

# UTAH COUNTY, UTAH

## Annual Comprehensive Financial Report

For the Fiscal Year Ended December 31, 2021



On the Cover

**Bridal Veil Falls, Provo Canyon**

Photo provided courtesy of Utah Valley Convention and Visitors Bureau, Inc.

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# INTRODUCTORY SECTION



## **Provo River**

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June 29, 2022

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

The State of Utah requires Utah County to prepare and make available a complete set of financial statements within 180 days after the close of the County's fiscal year. These financial statements must be presented in conformity with generally accepted accounting principles (GAAP) as prescribed in the State Auditor's Uniform Accounting Manual. The financial statements must also be audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report is published to fulfill that requirement for the fiscal year ended December 31, 2021.

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

Gilbert & Stewart CPA, PC, a firm of licensed certified public accountants, have audited Utah County's financial records. The goal of the independent audit was to provide reasonable assurance that Utah County's financial statements for the fiscal year ended December 31, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The report of Gilbert & Stewart CPA, PC, resulting from their independent audit of Utah County's financial statements is located at the front of the financial section of this report.

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

## Profile of the government

Utah County, incorporated in 1850, is located in north-central Utah. Utah County is the second-most populous county in the state and is considered to be one of the top growth areas in the state. Utah County occupies 2,144 square miles and serves a population of 684,986. Utah County is empowered to levy a property tax on real property located within its boundaries.

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

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

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

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

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



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

### **Local economy**

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

Home sales in Utah County reached historic highs in 2021. In February 2022, the median price of a single-family home in Utah County was \$589,450, an increase of 29 percent from the prior year.

### **Long-term financial planning and relevant financial policies**

Utah County has a Fund Balance Reserves Policy adopted by the Board of County Commissioners. The policy requires Utah County to maintain a general fund balance of two months, or approximately 16.7 percent, of general fund revenues. As of December 31, 2021, the County is compliant with this policy.

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

### **Major Initiatives**

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

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

### **Acknowledgments**

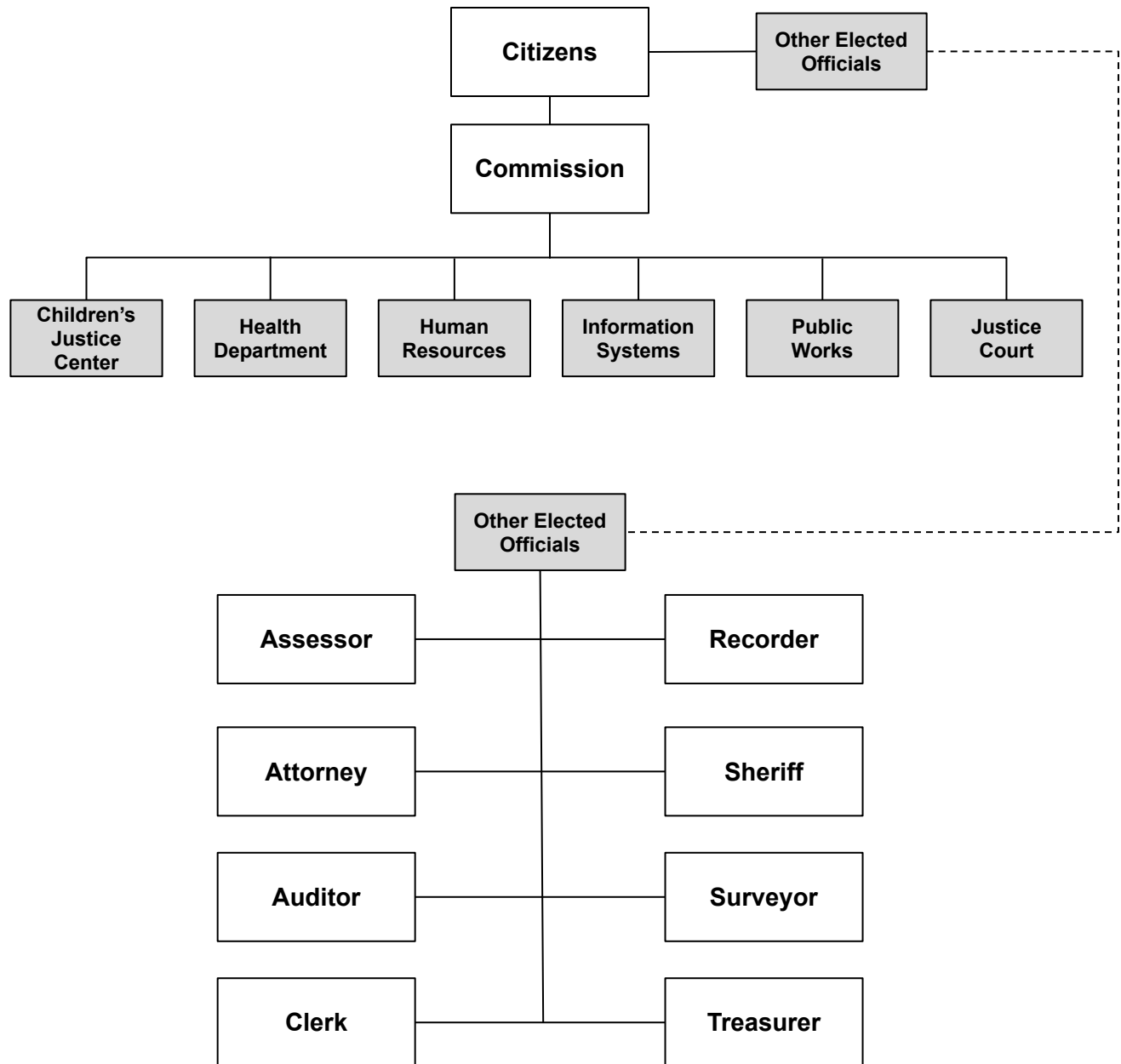
The preparation of this annual financial report could not have been accomplished without the efforts of many individuals. I particularly recognize the skill, effort, and dedication of the employees of the Division of Financial Services within my office who continue to upgrade and improve the County's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

Respectfully submitted,



Josh Daniels, Utah County Clerk/Auditor

## Organizational Chart



**List of Elected Officials and Appointed Department Heads  
As of December 31, 2021**

Elected Officials

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

Appointed Department Heads

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



# FINANCIAL SECTION



## **Aerial Photo of Utah Valley**

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**GILBERT & STEWART**  
CERTIFIED PUBLIC ACCOUNTANTS  
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## INDEPENDENT AUDITOR'S REPORT

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

### Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of December 31, 2021 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

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

### Responsibilities of Management for the Financial Statements

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

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Utah County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

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

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Audit Standards, we have also issued our report dated August 16, 2022 on our consideration of Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of law, regulations, contract, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Utah County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Audit Standards in considering Utah County's internal control over financial reporting and compliance.

***Gilbert & Stewart***

Gilbert & Stewart CPA PC

Provo, Utah  
August 16, 2022





# Management's Discussion and Analysis



## **Sailing on Utah Lake**

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## Management's Discussion and Analysis

As management of Utah County, Utah, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the letter of transmittal, which can be found beginning at page vi of this report.

### Financial Highlights

- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$334,126,985, an increase of \$86,790,787 in comparison with the prior year. The main reason for this increase was the accumulation of unspent transportation and tourism-related sales taxes.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$34,223,864. The County met the required fund balance set forth in its Fund Balance Reserves Policy.
- The County's total outstanding long-term debt decreased by \$15,825,000 during the current fiscal year. The primary reason for this decrease was the issuance of advance refunding bonds that reduced the County's total outstanding bonded debt.
- The County's unrestricted net assets, meaning assets that may be used to meet the County's ongoing obligations to its citizens and creditors, increased from \$85,121,812 to \$172,175,190. Other net assets are either restricted in their use or are capital assets, such as roads or buildings, that are utilized by the County to provide services to its citizens and are not available for future spending.

### Overview of the Financial Statements

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

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

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

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

The government-wide financial statements include not only the County itself (known as the primary government), but also legally separate entities for which the County is financially accountable. These entities are Timpanogos Special Service District, North Pointe Solid Waste Special Service District, North Fork Special Service District, the Utah Valley Convention and Visitors Bureau, and Wasatch Behavioral Health Services Special Service District. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority, although also legally separate, functions for all practical purposes as a department of the County, and, therefore, has been included as an integral part of the primary government. Soldier Summit Special Service District, Utah Valley Road Special Service District, and Utah County Service Areas Nos. 6-9 are also included in the government-wide financial statements as blended component units.

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

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

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

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

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

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

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning Utah County's progress in funding its obligations to provide pension and other postemployment benefits (OPEB) to its employees.

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

**Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of Utah County's financial position. The County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$626,719,188 at the close of the most recent fiscal year.

**Utah County's Total Net Position**

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Assets:		
Current and other assets	\$ 472,260,235	\$ 346,134,222
Capital assets	<u>495,127,878</u>	<u>490,283,424</u>
Total assets	<u>967,388,113</u>	<u>836,417,646</u>
Total deferred outflow of resources	<u>28,502,152</u>	<u>28,042,789</u>
Liabilities:		
Long-term liabilities outstanding	235,016,721	259,649,285
Other liabilities	<u>104,792,119</u>	<u>68,542,989</u>
Total liabilities	<u>339,808,840</u>	<u>328,192,274</u>
Total deferred inflows of resources	<u>29,362,237</u>	<u>15,044,849</u>
Net position:		
Net investment in capital assets	234,108,748	270,761,103
Restricted	220,435,250	165,340,397
Unrestricted	<u>172,175,190</u>	<u>85,121,812</u>
Total net position	<u>\$ 626,719,188</u>	<u>\$ 521,223,312</u>

Current and other assets increased in governmental activities by approximately \$126 million from the prior year. The main reason for this increase was the receipt of several coronavirus-related relief grants from the federal government.

Other liabilities in governmental activities increased by \$36.2 million from the previous year. A significant portion of this change is related to unearned revenue from the coronavirus-related relief grants from the federal grant. The federal government advanced these multi-year grants to the County but not all of the grant proceeds had been spent by the end of the year. At the end of the fiscal year, there was \$72.7 million in deferred grant revenues.

Long-term liabilities, which consist of bonds, notes, leases, and postemployment benefits obligations, decreased by \$24.6 million from the previous year. The main reason for this decrease is the advance refunding of the Series 2012 Sales Tax Revenue Bonds.

The largest portion of the County's net position, \$234,108,748, reflects its investment in capital assets (e.g. land, infrastructure, rights of way, construction in progress, buildings, machinery, equipment, and leased assets), net of accumulated depreciation/amortization and less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$220,435,250, represents resources that are subject to external restrictions on how they may be used. As of the end of the current year, Utah County's unrestricted net position was a surplus balance of \$172,175,190. This unrestricted balance may be used to meet the County's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the County reports positive balances in all reported categories of net position. The same situation held true for the prior fiscal year. The County's overall net position increased by \$105,495,876 from the prior fiscal year.

