	
Prevention and Public Health Fund - Capacity Building Assistance	93.539	16-2700622	26,000	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Dept. of Health and Human Services (Continued)</u>				
Medicaid Cluster				
Medical Assistance Program	93.778	16-2700973	55,698	
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	15-2700282	16,631	
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	15-2700353	11,166	
Project Grants & Cooperative Agreements for HIV Prevention Activities - Health Department Based	93.940	15-2700292	10,500	
Cancer Prevention and Control Programs for State, Territorial, and Tribal Organizations financed in part by Prevention and Public Health Funds	93.752	16-2700968	160,990	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	17-2700850	13,028	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	17-2700541	5,970	
Total CFDA	93.758		18,998	
Hospital Preparedness Program (HPP) Ebola Preparedness and and Response Activities	93.817	16-2700367	3,484	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	16-0080	56,674	
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243	16-0922	66,001	
Total CFDA	93.243		122,675	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	16-2700143	85,999	
Public Health Emergency Preparedness	93.069	18-2700127	214,151	
Public Health Emergency Preparedness	93.069	16-2701096	206,972	
Public Health Emergency Preparedness	93.069	17-2700081	14,338	
Total CFDA	93.069		435,461	
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	15-2700476	57,235	
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	16-2700953	256,651	
Well-Integrated Screening and Evaluation for Women Across the Nation	93.094	15-2700953	108,766	
Total CFDA	93.094		365,417	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Dept. of Health and Human Services (Continued)</u>				
Assistance Programs for Chronic Disease Prevention and Control	93.945	16-2700143	3,391	
Assistance Programs for Chronic Disease Prevention and Control	93.945	16-2700554	2,475	
Total CFDA	93.945		5,866	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	15-1071	14,043	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	16-2700395	974	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	16-2700395	2,394	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	17-2700306	62,244	
The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infections Disease (ELC) and and Emerging Infections Program (EIP) Cooperative Agreements; PPHF	93.521	15-2700192	562	
Total CFDA	93.521		80,217	
Environmental Public Health and Emergency Response	93.070	15-2700376	54,255	
Passed Through Mountainland Assoc. of Governments				
Social Services Block Grant	93.667		20,051	
Special Programs for the Aging - Title III, Part D - Disease Prevention and Health Promotion Services	93.043		8,000	
TANF Cluster				
Passed Through Department of Health				
Temporary Assistance for Needy Families	93.558	15-2700422	86,223	
Passed Through Utah State University				
Temporary Assistance for Needy Families	93.558		10,824	
Total CFDA and Cluster	93.558		97,047	
Passed Through Mountainlands Family Health Center				
Health Center Program Cluster				
Health Center Program	93.224		22,000	
Passed Through Utah Mosquito Abatement Association				
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		9,490	
Passed Through University of Utah/Utah Poison Control Center				
Poison Center Support and Enhancement Grant Program	93.253		2,500	
Total US Dept. of Health & Human Services			5,004,845	

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<u>U.S. Dept. of Justice</u>				
Passed Through Utah Commission on Criminal and Juvenile Justice				
Crime Victim Assistance - VOCA	16.575	16-Voca-72	35,596	
Crime Victim Assistance - VOCA	16.575	15-V17103	9,680	
Crime Victim Assistance - VOCA	16.575	16-Voca-71	137,778	
Crime Victim Assistance - VOCA	16.575	15-V17075	156,364	
Crime Victim Assistance - VOCA	16.575	15-V17076	39,459	
Crime Victim Assistance - Victim/Witness Coordinator	16.575	15-V17074	25,869	
Crime Victim Assistance - Victim Witness Coordinator	16.575	16-Voca-70	34,352	
Total CFDA	16.575		439,098	
Passed Through Utah Commission on Criminal and Juvenile Justice				
Residential Substance Abuse Treatment	16.593		68,141	
Passed Through Utah Chapter of the National Children's Alliance				
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	7-Prov-UT-SA17	7,000	
Total U.S. Department of Justice			514,239	
<u>Environmental Protection Agency</u>				
Passed Through Utah Dept. of Environmental Quality				
Drinking Water State Revolving Fund Cluster				
Capitalization Grants for Drinking Water State Revolving Funds				
Revolving Funds	66.468	170121	10,886	
Performance Partnership Grants	66.605	170121	11,147	
Total Environmental Protection Agency			22,033	
<u>U.S. Department of Homeland Security</u>				
Direct				
National Cyber Security Awareness	97.128		7,988	
Passed Through Utah Department of Public Safety				
Emergency Management Performance Grants	97.042	EMPG-2017-DEM-025	85,600	
Emergency Management Performance Grants	97.042	EMPG-2016-DEM-P22	7,500	
Total CFDA	97.042		93,100	
Homeland Security Grant Program	97.067	15-SHSP-Reg2	142,523	
Homeland Security Grant Program	97.067	16-SHSP-Bomb Squad	60,795	5,619
Total CFDA	97.067		203,318	
Total U.S. Department of Homeland Security			304,406	
<u>U.S. Department of Housing & Urban Development</u>				
Direct				
CDBG Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		1,110,261	1,110,260
<u>General Services Administration</u>				
Direct				
Donation of Federal Surplus Personal Property	39.003		20,160	
<u>Executive Office of the President</u>				
Passed through Orem City				
High Intensity Drug Trafficking Areas Program	95.001		81,225	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 15,834,920	\$ 1,399,636

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal grant activity of Utah County under programs of the federal government for the year ended December 31, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations (CFR)*, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Utah County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Utah County.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

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

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

NOTE C - ACCOUNTS RECEIVABLE

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

NOTE D – DONATED FEDERAL SURPLUS PROPERTY

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



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

Honorable Board of County Commissioners
Utah County
Provo, Utah

June 27, 2018

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, 2017, 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 27, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants
Provo, Utah
June 27, 2018



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

Honorable Board of County Commissioners
Utah County
Provo, Utah

June 27, 2018

Report on Compliance for Each Major Federal Program

We have audited Utah County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Utah County's major federal programs for the year ended December 31, 2017. Utah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Utah County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017.