### Utah County's Change in Net Position

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 54,609,855	\$ 43,852,349
Operating grants and contributions	62,856,505	144,121,435
Capital grants and contributions	-	-
General revenues:		
Property taxes	70,650,601	73,839,645
Other taxes	204,966,250	166,953,667
Other general revenues	4,041,654	11,887,055
Total revenues	<u>397,124,865</u>	<u>440,654,151</u>
Expenses:		
General government	67,585,056	133,200,586
Public safety	66,068,024	60,433,448
Public health and welfare	36,493,931	34,900,076
Roads and public improvements	113,683,798	100,754,488
Parks and recreation	2,139,504	1,880,475
Interest on long-term debt	5,658,676	7,091,831
Total expenses	<u>291,628,989</u>	<u>338,260,904</u>
Increase (decrease) in net position	<u>105,495,876</u>	<u>102,393,247</u>
Net position - beginning	<u>521,223,312</u>	<u>418,830,065*</u>
Net position - ending	<u>\$ 626,719,188</u>	<u>\$ 521,223,312</u>

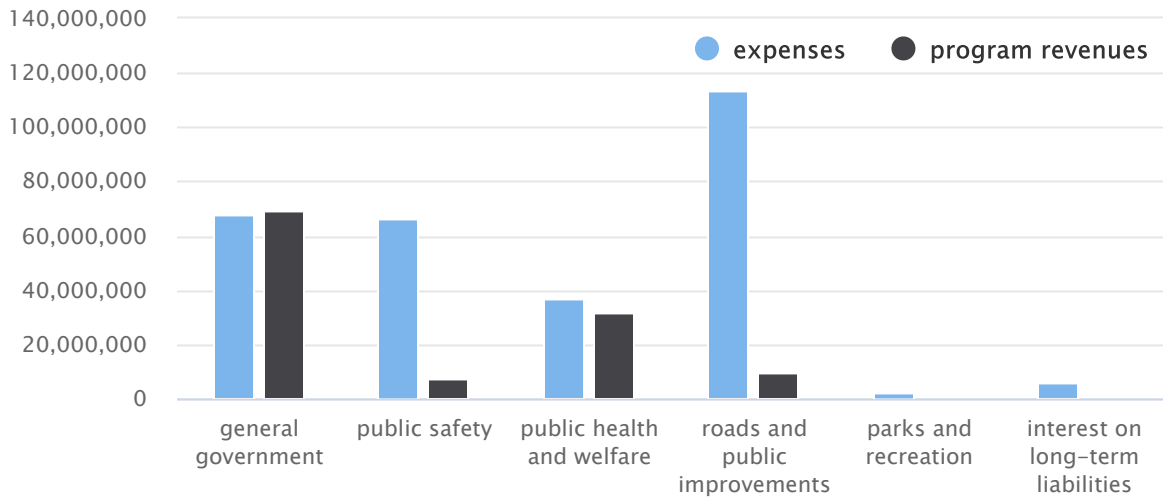
\*As restated due to implementation of GASB Statement No. 87

**Governmental Activities.** During the current fiscal year, net position for governmental activities increased by \$105,495,876 from the prior fiscal year for an ending balance of \$626,719,188 .

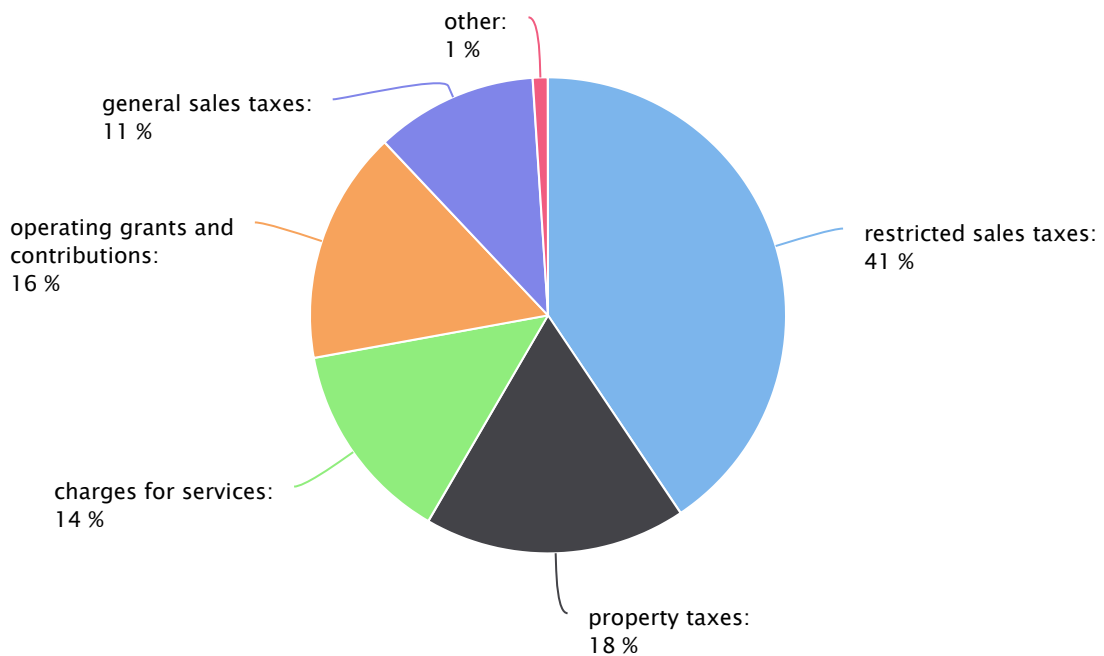
Operating grants were the largest source of program revenues in the current fiscal year. This is a result of several funding sources made available to the County from the federal government for responding to the COVID-19 pandemic. Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the County received a distribution of \$111.6 million in Coronavirus Relief Funds in April 2020. While the majority of this grant was spent during the prior fiscal year, the County recognized revenue for the remaining balance of \$12.3 million during the current fiscal year. The County also received two tranches of funding for emergency rental assistance: an initial deposit of \$19.2 million in January 2021 and a second deposit of \$6.1 million in May 2021. The Emergency Rental Assistance program helps renters who are unable to pay their rent and utilities during the pandemic. The County contracted with the State of Utah's Department of Workforce Services to administer the Emergency Rental Assistance program on behalf of the County's residents. During the current fiscal year, the County spent \$10.8 million of this grant. In May 2021, the County also received a distribution of \$61.8 million authorized under the American Rescue Plan Act (ARPA). During the current fiscal year, the County spent \$3.5 million of this grant.

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

### Expenses and Program Revenues – Governmental Activities



### Revenues by Source – Governmental Activities



### Financial Analysis of the County’s Funds

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

Governmental funds. The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of the County’s net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or Utah County itself.

At the end of the current fiscal year, Utah County’s governmental funds reported combined fund balances of \$334,126,985, an increase of \$86,790,787 in comparison with the prior year. The main reasons for this increase were unspent TRCC sales taxes and transportation sales taxes. Of the total combined fund balance amount, \$34,826,841, or 10 percent, constitutes unassigned fund balance, which is available for spending at the County’s discretion. The remainder of the fund balance is either restricted for particular purposes, \$226,345,100, or committed for particular purposes, \$72,955,044.

#### Analysis of Individual Funds

The general fund is the chief operating fund of Utah County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$34,223,864. 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 41 percent of total general fund expenditures while total fund balance represents approximately 64 percent of total general fund expenditures.

The fund balance of the County’s general fund increased by \$10,532,397 during the current fiscal year. In 2019, the Board of County Commissioners adopted a Fund Balance Reserves Policy. The Fund Balance Reserves Policy requires the County to maintain a committed fund balance in the general fund of 11.7 percent of annual operating revenues in addition to the restricted 5 percent of annual operating revenues required by the State of Utah. If the fund balance in the general fund falls below the policy guidelines, the County is required to create a plan to restore the balance to the minimum requirement within three fiscal years. The County remains compliant with its Fund Balance Reserves Policy. The total general fund revenue for the current fiscal year was significantly impacted by one-time funding of \$11.2 million from the CARES Act for allowable public safety costs.

The Health Department fund, a major fund, had an increase of \$688,517 in fund balance during the current fiscal year. Almost two-thirds of the Health Department’s revenues are from grants with the significant source of remaining revenues as charges for services. The State of Utah requires a local match for the grant revenues passed through the Utah Department of Health. Over the past five years, the County’s local match has averaged \$2.7 million and grown by approximately 8 percent, while grant revenue has increased by 66 percent over the same time period.

The TRCC (Tourism, Recreation, Cultural, Convention, and Airport Facilities) Taxes fund, a major fund, had an increase of \$7,295,441 in fund balance during the current fiscal year. The increase in fund balance is attributable to unexpended sales tax revenues. In accordance with statute, the County has created a tourism tax advisory board that advises the Board of County Commissioners on the best use of revenues collected from both the TRCC taxes and transient room tax. The advisory board provides the Board of County Commissioners with a prioritized list of proposed expenditures based on projected available tax revenues. Some projects prioritized by the advisory board and approved by the Board of County Commissioners were not completed by the end of the current fiscal year. For example, in March 2019, the Board of County Commissioners approved \$4.3 million of TRCC taxes to help fund the Provo Airport expansion. The project was not completed as of December 31, 2021, so the \$4.3 million is kept in reserves. At the end of 2021, the County had committed \$15.6 million of TRCC sales taxes to projects that were not completed by the end of the year.

TRCC-Funded Projects Not Completed as of December 31, 2021	
Provo Airport Expansion	\$ 4,300,000
Vineyard Beach (Utah Lake)	2,954,766
Saratoga Springs Harbor Beach	1,066,781
Provo Regional Sports Park	2,500,000
Dry Creek Lake Improvements	1,500,000
American Fork Boat Harbor	1,456,643
UCCU Center Seat Replacement	1,800,000
<b>Total Obligated TRCC Projects</b>	<b>\$ 15,578,190</b>

The Transportation Projects fund, a major fund, had an increase of \$38,514,007 in fund balance during the current fiscal year. The increase in fund balance is attributable to the sales tax revenues not being spent during the year. Projects funded by the Section 2218 sales tax must be recommended by the Metropolitan Planning Organization (MPO). In 2021, the MPO had recommended project budgets of almost \$67 million, but only \$13 million was expended. Most of these projects are reimbursements to municipalities for road projects within their boundaries so the timing of the project expenditures is not within the County's control.

The Capital Projects fund, a major fund, had an increase of \$20,153,700 in fund balance during the current fiscal year. In 2019, the Board of County Commissioners approved a Capital Planning Policy that requires the Board to formally adopt a ten-year capital projects plan and fund the first three years of that plan. In 2021, the Board formally amended the plan originally adopted in 2020, and funding was transferred from the general fund to the capital projects at the end of the year to comply with the policy.

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

**Internal service funds.** Unrestricted net position of the internal service funds at the end of the year amounted to \$19,106,364. The total increase in net position was \$6,747,878. The major reason for this increase is the creation of an equipment replacement fund for capital assets, such as copiers, not categorized in another internal service fund. The initial funding requirement for this equipment replacement fund was based on accumulated depreciation of assets meeting the criteria and totaled \$3.4 million.

### General Fund Budgetary Highlights

**Original budget compared to final budget.** During 2021, the total appropriations increased by \$23 million from the original adopted budget to the final amended budget. The major reason for this change was the inclusion of revenue from the CARES Act for public safety costs and a transfer to the Capital Projects fund. In addition, due to favorable economic conditions, the County revised its sales tax projection upward by \$10 million.

**Final budget compared to actual results.** The County budgeted a contribution to fund balance of \$8.3 million and the actual contribution to fund balance was \$10.5 million. Some factors resulting in the additional contribution to fund balance include:

- Unanticipated savings of almost \$2.9 million in the operation of the jail by the Sheriff's Office.
- Higher-than-expected revenue from motor vehicle registration fees in lieu of property taxes. These fees are based on the prior year's property tax rate and the County's property tax rate was higher in 2020 than in 2021.
- Significant growth in sales taxes.

### Capital Assets and Debt Administration

**Capital assets.** Utah County's investment in capital assets for its governmental activities as of December 31, 2021, amounts to \$495,127,878 (net of accumulated depreciation and amortization). This investment in capital assets includes land, rights of way, construction in progress, infrastructure, buildings, improvements other than buildings, machinery, equipment, and leased assets.

Major capital asset events include the purchase of machinery and equipment to facilitate social distance and remote work. These purchases were funded by the CARES grant from the federal government.

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



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

	Governmental Activities	
	2021	2020
Capital assets:		
Land	\$ 48,997,453	\$ 47,626,335
Rights of way	211,740	211,740
Construction in progress	7,084	-
Infrastructure	322,543,824	321,838,027
Buildings	99,224,896	100,363,508
Improvements other than buildings	3,205,591	3,388,561
Equipment	18,829,172	14,302,683
Leased buildings	2,053,263	2,485,746
Leased land	54,855	66,823
Total capital assets	<u>\$ 495,127,878</u>	<u>\$ 490,283,423</u>

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$194,835,000. The full amount of the debt is secured by specific revenue sources; none of this debt is backed by the full faith and credit of the government (e.g. property taxes).

The County's total debt decreased by \$15,825,000 (8 percent) during the current fiscal year. The major reason for the decrease was the issuance of Series 2021 Transportation Sales Tax Revenue Refunding Bonds to defease the Series 2012 Sales Tax Revenue Bonds. These refunding bonds were issued at a premium. The remaining reason for the decrease was scheduled debt service payments.

**Utah County's Outstanding Debt**  
General Obligation and Revenue Bonds

	Governmental Activities	
	2021	2020
General Obligation Bonds	\$ -	\$ -
Revenue Bonds	194,835,000	210,660,000
Total Outstanding Debt	<u>\$ 194,835,000</u>	<u>\$ 210,660,000</u>

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

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the County at December 2021 was 2.0 percent (seasonally adjusted). This compares favorably to both the State's unemployment rate of 2.3 percent and to the national unemployment rate of 3.9 percent (Source: Utah Department of Workforce Services).

- Utah County's estimated population in 2021 was 684,986, an increase of 3.3 percent from the 2020 estimated population. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). Economists estimate that Utah County's population will grow to 1 million by 2040 (Source: Kem C. Gardner Policy Institute).
- Utah County's County option sales taxes grew significantly during 2021. Revenues collected from the County option sales tax increased by 20 percent from \$34.4 million in 2020 to \$41.3 million in 2021. Throughout the pandemic, the Board of Utah County Commissioners never imposed any County restrictions on any type of business.
- A decrease in property values does not affect the County's projected property tax revenue. The Utah State Tax Commission uses a property tax formula that generally allows counties to generate the same amount of property tax each year. If property values increase, the property tax rate automatically decreases and vice versa. If the County wishes to adopt a rate in excess of the calculated or certified rate, it must be done through a truth-in-taxation process that involves holding public hearings prior to the adoption of the budget.

These factors were considered in preparing the County's budget for 2022.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$34,223,864. The 2022 budget adopted by the Board of County Commissioners was a structurally balanced budget, meaning the budget did not utilize fund balance or other one-time revenues to balance total revenue to expenditures.

### Requests for Information

This financial report is designed to provide a general overview of Utah County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

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

# Basic Financial Statements



## **Balloon Fest, America's Freedom Festival at Provo**

Photo courtesy of Utah Valley Convention & Visitors Bureau • [VisitUtahValley.com](http://VisitUtahValley.com)

**Statement of Net Position**  
December 31, 2021

	<b>Primary Government</b>	<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Units</b>
<b>Assets and Deferred Outflows of Resources</b>		
Assets:		
Cash and investments	\$ 405,409,109	\$ 95,522,710
Receivables:		
Taxes receivable	34,911,198	34,196
Other receivables	15,855,823	11,875,634
Leases receivable	3,053,506	-
Inventories	634,070	123,872
Other current assets	11,980,252	1,309,038
Capital assets (net of depreciation/amortization):		
Land	48,997,453	11,400,165
Rights of way and water rights	211,740	437,671
Construction in progress	7,084	5,791,547
Buildings	99,224,896	18,775,152
Improvements other than buildings	3,205,591	114,576,203
Equipment	18,829,172	13,532,910
Right to use assets	2,108,118	-
Infrastructure	322,543,824	-
Intangible assets	-	11,755
Net pension asset	416,277	67,248
Other noncurrent assets	-	799,590
Total assets	967,388,113	274,257,691
Deferred outflows of resources	28,502,152	4,885,064
Total assets and deferred outflows of resources	995,890,265	279,142,755
<b>Liabilities and Deferred Inflows of Resources</b>		
Liabilities:		
Accounts payable and accruals	\$ 19,491,620	\$ 5,256,647
Accrued interest	698,608	95,346
Unearned revenues	76,381,891	4,523
Other liabilities	-	18,550
Bonds, notes, and leases - due within one year	8,220,000	4,251,240
Noncurrent liabilities:		
Bonds and notes - due in more than one year	208,431,196	26,944,605
Leases payable - due in more than one year	2,176,655	306,957
Other noncurrent liabilities	-	514,617
Net pension liability	9,825,653	1,017,627
Compensated absences and other postemployment benefits	14,583,217	830,712
Total liabilities	339,808,840	39,240,824
Deferred inflows of resources	29,362,237	10,734,129
Total liabilities and deferred inflows of resources	369,171,077	49,974,953
<b>Net Position:</b>		
Net investment in capital assets	234,108,748	134,853,834
Restricted for:		
Debt service, capital projects, donor restrictions	-	1,477,285
Special service areas/districts	10,067,598	-
Assessing and collecting property tax	5,652,531	-
Recorder	13,602,717	-
Transient room tax	2,474,970	-
Public transit taxes	148,192,673	-
TRCC taxes	40,444,761	-
Unrestricted	172,175,190	92,836,683
Total net position	\$ 626,719,188	\$ 229,167,802

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

**Statement of Activities**  
Year Ended December 31, 2021

Functions/Programs of Primary Government	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total Governmental Activities	Total	
<b>Governmental activities:</b>							
General government	\$ 67,585,056	\$ 37,149,317	\$ 31,876,749	\$ -	\$ 1,441,010	\$ 1,441,010	\$ -
Public safety	66,068,024	5,746,345	1,555,151	-	(58,766,528)	(58,766,528)	-
Public health	36,493,931	11,714,193	20,190,689	-	(4,589,049)	(4,589,049)	-
Highways and streets	113,683,798	-	9,233,916	-	(104,449,882)	(104,449,882)	-
Parks and recreation	2,139,504	-	-	-	(2,139,504)	(2,139,504)	-
Interest on long-term liabilities	5,658,676	-	-	-	(5,658,676)	(5,658,676)	-
Total governmental activities, primary government	<u>\$ 291,628,989</u>	<u>\$ 54,609,855</u>	<u>\$ 62,856,505</u>	<u>\$ -</u>	<u>\$ (174,162,629)</u>	<u>\$ (174,162,629)</u>	<u>\$ -</u>
<b>Component Units</b>							
Timpanogos Special Service District	\$ 15,719,071	\$ 19,603,171	\$ 166,638	\$ -	\$ -	\$ -	\$ 4,050,738
North Pointe Solid Waste Special Service District	11,521,477	11,504,592	-	-	-	-	(16,885)
North Fork Special Service District	2,245,645	2,681,879	141,534	-	-	-	577,768
Utah Valley Convention and Visitors Bureau	1,316,658	-	1,667,303	-	-	-	350,645
Wasatch Behavioral Health Special Service District	47,541,508	1,783,916	54,450,683	-	-	-	8,693,091
	<u>\$ 78,344,359</u>	<u>\$ 35,573,558</u>	<u>\$ 56,426,158</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,655,357</u>
<b>General revenues:</b>							
Property taxes					70,650,601	70,650,601	170,918
Sales taxes					186,985,524	186,985,524	-
Restaurant tax					13,160,330	13,160,330	-
Transient room tax					4,820,396	4,820,396	-
Earnings on investments					1,174,498	1,174,498	363,471
Impact fees and other revenues					-	-	13,433,719
Miscellaneous					2,867,156	2,867,156	1,400,077
Total general revenues					<u>279,658,505</u>	<u>279,658,505</u>	<u>15,368,185</u>
Change in net position					105,495,876	105,495,876	29,023,542
<b>Net position - beginning</b>					<u>521,223,312</u>	<u>521,223,312</u>	<u>200,144,260</u>
<b>Net position - ending</b>					<u>\$ 626,719,188</u>	<u>\$ 626,719,188</u>	<u>\$ 229,167,802</u>

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

**Balance Sheet**  
**Governmental Funds**  
December 31, 2021

	Major Funds						Total Nonmajor Funds	Total Governmental Funds	
	General	Health Department	TRCC Taxes	Grants/Outside Projects	Transportation Projects	Capital Projects			Debt Service
<b>Assets</b>									
Cash and investments	\$ 43,521,652	\$ 6,414,050	\$ 40,454,187	\$ 77,506,418	\$ 129,614,981	\$ 48,763,173	\$ -	\$ 32,548,861	\$ 378,823,322
Receivables	538,836	4,184,367	34,756	5,689,326	1,983,896	-	-	1,796,454	14,227,635
Tax receivables	19,524,315	-	2,357,495	-	8,661,267	-	-	4,368,120	34,911,197
Due from other funds	1,258,000	-	-	-	-	-	-	-	1,258,000
Prepaid items	426,805	27,588	58,628	6,628	10,228,399	-	-	205,245	10,953,293
<b>Total assets</b>	<b>\$ 65,269,608</b>	<b>\$ 10,626,005</b>	<b>\$ 42,905,066</b>	<b>\$ 83,202,372</b>	<b>\$ 150,488,543</b>	<b>\$ 48,763,173</b>	<b>\$ -</b>	<b>\$ 38,918,680</b>	<b>\$ 440,173,447</b>
<b>Liabilities</b>									
Accounts payable and accruals	1,483,854	401,917	984,808	8,793,058	72,402	3,045	-	788,606	12,527,690
Accrued liabilities	980,483	447,921	247,186	443,354	34,544	-	-	337,613	2,491,101
Compensated absences	3,583,715	-	32,246	-	84,489	-	-	734,609	4,435,059
Deposits payable	1,197,690	-	200	-	-	-	-	285,305	1,483,195
Due to other funds	-	-	-	-	-	-	-	1,258,000	1,258,000
Unearned revenues	1,314,254	621,135	1,195,865	73,362,983	2,104,435	-	-	1,429,013	80,027,685
<b>Total liabilities</b>	<b>8,559,996</b>	<b>1,470,973</b>	<b>2,460,305</b>	<b>82,599,395</b>	<b>2,295,870</b>	<b>3,045</b>	<b>-</b>	<b>4,833,146</b>	<b>102,222,730</b>
<b>Deferred Inflows of Resources</b>									
Unavailable revenue-property taxes	2,747,183	-	-	-	-	-	-	1,076,549	3,823,732
Lease related	-	-	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>2,747,183</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,076,549</b>	<b>3,823,732</b>
<b>Fund Balances (Deficits)</b>									
<b>Restricted:</b>									
Transient room tax	-	-	-	-	-	-	-	2,474,970	2,474,970
Assessing and collecting	-	-	-	-	-	-	-	5,652,631	5,652,631
Recorder services	-	-	-	-	-	-	-	13,602,717	13,602,717
Public transit taxes	-	-	-	-	148,192,673	-	-	-	148,192,673
TRCC taxes	-	-	40,444,761	-	-	-	-	-	40,444,761
Special service areas/districts	-	-	-	-	-	-	-	10,067,598	10,067,598
Statutory minimum balance	5,909,750	-	-	-	-	-	-	-	5,909,750
<b>Committed:</b>									
Public health and welfare	-	9,155,032	-	-	-	-	-	136,332	9,291,364
Public safety	-	-	-	-	-	-	-	1,074,737	1,074,737
Capital projects	-	-	-	-	-	48,760,128	-	-	48,760,128
County policy minimum balance	13,828,815	-	-	-	-	-	-	-	13,828,815
<b>Unassigned (deficits)</b>	<b>34,223,864</b>	<b>-</b>	<b>-</b>	<b>602,977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,826,841</b>
<b>Total fund balances</b>	<b>53,962,429</b>	<b>9,155,032</b>	<b>40,444,761</b>	<b>602,977</b>	<b>148,192,673</b>	<b>48,760,128</b>	<b>-</b>	<b>33,008,985</b>	<b>334,126,985</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 65,269,608</b>	<b>\$ 10,626,005</b>	<b>\$ 42,905,066</b>	<b>\$ 83,202,372</b>	<b>\$ 150,488,543</b>	<b>\$ 48,763,173</b>	<b>\$ -</b>	<b>\$ 38,918,680</b>	<b>\$ 440,173,447</b>

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

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

December 31, 2021

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

Total fund balances - governmental funds	\$	334,126,985	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those capital assets consist of:			
Land	\$	48,997,453	
Construction in progress		7,084	
Rights of way		211,740	
Buildings, net of accumulated depreciation of \$48,437,634		99,224,896	
Improvements other than buildings, net of accumulated depreciation of \$6,187,391		3,205,591	
Equipment, net of accumulated depreciation of \$29,708,218		18,829,172	
Right to use assets, net of accumulated amortization of \$751,841		2,108,118	
Infrastructure		<u>322,543,824</u>	495,127,878
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.			(698,608)
Net pension assets and deferred outflows of resources are not available financial resources and, therefore, are not reported in the funds.			
Net pension assets		416,277	
Deferred outflows of resources related to pensions		<u>26,569,401</u>	26,985,678
Governmental funds report the effect of premiums, discounts, and refundings and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.			
Unamortized premium on revenue bonds		(22,565,464)	
Unamortized discount on revenue bonds		749,268	
Deferred amount on refunding		<u>1,932,751</u>	(19,883,445)
Some of the County's property taxes will be collected after year-end but are not available soon enough to pay current period expenditures, and are, therefore, reported as deferred inflows of resources in the funds.			3,823,732
Internal service funds are used by management to provide a method of charging individual funds and departments for use of fleet, jail kitchen, facilities maintenance, telephone systems, radio systems, information systems support and development, administrative services/equipment replacement, and risk management. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position. The unrestricted net position of internal service funds at year-end is:			20,556,661
Long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds:			
Revenue bonds payable		(194,835,000)	
Net pension liability		(9,825,653)	
Leases payable		(2,176,655)	
Compensated absences and OPEB		<u>(943,880)</u>	(207,781,188)
Deferred inflows of resources do not require current financial resources and, therefore, are not reported in the funds.			
Deferred outflows - pension related		(22,563,455)	
Deferred outflows - lease related		<u>(2,975,050)</u>	(25,538,505)
<b>Net position of governmental activities</b>			<u><u>\$ 626,719,188</u></u>