Report on Internal Control over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, and the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated June 27, 2018, 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 27, 2018

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

A. SUMMARY OF AUDITOR'S RESULTS

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

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS

None

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

None



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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, 2017.

General state compliance requirements were tested for the year ended December 31, 2017 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Utah Retirement System Compliance
- Restricted Taxes and Related Revenues
- Open & Public Meetings Act
- Treasurer's Bond
- Enterprise Fund Transfers
- Tax Levy Revenue Recognition

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on General State Compliance Requirements

In our opinion, Utah County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2017.

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 27, 2018

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2017



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

June 27, 2018

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, 2017. 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 our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utah County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 27, 2018.

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

None

Utah State Compliance Findings – Prior Year

2016-1 General Compliance- Fund Balance (Deficit)

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

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

Current Status: This finding has been corrected and the county is now in compliance.

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

1. The County began utilizing a new Human Resource Information System (“HRIS”) in 2017. The controls over the new system need to be tested and reviewed to help ensure that the system is adequately designed.
2. County departments that receive federal funding are responsible for tracking subrecipient information. Federal guidelines require recipients of federal funds to monitor subawards and to ensure subrecipients meet certain audit requirements and use funds in accordance with applicable laws, regulations and terms of the award. We recommend that the County establishes procedures to ensure it is (1) informing subrecipients of all applicable federal laws and regulations and all appropriate flow-down provisions from the prime agreement, (2) reviewing the subrecipients' audit results via the Federal Audit Clearinghouse, (3) reviewing any corrective actions cited by subrecipients in response to their audit findings, where the audit findings are related to the County's awards to the subrecipients, (4) verifying the subrecipient takes appropriate and timely corrective action to any audit findings, and (5) tracking subrecipient information accurately for reporting in the County's own Single Audit Report.

3. Some County departments receive assets through federal surplus programs or donations from outside agencies/individuals. We recommend the County adopt procedures to ensure these assets are being recorded in the accounting system at the fair market value as of the date of the donation.
4. As new personnel constantly turning over, we recommend that the Treasurer's office conduct annual training on the County's money handling policy for departments that handle cash/cash equivalents. Topics to cover during this training should include, but are not limited to: identifying counterfeit currency, settling credit card terminals daily, verifying checks meet the County's policy (e.g. preprinted, not a counter check, not written in foreign currency, not stale dated). This training will help ensure that cash and cash/equivalents are handled according to County policy.
5. During our audit we noted that one department has nearly 1000 gift cards on hand totaling more than \$10,000 in value. Even if the controls surrounding the safekeeping and distribution of gift cards are sound, that quantity of gift cards is a large number of cards to have on hand. Our recommendation is that the County not utilize cash or cash equivalents (such as gift cards). If that recommendation is not feasible, we recommend the County implement a gift card policy. Items to consider in the County's policy include: limits on how many cards can be purchased at one time, a maximum value of cards, specific usages of the cards, tracking of where the gift cards have been distributed, procedures regarding safekeeping/distribution of cards, etc.
6. During our audit we noted that the Human Resources department is not reconciling the paycheck benefits/deductions to vendor payments. For example: (a) At the end of 2016, the County collected approximately \$33,000 more in retirement benefits/deductions than was paid to retirement providers such as Utah Retirement Systems and Prudential. This could indicate retirement deductions collected from employees that have not been deposited into retirement plans. (b) There was no deduction established for employees who opted to pay into a plan for legal services even though the County paid for the plan. (c) Before the date of the audit report, the Human Resources department was unable to produce documentation to close out the 2017 flex spending/dependent care/Health Retirement Account funds. (d) There was no benefit established for the County's wellness program, resulting in a deficit balance by year's end. (e) There is no County policy describing accrued balances for worker's compensation and unemployment. These are just a few examples of the many reconciling differences. We recommend that the Human Resources department develop policies and procedures regarding benefit/deduction reconciliations and that more than one of the department's employees are trained on these procedures.
7. The Sheriff's Office regularly submits forfeiture funds for deposit in an interest-bearing account. At year's end, there were several cases of forfeited funds with one case dating back to 2010 and three cases dating back to 2012. It could be possible that these forfeitures have not been adjudicated because the County's current procedure is to hold the funds until judges' orders are received from the County Attorney. Therefore, it is not known whether the funds still need to be held or if the paperwork has not been submitted. We recommend that the County Attorney's office submit a

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

8. During our audit we noted that the control structure in the new HRIS system is not adequate to provide timely information. Due to the implementation issues, postings to payroll and benefits were not timely. This resulted in inability to properly monitor budgets, reporting, and requests for reimbursement. We recommend that the county strengthen the controls in the HRIS system to ensure timely posting and reporting.

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

Very truly yours,

Gilbert & Stewart

GILBERT & STEWART PC
Certified Public Accountants