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

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
 For the Year Ended December 31, 2021

	Major Funds							Total Nonmajor Funds	Total Governmental Funds
	General	Health Department	TRCC Taxes	Grants/ Outside Projects	Transportation Projects	Capital Projects	Debt Service		
<b>Revenues</b>									
Property taxes	\$ 54,279,632	\$ -	\$ -	\$ 2,885,764	\$ -	\$ -	\$ -	\$ 13,251,528	\$ 70,416,924
Sales taxes	43,763,871	-	13,160,330	-	143,213,944	-	-	4,820,396	204,958,541
Franchise taxes	7,709	-	-	-	-	-	-	-	7,709
Licenses and permits	555,462	-	-	-	-	-	-	394,837	950,299
Intergovernmental	11,830,302	20,190,688	-	22,579,898	15,643,777	-	3,423,016	1,555,152	75,222,833
Charges for services	5,368,227	11,714,193	2,796,444	3,476,021	-	-	-	14,840,841	38,195,726
Fines and forfeitures	1,602,207	9,650	-	-	-	-	-	46,110	1,657,967
Investment earnings	85,109	27,779	172,315	98,937	477,889	184,079	-	128,391	1,174,499
Fees	-	-	-	2,429,160	5,089,776	-	-	86,221	7,605,157
Payments in lieu of taxes	670,353	-	-	-	-	-	-	1,216,538	1,886,891
Miscellaneous	32,126	50,660	19,500	113,384	7,982	-	-	700,851	924,503
<b>Total revenues</b>	<b>118,194,998</b>	<b>31,992,970</b>	<b>16,148,589</b>	<b>31,583,164</b>	<b>164,433,368</b>	<b>184,079</b>	<b>3,423,016</b>	<b>37,040,865</b>	<b>403,001,049</b>
<b>Expenditures</b>									
Current:									
General government	27,372,598	-	4,742,430	26,832,334	-	121	-	11,174,019	70,121,502
Public safety	51,356,208	-	-	2,455,936	-	-	-	8,494,487	62,306,631
Public health and welfare	1,122,335	34,101,137	-	4,150	-	-	-	2,136,115	37,363,737
Roads and public improvements	-	-	-	1,253,755	114,878,139	-	-	51,679	116,183,573
Parks and recreation	-	-	1,732,085	-	-	-	-	-	1,732,085
Debt service:									
Principal	-	-	-	-	-	-	8,510,000	-	8,510,000
Interest	-	-	-	-	-	-	8,415,457	-	8,415,457
Fiscal charges	-	-	-	-	-	-	19,600	-	19,600
Issuance costs	-	-	-	-	-	-	-	-	-
Capital outlay:									
General government	1,242,846	-	2,029,743	685,570	-	7,084	-	4,178,152	8,143,395
Public safety	2,881,890	-	-	25,041	-	-	-	-	2,906,931
Public health and welfare	-	110,626	-	-	-	-	-	81,523	192,149
Roads and public improvements	-	-	-	-	2,076,915	-	-	-	2,076,915
Parks and recreation	-	-	94,981	-	-	-	-	-	94,981
<b>Total expenditures</b>	<b>83,975,877</b>	<b>34,211,763</b>	<b>8,599,239</b>	<b>31,256,786</b>	<b>116,955,054</b>	<b>7,205</b>	<b>16,945,057</b>	<b>26,115,975</b>	<b>318,066,956</b>
Excess (deficiency) of revenues over expenditures	34,219,121	(2,218,793)	7,549,350	326,378	47,478,314	176,874	(13,522,041)	10,924,890	84,934,093
<b>Other Financing Sources (Uses)</b>									
Transfers in	-	2,903,701	-	-	-	19,976,826	13,521,541	665,029	37,067,097
Transfers out	(23,862,994)	-	(282,215)	-	(10,668,385)	-	-	(2,342,652)	(37,156,246)
Refunding bonds issued	-	-	-	-	34,745,000	-	-	-	34,745,000
Premium on refunding bonds issued	-	-	-	-	7,552,539	-	-	-	7,552,539
Payment to refunded bond escrow agent	-	-	-	-	(42,064,808)	-	-	-	(42,064,808)
Leases issued (as lessee)	-	-	-	-	-	-	-	-	-
Sale of general capital assets	167,273	3,609	28,306	29,875	1,471,347	-	-	3,205	1,703,615
Insurance recoveries	8,997	-	-	-	-	-	-	500	9,497
<b>Total other financing sources (uses)</b>	<b>(23,686,724)</b>	<b>2,907,310</b>	<b>(253,909)</b>	<b>29,875</b>	<b>(8,964,307)</b>	<b>19,976,826</b>	<b>13,521,541</b>	<b>(1,673,918)</b>	<b>1,856,694</b>
<b>Net change in fund balances</b>	<b>10,532,397</b>	<b>688,517</b>	<b>7,295,441</b>	<b>356,253</b>	<b>38,514,007</b>	<b>20,153,700</b>	<b>(500)</b>	<b>9,250,972</b>	<b>86,790,787</b>
<b>Fund balances - beginning</b>	<b>43,430,032</b>	<b>8,466,515</b>	<b>33,149,320</b>	<b>246,724</b>	<b>109,678,666</b>	<b>28,606,428</b>	<b>500</b>	<b>23,758,013</b>	<b>247,336,198</b>
<b>Fund balances - ending</b>	<b>\$ 53,962,429</b>	<b>\$ 9,155,032</b>	<b>\$ 40,444,761</b>	<b>\$ 602,977</b>	<b>\$ 148,192,673</b>	<b>\$ 48,760,128</b>	<b>\$ -</b>	<b>\$ 33,008,985</b>	<b>\$ 334,126,985</b>

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



**Reconciliation of the Statement of Revenues, Expenditures, and Changes in  
Fund Balances of Governmental Funds to the Statement of Activities**  
Year Ended December 31, 2021

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

Net change in fund balances - total governmental funds	\$	86,790,787
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.</p>		
Capital outlays	\$ 13,586,796	
Depreciation expense	<u>(7,732,606)</u>	5,854,190
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds</p>		
		(5,876,183)
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Expenses	227,977	
Changes in compensated absences and OPEB liabilities	(74,722)	
Net pension expense	<u>2,055,969</u>	2,209,224
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, disposals, and annexations).</p>		
		(2,610)
<p>Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</p>		
Issuance of refunding bonds	(34,745,000)	
Principal paid on bonds	8,510,000	
Payment to escrow agent	42,060,000	
Premium	<u>(4,890,175)</u>	10,934,825
<p>The internal service funds are used by management to charge the costs of fleet management, jail kitchen services, facilities maintenance, telephone systems, radio systems, information systems, administrative services/equipment replacement, and risk management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.</p>		
		5,585,643
<b>Change in net position of governmental activities</b>		<u><u>\$ 105,495,876</u></u>

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

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

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Taxes:				
Property	\$ 58,800,000	\$ 52,171,948	\$ 54,279,632	\$ 2,107,684
Sales	33,800,000	43,950,000	43,763,871	(186,129)
Franchise	4,000	4,000	7,709	3,709
Licenses and permits	436,889	656,889	555,462	(101,427)
Intergovernmental	260,000	11,660,000	11,830,302	170,302
Charges for services	4,557,246	4,811,812	5,368,227	556,415
Fines and forfeitures	1,552,000	1,552,000	1,602,207	50,207
Investment earnings	250,000	250,000	85,109	(164,891)
Payments in lieu of taxes	530,000	530,000	670,353	140,353
Miscellaneous	90,000	90,000	32,126	(57,874)
<b>Total revenues</b>	<b>100,280,135</b>	<b>115,676,649</b>	<b>118,194,998</b>	<b>2,518,349</b>
<b>Expenditures</b>				
Current:				
General government:				
Justice court	1,294,222	1,340,179	1,201,015	139,164
Clerk	731,100	954,007	743,949	210,058
Attorney	10,771,610	11,162,506	10,512,295	650,211
Non-departmental	10,655,566	8,037,011	2,290,714	5,746,297
Interagency	10,443,007	10,617,843	10,498,025	119,819
Elections	1,730,472	1,781,546	1,422,436	359,110
Public works	897,666	923,647	734,797	188,850
Surveyor	1,236,593	1,279,185	1,212,215	66,970
<b>Total general government</b>	<b>37,760,236</b>	<b>36,095,924</b>	<b>28,615,444</b>	<b>7,480,480</b>
Public safety:				
Sheriff enforcement	21,398,189	22,439,487	21,917,399	522,088
Wildland fire	965,345	1,109,491	1,277,199	(167,708)
Sheriff corrections	32,792,207	33,837,938	31,043,500	2,794,438
<b>Total public safety</b>	<b>55,155,741</b>	<b>57,386,916</b>	<b>54,238,098</b>	<b>3,148,818</b>
Public health and welfare:				
Mosquito abatement	962,803	1,110,342	1,026,166	84,176
Indigent burials	30,000	30,502	28,508	1,994
Agricultural services	69,784	70,951	67,661	3,290
<b>Total public health and welfare</b>	<b>1,062,587</b>	<b>1,211,795</b>	<b>1,122,335</b>	<b>89,460</b>
<b>Total expenditures</b>	<b>93,978,564</b>	<b>94,694,635</b>	<b>83,975,877</b>	<b>10,718,758</b>
Excess (deficiency) of revenues over expenditures	6,301,571	20,982,014	34,219,121	(8,200,409)
<b>Other Financing Sources (Uses)</b>				
Transfers in	55,048	170,048	-	(170,048)
Transfers out	(4,739,047)	(22,749,234)	(23,862,994)	(1,113,760)
Leases issued (as lessee)	-	-	-	-
Sale of general capital assets	150,000	150,000	167,273	17,273
Insurance recoveries	-	-	8,997	8,997
<b>Total other financing sources (uses)</b>	<b>(4,533,999)</b>	<b>(22,429,186)</b>	<b>(23,686,724)</b>	<b>(1,257,538)</b>
Net change in fund balance*	1,767,572	6,131,828	10,532,397	4,400,569
<b>Fund balance-beginning</b>	<b>43,430,032</b>	<b>43,430,032</b>	<b>43,430,032</b>	<b>-</b>
<b>Fund balance-ending</b>	<b>\$ 45,197,604</b>	<b>\$ 49,561,860</b>	<b>\$ 53,962,429</b>	<b>\$ 4,400,569</b>

\*The net change in fund balance was included in the budget as a contribution to (i.e., increase in) fund balance.

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

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

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 17,986,298	\$ 27,976,648	\$ 20,190,688	\$ (7,785,960)
Charges for services	11,935,547	11,935,547	11,714,193	(221,354)
Fines and forfeitures	-	9,650	9,650	-
Investment earnings	164,879	164,879	27,779	(137,100)
Miscellaneous	69,896	69,896	50,660	(19,236)
Total revenues	<u>30,156,620</u>	<u>40,156,620</u>	<u>31,992,970</u>	<u>(8,163,650)</u>
<b>Expenditures</b>				
Personnel services	22,324,038	25,190,123	22,663,128	2,526,995
Materials, supplies, and services	14,530,365	21,270,689	11,058,865	10,211,824
Capital outlay	40,000	15,305	110,626	(95,321)
Contributions to other governmental agencies	626,469	1,046,755	379,144	667,611
Total expenditures	<u>37,520,872</u>	<u>47,522,872</u>	<u>34,211,763</u>	<u>13,311,109</u>
Excess (deficiency) of revenues over expenditures	(7,364,252)	(7,366,252)	(2,218,793)	(21,474,759)
<b>Other Financing Sources (Uses)</b>				
Transfers in	2,901,894	2,901,894	2,903,701	1,807
Sale of general capital assets	3,600	3,600	3,609	9
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	<u>2,905,494</u>	<u>2,905,494</u>	<u>2,907,310</u>	<u>1,816</u>
Net change in fund balance*	(4,458,758)	(4,460,758)	688,517	5,149,275
Fund balance-beginning	<u>8,466,515</u>	<u>8,466,515</u>	<u>8,466,515</u>	<u>-</u>
Fund balance-ending	<u>\$ 4,007,757</u>	<u>\$ 4,005,757</u>	<u>\$ 9,155,032</u>	<u>\$ 5,149,275</u>

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

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

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

For the Year Ended December 31, 2021

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Sales taxes	\$ 9,432,000	\$ 12,732,000	\$ 13,160,330	\$ 428,330
Charges for services	140,084	336,584	2,796,444	2,459,860
Investment earnings	400,000	400,000	172,315	(227,685)
Miscellaneous	-	10,000	19,500	9,500
Total revenues	<u>9,972,084</u>	<u>13,478,584</u>	<u>16,148,589</u>	<u>2,670,005</u>
<b>Expenditures</b>				
Personnel services	1,104,925	1,104,925	2,135,987	(1,031,062)
Materials, supplies, and services	35,193,783	38,239,771	4,272,286	33,967,485
Capital outlay	192,000	379,769	2,124,724	(1,744,955)
Contributions to other governmental agencies	-	66,243	66,242	1
Total expenditures	<u>36,490,708</u>	<u>39,790,708</u>	<u>8,599,239</u>	<u>31,191,469</u>
Excess (deficiency) of revenues over expenditures	(26,518,624)	(26,312,124)	7,549,350	(28,521,464)
<b>Other Financing Sources (Uses)</b>				
Transfers out	(1,003,376)	(1,003,376)	(282,215)	721,161
Sale of general capital assets	-	-	28,306	28,306
Insurance recoveries	-	-	-	-
Total other financing sources (uses)	<u>(1,003,376)</u>	<u>(1,003,376)</u>	<u>(253,909)</u>	<u>749,467</u>
Net change in fund balance*	(27,522,000)	(27,315,500)	7,295,441	34,610,941
Fund balance-beginning	<u>33,149,320</u>	<u>33,149,320</u>	<u>33,149,320</u>	<u>24,576,594</u>
Fund balance-ending	<u>\$ 5,627,320</u>	<u>\$ 5,833,820</u>	<u>\$ 40,444,761</u>	<u>\$ 34,610,941</u>

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

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

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

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 5,300,000	\$ 5,300,000	\$ 2,885,764	\$ (2,414,236)
Intergovernmental	48,971,534	279,037,600	22,579,898	(256,457,702)
Charges for services	3,552,493	3,552,493	3,476,021	(76,472)
Investment earnings	-	-	98,937	98,937
Fees	2,500,000	2,500,000	2,429,160	(70,840)
Miscellaneous	204,201	208,131	113,384	(94,747)
<b>Total revenues</b>	<b>60,528,228</b>	<b>290,598,224</b>	<b>31,583,164</b>	<b>(259,015,060)</b>
<b>Expenditures</b>				
Personnel services	2,236,091	3,705,622	6,104,096	(2,398,474)
Materials, supplies, and services	45,175,089	261,658,627	5,279,903	256,378,724
Capital outlay	282,000	518,203	710,611	(192,408)
Contributions to other governmental agencies	12,780,000	24,660,724	19,162,176	5,498,548
<b>Total expenditures</b>	<b>60,473,180</b>	<b>290,543,176</b>	<b>31,256,786</b>	<b>259,286,390</b>
Excess (deficiency) of revenues over expenditures	55,048	55,048	326,378	271,330
<b>Other Financing Sources (Uses)</b>				
Transfers out	(55,048)	(55,048)	-	55,048
Sale of general capital assets	-	-	29,875	29,875
Insurance recoveries	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(55,048)</b>	<b>(55,048)</b>	<b>29,875</b>	<b>84,923</b>
Net change in fund balance	-	-	356,253	356,253
Fund balance-beginning	246,724	246,724	246,724	-
Fund balance-ending	<u>\$ 246,724</u>	<u>\$ 246,724</u>	<u>\$ 602,977</u>	<u>\$ 356,253</u>

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

**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Transportation Projects Fund**  
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Sales taxes	\$ 115,676,000	\$ 150,100,000	\$ 143,213,944	\$ (6,886,056)
Intergovernmental	3,937,544	6,500,000	15,643,777	9,143,777
Investment earnings	1,850,000	1,850,000	477,889	(1,372,111)
Fees	4,750,000	5,250,000	5,089,776	(160,224)
Miscellaneous	-	-	7,982	7,982
Total revenues	<u>126,213,544</u>	<u>163,700,000</u>	<u>164,433,368</u>	<u>733,368</u>
<b>Expenditures</b>				
Personnel services	1,112,231	3,671,687	1,292,630	2,379,057
Materials, supplies, and services	13,085,898	15,568,791	3,469,178	12,099,613
Capital outlay	58,270,928	65,076,855	2,076,915	62,999,940
Contributions to other governmental agencies	128,188,663	152,703,573	110,116,331	42,587,242
Total expenditures	<u>200,657,720</u>	<u>237,020,906</u>	<u>116,955,054</u>	<u>120,065,852</u>
Excess (deficiency) of revenues over expenditures	(74,444,176)	(73,320,906)	47,478,314	120,799,220
<b>Other Financing Sources (Uses)</b>				
Transfers out	(10,679,076)	(12,035,076)	(10,668,385)	1,366,691
Refunding bonds issued	-	42,297,539	34,745,000	(7,552,539)
Premium on refunding bonds issued	-	-	7,552,539	7,552,539
Payment to refunded bond escrow agent	-	(42,064,809)	(42,064,808)	1
Sale of general capital assets	-	-	1,471,347	1,471,347
Total other financing sources (uses)	<u>(10,679,076)</u>	<u>(11,802,346)</u>	<u>(8,964,307)</u>	<u>2,838,039</u>
Net change in fund balance*	(85,123,252)	(85,123,252)	38,514,007	123,637,259
Fund balance-beginning	109,678,666	109,678,666	109,678,666	-
Fund balance-ending	<u>\$ 24,555,414</u>	<u>\$ 24,555,414</u>	<u>\$ 148,192,673</u>	<u>\$ 123,637,259</u>

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

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

**Statement of Net Position**  
**Proprietary Funds**  
December 31, 2021

	Governmental Activities - Internal Service Funds								Total Internal Service Funds
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services	Risk Management	
<b>Assets</b>									
Current assets:									
Cash and cash equivalents	\$ 5,844,435	\$ 240,457	\$ 1,089,089	\$ 774,281	\$ 1,371,120	\$ 1,667,432	\$ 11,053,046	\$ 4,545,927	\$ 26,585,787
Accounts receivable	567,262	77,647	178,639	11,794	63,489	611,467	117,890	-	1,628,188
Leases receivable, current portion	-	-	367,315	-	33,215	-	-	-	400,530
Inventories	187,817	139,226	54,000	24,825	22,200	206,002	-	-	634,070
Prepaid items	140,042	-	296,062	-	15,793	530,273	44,789	-	1,026,959
<b>Total current assets</b>	<b>6,739,556</b>	<b>457,330</b>	<b>1,985,105</b>	<b>810,900</b>	<b>1,505,817</b>	<b>3,015,174</b>	<b>11,215,725</b>	<b>4,545,927</b>	<b>30,275,534</b>
Noncurrent assets:									
Leases receivable, noncurrent portion	-	-	1,871,539	-	781,437	-	-	-	2,652,976
Capital assets:									
Equipment, vehicles, furniture, improvements	22,950,066	936,895	2,681,195	1,691,754	2,685,583	2,556,469	348,726	-	33,850,688
Less accumulated depreciation	(13,894,062)	(781,784)	(1,241,782)	(1,309,401)	(2,630,929)	(1,886,570)	(26,089)	-	(21,770,617)
Lease assets:									
Communication sites	-	-	-	-	181,584	-	-	-	181,584
Less accumulated amortization	-	-	-	-	(31,060)	-	-	-	(31,060)
<b>Total noncurrent assets</b>	<b>9,056,004</b>	<b>155,111</b>	<b>3,310,952</b>	<b>382,353</b>	<b>986,615</b>	<b>669,899</b>	<b>322,637</b>	<b>-</b>	<b>14,883,571</b>
<b>Total assets</b>	<b>15,795,560</b>	<b>612,441</b>	<b>5,296,057</b>	<b>1,193,253</b>	<b>2,492,432</b>	<b>3,685,073</b>	<b>11,538,362</b>	<b>4,545,927</b>	<b>45,159,105</b>
<b>Deferred Outflows Of Resources</b>									
Pension related	908,076	1,149,080	1,975,844	212,137	66,353	4,723,963	8,355,774	-	17,391,227
<b>Liabilities</b>									
Current liabilities:									
Accounts payable	70,952	10,469	509,658	378	9,997	133,674	140,687	92,988	968,803
Accrued liabilities	18,624	20,860	49,700	5,323	2,439	67,312	124,080	1,732,494	2,020,832
Compensated absences	63,156	47,114	206,653	24,487	11,895	224,529	399,768	-	977,602
Leases payable, current portion	-	-	-	-	15,655	-	-	-	15,655
Unearned revenue	-	-	168,987	-	-	8,951	-	-	177,938
<b>Total current liabilities</b>	<b>152,732</b>	<b>78,443</b>	<b>934,998</b>	<b>30,188</b>	<b>39,986</b>	<b>434,466</b>	<b>664,535</b>	<b>1,825,482</b>	<b>4,160,830</b>
Noncurrent liabilities:									
Net pension liability	22,251	123,689	76,781	6,810	4,240	87,683	162,521	-	483,975
Leases payable, noncurrent portion	-	-	-	-	135,489	-	-	-	135,489
Net OPEB liability	91,646	49,760	148,412	18,310	894	182,548	7,735,106	-	8,226,676
<b>Total noncurrent liabilities</b>	<b>113,897</b>	<b>173,449</b>	<b>225,193</b>	<b>25,120</b>	<b>140,623</b>	<b>270,231</b>	<b>7,897,627</b>	<b>-</b>	<b>8,846,140</b>
<b>Total liabilities</b>	<b>266,629</b>	<b>251,892</b>	<b>1,160,191</b>	<b>55,308</b>	<b>180,609</b>	<b>704,697</b>	<b>8,562,162</b>	<b>1,825,482</b>	<b>13,006,970</b>
<b>Deferred Inflows Of Resources</b>									
Pension related	795,299	1,006,373	1,730,456	185,791	58,113	4,137,278	7,318,042	-	15,231,352
Lease related	-	-	2,197,195	-	777,855	-	-	-	2,975,050
<b>Total deferred inflows of resources</b>	<b>795,299</b>	<b>1,006,373</b>	<b>3,927,651</b>	<b>185,791</b>	<b>835,968</b>	<b>4,137,278</b>	<b>7,318,042</b>	<b>-</b>	<b>18,206,402</b>
<b>Net Position</b>									
Net investment in capital assets	9,056,004	155,111	1,439,413	382,353	205,178	669,899	322,637	-	12,230,595
Unrestricted	6,585,704	348,145	744,646	781,938	1,337,030	2,897,162	3,691,294	2,720,445	19,106,364
<b>Total net position</b>	<b>\$ 15,641,708</b>	<b>\$ 503,256</b>	<b>\$ 2,184,059</b>	<b>\$ 1,164,291</b>	<b>\$ 1,542,208</b>	<b>\$ 3,567,061</b>	<b>\$ 4,013,932</b>	<b>\$ 2,720,445</b>	<b>\$ 31,336,960</b>

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

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

For the Year Ended December 31, 2021

	Governmental Activities - Internal Service Funds							Total Internal Service Funds	
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services		Risk Management
Operating revenues:									
Charges for services	\$ 7,080,953	\$ 3,206,755	\$ 7,143,258	\$ 589,162	\$ 1,060,246	\$ 5,357,621	\$ 8,056,637	\$ 1,872,015	\$34,366,647
Miscellaneous	187,658	5,741	14,244	-	75	55,905	135,343	2,221,028	2,619,994
Total operating revenues	<u>7,268,611</u>	<u>3,212,496</u>	<u>7,157,502</u>	<u>589,162</u>	<u>1,060,321</u>	<u>5,413,526</u>	<u>8,191,980</u>	<u>4,093,043</u>	<u>36,986,641</u>
Operating expenses:									
Personnel services	810,627	1,140,857	2,071,516	260,056	92,916	2,672,835	5,701,252	58,885	12,808,944
Materials, supplies, and services	2,316,408	1,873,271	3,775,869	251,812	506,007	1,410,463	2,406,436	1,322,580	13,862,846
Depreciation	3,723,005	96,889	255,956	139,406	26,545	237,857	26,089	-	4,505,747
Total operating expenses	<u>6,850,040</u>	<u>3,111,017</u>	<u>6,103,341</u>	<u>651,274</u>	<u>625,468</u>	<u>4,321,155</u>	<u>8,133,777</u>	<u>1,381,465</u>	<u>31,177,537</u>
Operating income (loss)	<u>418,571</u>	<u>101,479</u>	<u>1,054,161</u>	<u>(62,112)</u>	<u>434,853</u>	<u>1,092,371</u>	<u>58,203</u>	<u>2,711,578</u>	<u>5,809,104</u>
Nonoperating revenues (expenses):									
Investment earnings	27,767	129	9,594	3,727	6,787	11,829	44,776	8,867	113,476
Lease revenues	-	-	(15,663)	-	1,436	-	-	-	(14,227)
Lease interest revenue	-	-	40,469	-	16,446	-	-	-	56,915
Lease interest expense	-	-	-	-	(3,306)	-	-	-	(3,306)
Lease amortization expense	-	-	-	-	(15,509)	-	-	-	(15,509)
Gain (loss) on sale of fixed assets	651,950	-	29,003	-	-	16,982	-	-	697,935
Total nonoperating revenues (expenses)	<u>679,717</u>	<u>129</u>	<u>63,403</u>	<u>3,727</u>	<u>5,854</u>	<u>28,811</u>	<u>44,776</u>	<u>8,867</u>	<u>835,284</u>
Income (loss) before capital contributions and transfers	1,098,288	101,608	1,117,564	(58,385)	440,707	1,121,182	102,979	2,720,445	6,644,388
Capital contributions	14,340	-	-	-	-	-	-	-	14,340
Transfers in	-	-	-	-	-	-	541,439	-	541,439
Transfers out	-	-	(452,289)	-	-	-	-	-	(452,289)
	<u>14,340</u>	<u>-</u>	<u>(452,289)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>541,439</u>	<u>-</u>	<u>103,490</u>
Change in net position	1,112,628	101,608	665,275	(58,385)	440,707	1,121,182	644,418	2,720,445	6,747,878
Net position-beginning	14,529,080	401,648	1,518,784	1,222,676	1,101,501	2,445,879	3,369,514	-	24,589,082
Net position-ending	<u>\$ 15,641,708</u>	<u>\$ 503,256</u>	<u>\$ 2,184,059</u>	<u>\$ 1,164,291</u>	<u>\$ 1,542,208</u>	<u>\$ 3,567,061</u>	<u>\$ 4,013,932</u>	<u>\$ 2,720,445</u>	<u>\$31,336,960</u>

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



**Statement of Cash Flows**  
**Proprietary Funds**  
For the Year Ended December 31, 2021

	Governmental Activities - Internal Service Funds								Total Internal Service Funds
	Motor Pool	Jail Kitchen	Building Maintenance	Telephone	Radio	Information Systems	Admin Services	Risk Management	
<b>Cash Flows From Operating Activities</b>									
Receipts from outside customers	\$ 81,246	\$ 1,228,899	\$ 775,251	\$ 52,348	\$ 47,971	\$ 85,085	\$ (86,090)	\$ -	\$ 2,184,710
Receipts from internal departments	6,747,690	2,101,962	7,940,586	605,216	979,791	4,927,996	8,024,836	1,872,016	33,200,093
Receipt of customer deposits	-	-	75	-	-	-	-	-	75
Other receipts	187,659	5,741	14,245	-	75	55,905	135,345	2,221,028	2,619,998
Payments to suppliers and service providers	(2,698,999)	(1,893,472)	(4,539,783)	(309,801)	(517,356)	(2,098,130)	(2,305,074)	502,349	(13,860,266)
Payments to employees for salaries and benefits	(973,714)	(1,231,577)	(2,400,622)	(291,734)	(101,526)	(3,429,714)	(6,088,112)	(58,333)	(14,575,332)
Return of customer deposits	-	-	(225)	-	-	-	-	-	(225)
Net cash provided by (used for) operating activities	<u>3,343,882</u>	<u>211,553</u>	<u>1,789,527</u>	<u>56,029</u>	<u>408,955</u>	<u>(458,858)</u>	<u>(319,095)</u>	<u>4,537,060</u>	<u>9,569,053</u>
<b>Cash Flows From Noncapital Financing Activities</b>									
Transfers from other funds	-	-	-	-	-	-	541,439	-	541,439
Net cash provided by (used for) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>541,439</u>	<u>-</u>	<u>541,439</u>
<b>Cash Flows From Capital And Related Financing Activities</b>									
Acquisition and construction of capital assets	(2,723,025)	(6,704)	(494,135)	-	(21,120)	(166,955)	(348,726)	-	(3,760,665)
Acquisition of right-to-use assets (as lessee)	-	-	-	-	(18,673)	-	-	-	(18,673)
Proceeds from the sale of assets	651,950	-	29,003	-	-	16,982	-	-	697,935
Capital grants	-	-	-	-	-	-	-	-	-
Transfers to other funds for capital energy improvements	-	-	(452,289)	-	-	-	-	-	(452,289)
Net cash provided by (used for) capital and related financing activities	<u>(2,071,075)</u>	<u>(6,704)</u>	<u>(917,421)</u>	<u>-</u>	<u>(39,793)</u>	<u>(149,973)</u>	<u>(348,726)</u>	<u>-</u>	<u>(3,533,692)</u>
<b>Cash Flows From Investing Activities</b>									
Interest on investments	27,767	129	9,594	3,727	6,787	11,829	44,776	8,867	113,476
Net increase (decrease) in cash and cash equivalents	1,300,574	204,978	881,700	59,756	375,949	(597,002)	(81,606)	4,545,927	6,690,276
Cash and cash equivalents - beginning	4,543,861	35,479	207,389	714,525	995,171	2,264,434	11,134,652	-	19,895,511
Cash and cash equivalents - ending	<u>\$ 5,844,435</u>	<u>\$ 240,457</u>	<u>\$ 1,089,089</u>	<u>\$ 774,281</u>	<u>\$ 1,371,120</u>	<u>\$ 1,667,432</u>	<u>\$ 11,053,046</u>	<u>\$ 4,545,927</u>	<u>\$ 26,585,787</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:</b>									
Operating income (loss)	\$ 418,571	\$ 101,479	\$ 1,054,161	\$ (62,112)	\$ 434,853	\$ 1,092,371	\$ 58,203	\$ 2,711,578	\$ 5,809,104
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:									
Depreciation expense	3,723,005	96,889	255,956	139,406	26,545	237,857	26,089	-	4,505,747
(Increase) decrease in accounts receivable	(252,016)	124,107	1,412,215	68,403	(32,484)	(353,491)	(117,892)	-	848,842
(Increase) decrease in inventories	33,139	40,607	(2,950)	7,664	11,400	(151,367)	-	-	(61,507)
(Increase) decrease in prepaid items	(127,340)	-	(274,237)	-	(1,164)	(422,394)	(44,788)	-	(869,923)
(Increase) decrease in pension related deferred outflows of resources	(734,025)	(932,787)	(1,446,915)	(167,464)	(36,868)	(4,047,675)	(8,355,774)	-	(15,721,508)
Increase (decrease) in accounts payable	(288,390)	(60,809)	(486,727)	(65,653)	(21,585)	(113,906)	144,646	92,988	(799,436)
Increase (decrease) in accrued liabilities	-	-	-	-	-	-	1,506	1,731,942	1,733,448
Increase (decrease) in deposits payable	-	-	(150)	-	-	-	-	-	(150)
Increase (decrease) in accrued payroll liabilities	5,671	4,220	18,401	612	1,641	21,346	118,616	552	171,059
Increase (decrease) in compensated absences	(4,917)	1,422	13,304	3,250	4,563	(16,225)	399,768	-	401,165
Increase (decrease) in unearned revenue	-	-	160,365	-	-	8,951	-	-	169,316
Increase (decrease) in net pension liability	(139,246)	(77,003)	(414,001)	(34,640)	(23,118)	(539,830)	162,521	-	(1,065,317)
Increase (decrease) in net OPEB liability	(7,853)	4,007	6,736	796	276	(8,633)	(30,032)	-	(34,703)
Increase (decrease) in pension related deferred inflows of resources	717,283	909,421	1,493,369	165,767	44,896	3,834,138	7,318,042	-	14,482,916
Total adjustments	<u>2,925,311</u>	<u>110,074</u>	<u>735,366</u>	<u>118,141</u>	<u>(25,898)</u>	<u>(1,551,229)</u>	<u>(377,298)</u>	<u>1,825,482</u>	<u>3,759,949</u>
Net cash provided by (used for) operating activities	<u>\$ 3,343,882</u>	<u>\$ 211,553</u>	<u>\$ 1,789,527</u>	<u>\$ 56,029</u>	<u>\$ 408,955</u>	<u>\$ (458,858)</u>	<u>\$ (319,095)</u>	<u>\$ 4,537,060</u>	<u>\$ 9,569,053</u>
<b>Schedule of non-cash capital and related financing activities:</b>									
Contributions of capital assets	\$ 129,331	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 129,331

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

**Statement of Fiduciary Net Position**  
**Fiduciary Funds**

For the Year Ended December 31, 2021

	Private- purpose Trust Fund	Custodial Funds			
		Auditor Trust Fund	Sheriff Baker Award Trust Fund	Sheriff Asset Forfeiture Trust Fund	Treasurer Trust Fund
<b>ASSETS</b>					
Cash and investments	\$ 28,610	\$ -	\$ 17,781	\$ 20,642	\$ 131,259,779
Receivables	-	-	-	-	628,171
Total assets	<u>28,610</u>	<u>-</u>	<u>17,781</u>	<u>20,642</u>	<u>131,887,950</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals and organizations	28,610	-	17,781	20,642	-
Other governments	-	-	-	-	131,887,950
Total net position	<u>\$ 28,610</u>	<u>\$ -</u>	<u>\$ 17,781</u>	<u>\$ 20,642</u>	<u>\$ 131,887,950</u>

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

**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**

For the Year Ended December 31, 2021

	Private- purpose Trust Fund	Custodial Funds			
		Auditor Trust Fund	Sheriff Baker Award Trust Fund	Sheriff Asset Forfeiture Trust Fund	Treasurer Trust Fund
<b>ADDITIONS</b>					
Contributions:					
Private contributions	\$ 1,211,666	\$ -	\$ 18,690	\$ 32,909	\$ 1,291,857,208
Total contributions	<u>1,211,666</u>	<u>-</u>	<u>18,690</u>	<u>32,909</u>	<u>1,291,857,208</u>
Interest	-	-	91	128	-
Total additions	<u>1,211,666</u>	<u>-</u>	<u>18,781</u>	<u>33,037</u>	<u>1,291,857,208</u>
<b>DEDUCTIONS</b>					
Purchases by inmates	1,218,505	-	-	-	-
Recipient payments	-	4,770,736	1,000	12,395	1,314,077,554
Administrative expenses	-	-	-	-	-
Total deductions	<u>1,218,505</u>	<u>4,770,736</u>	<u>1,000</u>	<u>12,395</u>	<u>1,314,077,554</u>
Net increase (decrease) in fiduciary net position	(6,839)	(4,770,736)	17,781	20,642	(22,220,346)
Net position - beginning	35,449	4,770,736	-	-	154,108,296
Net position - ending	<u>\$ 28,610</u>	<u>\$ -</u>	<u>\$ 17,781</u>	<u>\$ 20,642</u>	<u>\$ 131,887,950</u>

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



# Notes to the Basic Financial Statements



## **Tibble Fork**

Photographer Credit: Wyatt Peterson, @wyattpetersonstudios (Instagram)  
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## Notes to the Financial Statements

December 31, 2021

### I. Summary of Significant Accounting Policies

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. For the fiscal year ended December 31, 2021, Utah County reported no business-type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

#### B. Reporting entity

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

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

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

Soldier Summit Special Service District (Soldier Summit) was established in 1984 and is governed by a board composed of one member of the Board of Utah County Commissioners, one member of the Wasatch County Council, and one owner of real property within the district boundaries. Soldier Summit primarily provides water services to properties within the district boundaries. These services are funded by a property tax levy and charges for services as established by the governing board of Soldier Summit. Soldier Summit is reported as a special revenue fund and does not issue separate financial statements.

## **I. Summary of Significant Accounting Policies (continued)**

### **B. Reporting entity (continued)**

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

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

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

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

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

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

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

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

Wasatch Behavioral Health Services Special Service District (WBH) was established in 2003 and provides mental health and substance abuse services to the residents of Utah County. WBH is governed by a board composed

## **I. Summary of Significant Accounting Policies (continued)**

### **B. Reporting entity (continued)**

of the three members of the Board of Utah County Commissioners. Utah County provides a contribution from its general fund to support WBH's activities. Separately issued financial reports are available for WBH. This report may be obtained by contacting the following office: Wasatch Behavioral Health Services Special Service District, 750 North 200 West, Provo, UT 84604.

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

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

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

### **C. Basis of presentation – government-wide financial statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The primary government is reported separately from the discretely presented component units discussed earlier.

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

### **D. Basis of presentation – fund financial statements**

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

Utah County reports the following major governmental funds:

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

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



## **I. Summary of Significant Accounting Policies (continued)**

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

The *TRCC (Tourism, Recreation, Cultural, Convention, and Airport Facilities) Taxes Fund* accounts for projects funded by the restaurant tax and short-term motor vehicle lease tax. Revenue from these taxes may be used either for financing tourism promotion or for funding the development, operation, and maintenance of airport, convention, cultural, recreation, or tourist facilities.

The *Grants/Outside Projects Fund* accounts for projects funded by outside funding sources, such as grants and donations.

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

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

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

Utah County reports the following fund types:

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

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

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

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

### **E. Measurement focus and basis of accounting**

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

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

## **I. Summary of Significant Accounting Policies (continued)**

### **E. Measurement focus and basis of accounting (continued)**

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, Utah County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, including lease liabilities, as well as expenditures related to compensated absences, claims and judgments, and postemployment benefits are recognized later based on specific accounting rules applicable to each, generally when payment is due. General capital asset acquisitions, including entering into contracts giving Utah County the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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

### **F. Budgetary information**

#### **1. Budgetary basis of accounting**

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

On or before November 1, the Utah County Clerk/Auditor prepares a tentative budget for the subsequent budget year. The tentative budget is made available to the public for inspection for a number of days, as provided by law, prior to adoption of the budget.

The Board of Utah County Commissioners establishes the time and place of a public hearing to consider adoption of the budget and publishes notice of the hearing at least seven days prior to the hearing in at least one issue of a newspaper of general circulation published within the County. After the public notice has been published, a public hearing is held regarding the budget. After the public hearing, the Board of Utah County Commissioners makes final adjustments to the tentative budget. On or before December 31, the Board of County Commissioners adopts by resolution a final balanced budget. The appropriated budget is prepared by fund, department, and function.

Utah County's department heads may make transfers of appropriations within a department. Transfers from certain accounts, such as salaries, benefits, and internal service charges, require approval of the Board in accordance with the County's Financial Administration Ordinance. Transfers of appropriations between departments within the same fund can be approved by resolution of the Board during any scheduled Board meeting. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and a public notice of that hearing has been posted for at least five days before the day of the hearing. After the public hearing, the amended budget is adopted by resolution of the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the departmental level.

## **I. Summary of Significant Accounting Policies (continued)**

### **F. Budgetary information (continued)**

#### **1. Budgetary basis of accounting (continued)**

By resolution approved during any scheduled Board meeting, the Board of County Commissioners may reduce the budget appropriation for any department provided that both five days' notice of the proposed action is given to all Commissioners and to the director of the affected department. State law also requires the affected director be permitted to be heard on the proposed reduction. Notice may be waived in writing by the affected director or by any member of the Board of County Commissioners.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. If any obligations are contracted for and are in excess of the adopted budget, they are neither a valid nor enforceable claim against the County.

#### **2. Excess of expenditures over appropriations**

The various statements titled Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual identify departments and funds, if any, which have over-expended budgeted amounts and, therefore, do not comply with state law. For the year ended December 31, 2021, no departments had expenditures that exceeded appropriations.

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

#### **1. Cash/cash equivalents and investments**

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

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

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

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

#### **2. Inventories and prepaid items**

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

## I. Summary of Significant Accounting Policies (continued)

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

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

#### 3. Net pension assets

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

#### 4. Capital assets

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

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

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

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

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

#### 5. Deferred outflows/inflows of resources

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

## I. Summary of Significant Accounting Policies (continued)

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

#### 5. Deferred outflows/inflows of resources (continued)

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

#### 6. Net position

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

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

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

#### 7. Fund balance

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

- *Restricted fund balance* includes amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling federal, state, or local legislation. Restrictions may be changed or lifted only with the consent of the resource providers.
- *Committed fund balance* represents amounts that can be used only for the specific purposes determined by the adoption of a resolution committing fund balance for a specified purpose by the Board of Utah County Commissioners prior to the end of the fiscal year. Once adopted, the limitation imposed by the resolution remains in place until either the resources have been spent for the specified purpose or the Board of Utah County Commissioners adopts another resolution to remove or revise the limitation.
- *Assigned fund balance* represents amounts that are intended to be used by Utah County for specific purposes but do not meet the criteria to be classified as committed. Utah County may also assign fund balance when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent

## I. Summary of Significant Accounting Policies (continued)

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

#### 7. Fund balance (continued)

year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

- Unassigned fund balance represents the residual amount for the general fund that is not contained in the other classifications. Additionally, any deficit fund balance within the other governmental fund types is reported as unassigned.

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

#### 8. Leases

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

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

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

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

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

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

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

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

## I. Summary of Significant Accounting Policies (continued)

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

#### 8. Leases (continued)

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

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

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

#### 9. Compensated absences

##### Vacation and compensatory time

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

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

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

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

##### Sick leave

Utah County's policy permits employees to accumulate without limitation earned but unused sick leave in amounts varying with tenure and hire date. Active employees may convert sick leave to vacation or cash under certain options allowed by County policy. For retiring employees, up to 720 hours of sick leave may be paid to the employee at 25 percent of the employee's pay rate upon retirement. In addition, a limited number of employees are eligible to have a sick leave reserve balance of hours accrued before January 1, 2011 paid to the employee upon retirement at 25 percent of the employee's pay rate as of December 31, 2010. For non-retiring employees, accumulated sick leave lapses when the employees leave the employ of Utah County and, upon separation from service, no monetary obligation exists.

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

#### 10. Pensions

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

## **I. Summary of Significant Accounting Policies (continued)**

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

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **11. Long-term obligations**

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

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

### **H. Revenues and expenditures/expenses**

#### **1. Program revenues**

Amounts reported as program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided or fines imposed by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

#### **2. Property and other taxes**

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

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

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

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



## **I. Summary of Significant Accounting Policies (continued)**

### **H. Revenues and expenditures/expenses (continued)**

#### **2. Property and other taxes (continued)**

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 Clerk/Auditor with required signed statement.
June 22	All taxing entities with fiscal years ending in June adopt tentative budgets and proposed tax rates and report them to the County Clerk/Auditor.
July 22	County Clerk/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 Clerk/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 Clerk/Auditor delivers the equalized assessment roll to the County Treasurer with affidavit and charges the County Treasurer to account for all taxes levied. County Treasurer mails tax notices.
December 1	Unpaid taxes on real property become delinquent and penalty is applied.

In addition to various taxes the County levies for its own purposes, the County levies taxes for other governments; those taxes are forwarded to those other governments as the taxes are collected. Taxes levied by the County in 2021 for other governments are recorded as revenue with an equivalent amount of expenditure as follows:

- \$99.2 million of transportation-related sales taxes (local option sales taxes) collected by the State of Utah and forwarded directly to the Utah Transit Authority and municipalities within the County; recorded in the County's Transportation Projects fund for the purposes of transportation projects.
- \$2.9 million of incremental taxes recorded in the Grants/Outside Projects Fund and forwarded to various redevelopment agencies within the County for the purposes of financing urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in assessed values within the project areas.
- \$2.4 million of 911 telephone surcharges collected by the State of Utah and forwarded directly to Central Utah 911 which manages dispatch calls for the Sheriff's Office and police departments of participating municipalities within the County; recorded in the County's Grants/Outside Projects Fund.
- \$0.8 million of property taxes recorded in nonmajor governmental funds and passed through to the State of Utah for multi-county assessing and collecting.

#### **3. Proprietary funds operating and nonoperating revenues and expenses**

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

## **I. Summary of Significant Accounting Policies (continued)**

### **I. Estimates and assumptions**

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

## **II. Stewardship, Compliance, and Accountability**

At December 31, 2021, the Contract Law Enforcement fund, a nonmajor special revenue fund, has a deficit fund balance of \$17,880. In accordance with contractual provisions, the deficit will be eliminated via a billing adjustment to be completed by June 2022.

Utah Code prohibits excess fund balances in certain funds. At December 31, 2021, the Service Area No. 6 fund, a nonmajor special revenue fund, had an ending fund balance that exceeded the maximum allowable fund balance.

## **III. Detailed Notes on All Activities and Funds**

### **A. Deposits**

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

The Utah Money Management Act requires deposits be in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal government, and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The County's deposits (including cash on hand) at December 31, 2021 are as follows:

Cash on Hand & On Deposit	Fair Value
Cash on Hand	\$ 25,634
Cash on Deposit	16,912,330
Total	<u>\$ 16,937,964</u>

*Custodial credit risk – deposits.* The custodial credit risk for deposits is that in the event of a bank failure the County's deposits may not be recovered. Deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Deposits are not collateralized nor are they required to be by statute. The County does not have a formal deposit policy regarding custodial credit risk for these deposits. As of December 31, 2021, \$15,901,464 of the County's bank balance of \$16,912,330 is exposed to custodial credit risk as uninsured and uncollateralized. The carrying amount of the deposits at December 31, 2021 is \$3,852,941.

### **B. Investments**

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

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

- Negotiable and non-negotiable deposits of qualified depositories and permitted negotiable depositories.

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

#### B. Investments (continued)

- Repurchase and reverse repurchase agreements.
- Commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations.
- Bankers’ acceptances.
- Obligations of the United States Treasury including bills, notes, and bonds.
- Obligations, other than mortgage derivative products, issued by United States government-sponsored enterprises (United States Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae).
- Bonds, notes, and other evidence of indebtedness of political subdivisions of the State.
- Fixed-rate corporate obligations and variable-rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations.
- Shares or certificates in a money market mutual fund as defined in the Utah Money Management Act.
- Utah State Public Treasurers’ Investment Fund.

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

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

	Fair Value	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
<b>Investments by Fair Value Level</b>				
Debt Securities:				
Utah Public Treasurers' Investment Fund	\$ 496,709,353	\$ -	\$ 496,709,353	\$ -
Moreton Asset Management Fund	11,572,594	11,554,070	18,524	-
Zions Bank Institutional Liquidity Management Fund	11,516,010	6,508,197	5,007,813	-
Total Debt Securities	519,797,957	18,062,267	501,735,690	-
Total Investments by Fair Value Level	\$ 519,797,957	\$ 18,062,267	\$ 501,735,690	\$ -
Total Investments Measured at Fair Value	\$ 519,797,957			

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

- **Money Market Mutual Funds.** Published fair value per share (unit) for each fund.
- **Utah Public Treasurers’ Investment Fund.** Application of the December 31, 2021, fair value factor, as calculated by the Utah State Treasurer, to the County’s average daily balance in the Fund.

*Interest rate risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County’s policy for managing interest rate risk is to comply with the Utah Money Management Act (Act). Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act limits the remaining term to maturity on all investments in commercial paper, bankers’ acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270-365 or fewer days. The Act further limits the remaining term to maturity to five (5) years on all investments in

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

obligations of the United States Treasury, obligations issued by United States government-sponsored enterprises, and bonds, notes, and other evidence of indebtedness of political subdivisions of the State of Utah. In addition, variable-rate negotiable deposits and variable-rate securities may not have a remaining term to final maturity exceeding three years.

As of December 31, 2021, the County's investments had the following maturities:

Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
Debt Securities:					
State of Utah Public Treasurers' Investment Fund	\$ 496,709,353	\$ 496,709,353	\$ -	\$ -	\$ -
Moreton Asset Management Fund	11,572,594	18,525	11,554,069	-	-
Zions Bank Institutional Liquidity Management Fund	11,516,010	4,768,144	6,747,866	-	-
<b>Total Debt Securities</b>	<b>\$ 519,797,957</b>	<b>\$ 501,496,022</b>	<b>\$ 18,301,935</b>	<b>\$ -</b>	<b>\$ -</b>

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

At December 31, 2021, the County's investments had the following quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
Debt Securities:					
State of Utah Public Treasurers' Investment Fund	\$ 496,709,353	\$ -	\$ -	\$ -	\$ 496,709,353
Moreton Asset Management Fund	11,572,594	794,158	2,290,991	6,605,113	1,882,332
Zions Bank Institutional Liquidity Management Fund	11,516,010	-	-	6,508,197	5,007,813
<b>Total Debt Securities</b>	<b>\$ 519,797,957</b>	<b>\$ 794,158</b>	<b>\$ 2,290,991</b>	<b>\$ 13,113,310</b>	<b>\$ 503,599,498</b>

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

At December 31, 2021, most of the County's investments were with the Utah Public Treasurers' Investment Fund and, therefore, are not categorized as to custodial credit risk. The investments in the Moreton Asset Management Fund have custodial credit risk exposure. Of the \$11,572,594 invested in the Moreton Asset Management Fund, none of the related securities are uninsured or unregistered. The investments in the Zions Bank Institutional Liquidity Management Fund (ILM) have custodial credit risk exposure. Of the \$11,516,010 invested in the ILM Fund, none of the related securities are uninsured or unregistered.

**Concentration of credit risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy for reducing this risk of loss is to comply with the rules of the Money Management Council. The Money Management Council's Rule 17 limits investments in a single issuer of commercial paper and corporate obligations to 5-10 percent, depending upon the total dollar amount held in the portfolio. This limitation does not apply to securities issued by the United States Government and its agencies. Most of the County's

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

investments at December 31, 2021 were with the Utah Public Treasurers' Investment Fund and, therefore, are not categorized as to concentration of credit risk.

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

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

#### C. External investment pools

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

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

Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

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

Twice a year, on June 30 and December 31, the investments are valued at fair value to enable participants to adjust their investments in this pool at fair value. The Bank of New York and the State of Utah separately determine each security's fair value in accordance with GASB Statement No. 31 (for almost all pool investments, the quoted market price as of December 31, 2021 ), and then compare those values to determine an agreed-upon fair value of the securities.

The fair value factor at December 31, 2021 was 1.00002368. The fair value of the PTIF investment is approximately equal to the value of the pool shares with a difference of \$11,762, which is considered immaterial.

The following table shows statistical information about the PTIF as of December 31, 2021:

Investment Type	Investment Percentage
Corporate Bonds and Notes	85.08%
U.S. Government Securities	8.43%
Money Market Accounts and Certificates of Deposit	6.49%
Total	100.00%

#### D. Managed investment funds

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

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

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

**III. Detailed Notes on All Activities and Funds (continued)****D. Managed investment funds (continued)**

As of December 31, 2021, the County had \$11,513,791 invested in the Moreton Asset Management Fund which had a fair value of \$11,572,594 for an unrealized gain of \$58,803.

The following table shows statistical information about the Moreton Asset Management Fund as of December 31, 2021:

Investment Type	Investment Percentage
Corporate Bonds and Notes	59.95%
Money Market Accounts and Certificates of Deposit	33.34%
U.S. Government Securities	6.71%
Total	100.00%

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

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

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

As of December 31, 2021, the County had \$11,507,749 invested in the ILM which had a fair value of \$11,516,010 for an unrealized gain of \$8,261.

The following table shows statistical information about the ILM as of December 31, 2021:

Investment Type	Investment Percentage
Corporate Bonds and Notes	52.19%
Money Market Accounts and Certificates of Deposit	43.49%
U.S. Government Securities	4.32%
Total	100.00%

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

Capital asset activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Primary Government</b>				
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 47,626,335	\$ 1,371,118	\$ -	\$ 48,997,453
Rights of way	211,740	-	-	211,740
Construction in progress	-	7,084	-	7,084
Infrastructure	321,838,027	705,797	-	322,543,824
Total capital assets not being depreciated	<u>369,676,102</u>	<u>2,083,999</u>	<u>-</u>	<u>371,760,101</u>
Capital assets being depreciated:				
Buildings	145,879,959	1,782,571	-	147,662,530
Improvements other than buildings	9,298,001	94,981	-	9,392,982
Machinery and equipment	37,099,627	13,342,816	(1,905,053)	48,537,390
Leased buildings	2,781,135	-	-	2,781,135
Leased land	78,824	-	-	78,824
Total capital assets being depreciated	<u>195,137,546</u>	<u>15,220,368</u>	<u>(1,905,053)</u>	<u>208,452,861</u>
Less accumulated depreciation for:				
Buildings	45,516,451	2,921,183	-	48,437,634
Improvements other than buildings	5,909,440	277,951	-	6,187,391
Machinery and equipment	22,796,944	8,731,828	(1,820,554)	29,708,218
Less accumulated amortization for:				
Leased buildings	295,389	432,483	-	727,872
Leased land	12,001	11,968	-	23,969
Total accumulated depreciation and amortization	<u>74,530,225</u>	<u>12,375,413</u>	<u>(1,820,554)</u>	<u>85,085,084</u>
Total capital assets, being depreciated/amortized, net	<u>120,607,321</u>	<u>2,844,955</u>	<u>(84,499)</u>	<u>123,367,777</u>
Governmental activities, capital assets, net	<u>\$ 490,283,423</u>	<u>\$ 4,928,954</u>	<u>\$ (84,499)</u>	<u>\$ 495,127,878</u>



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

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

Governmental activities:	<u>Depreciation</u>	<u>Amortization</u>
General government	\$ 3,964,676	\$ -
Public health	603,530	335,076
Public safety	2,513,864	93,866
Highways and public improvements	7,476	-
Parks and recreation	335,670	-
Internal service funds (charged to individual funds based on usage)	4,505,746	15,509
	<u>\$ 11,930,962</u>	<u>\$ 444,451</u>

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

At December 31, 2021, the County had the following interfund receivables and payables:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$ 1,258,000	\$ -
Children's Justice Center Special Revenue Fund	-	430,000
Contract Law Enforcement Special Revenue Fund	-	828,000
	<u>\$ 1,258,000</u>	<u>\$ 1,258,000</u>

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

	<u>Transfers to:</u>					
	<u>General Fund</u>	<u>Health Department Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Internal Service (Proprietary) Funds</u>
<b>Transfers from:</b>						
Major governmental funds:						
General fund	\$ -	\$ 2,903,701	\$ 19,976,826	\$ -	\$ 441,029	\$ 541,439
TRCC taxes fund	-	-	-	282,215	-	-
Transportation projects fund	-	-	-	10,668,385	-	-
Other governmental funds	-	-	-	2,118,652	224,000	-
Internal service (proprietary) funds	-	-	-	452,289	-	-
<b>Totals</b>	<u>\$ -</u>	<u>\$ 2,903,701</u>	<u>\$ 19,976,826</u>	<u>\$ 13,521,541</u>	<u>\$ 665,029</u>	<u>\$ 541,439</u>

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

#### G. Pension plan

##### General Information and Plan Description

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

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

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

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

Utah Retirement Systems (URS) issues a publicly available financial report that can be obtained either by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102, or by visiting the website: [www.urs.org/general/publications](http://www.urs.org/general/publications).

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

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

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 years, any age 25 years, any age* 20 years, age 60* 10 years, age 62* 4 years, age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 Years	30 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 Years	20 years, any age 10 years, age 60 4 years, age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4%, depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.50% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years, any age 20 years, age 60* 10 years, age 62* 4 years, age 65	1.50% per year to June 30, 2020; 2.00% per year July 1, 2020 to present	Up to 2.5%

\* Actuarial reductions are applied.

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

Contributions

As a condition of participation in the Systems, the County and/or its employees are required to contribute certain percentages of salaries and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2021 are as follows:

Retirement System	Employee	Employer	Employer 401(k)
<b>Contributory System:</b>			
Local Government - Tier 1	6.00%	14.46%	N/A
Local Government - Tier 2	N/A	16.07%	0.62%
<b>Noncontributory System:</b>			
Local Government - Tier 1	N/A	18.47%	N/A
<b>Public Safety System:</b>			
Noncontributory - Tier 1	N/A	32.28%	N/A
Contributory (29) - Tier 1	10.50%	22.81%	N/A
Contributory (122) - Tier 2	2.27%	23.74%	N/A
<b>Tier 2 Defined Contribution Only:</b>			
Local Government	N/A	6.69%	10.00%
Public Safety	N/A	9.74%	14.00%

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

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

For the fiscal year ended December 31, 2021, the employer and employee contributions to the Systems were as follows:

<u>Retirement System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 4,679,377	N/A
Contributory System	28,502	\$ 11,826
Public Safety System	4,315,306	3,507
Tier 2 Public Employees System	2,824,259	-
Tier 2 Public Safety and Firefighter	1,172,870	112,165
Tier 2 DC Only System	295,633	N/A
Tier 2 DC Public Safety and Firefighter System	59,656	N/A
Total Contributions	<u>\$ 13,375,603</u>	<u>\$ 127,498</u>

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

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

At December 31, 2021, the County reported a net pension asset of \$416,277 and a net pension liability of \$9,825,653.

	<u>Measurement Date: December 31, 2020</u>				
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share 31 Dec 2019</u>	<u>Change (Decrease)</u>
	Noncontributory System	\$ -	\$ 1,697,810	3.31%	3.38%
Contributory System	416,277	-	2.32%	2.86%	(0.54%)
Public Safety System	-	7,820,302	21.75%	21.68%	0.07%
Tier 2 Public Employees System	-	120,208	0.83%	0.82%	0.01%
Tier 2 Public Safety and Firefighter	-	187,333	2.09%	2.00%	0.09%
	<u>\$ 416,277</u>	<u>\$ 9,825,653</u>			

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 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, 2021, the County recognized pension expense of \$9,145,345.

The following table details this total pension expense by System:

<u>System</u>	<u>Pension Expense</u>
Noncontributory System	\$ 1,696,744
Contributory System	(309,242)
Public Safety System	6,011,317
Tier 2 Public Employees System	1,177,047
Tier 2 Public Safety and Firefighter	569,479
	<u>\$ 9,145,345</u>

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

At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

System	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience:		
Noncontributory System	\$ 2,277,732	\$ -
Contributory System	-	-
Public Safety System	8,861,335	-
Tier 2 Public Employees System	110,654	55,044
Tier 2 Public Safety and Firefighter	<u>96,864</u>	<u>60</u>
	11,346,585	55,104
Changes in assumptions:		
Noncontributory System	-	222,083
Contributory System	-	-
Public Safety System	834,559	376,067
Tier 2 Public Employees System	152,048	4,373
Tier 2 Public Safety and Firefighter	<u>43,534</u>	<u>20,070</u>
	1,030,141	622,593
Net difference between projected and actual earnings on pension plan investments:		
Noncontributory System	-	12,397,511
Contributory System	-	706,196
Public Safety System	-	7,994,868
Tier 2 Public Employees System	-	351,368
Tier 2 Public Safety and Firefighter	<u>-</u>	<u>119,720</u>
	-	21,569,663
Changes in proportion and difference between contributions and proportionate share of contributions:		
Noncontributory System	442,773	291,584
Contributory System	-	-
Public Safety System	161,153	22,424
Tier 2 Public Employees System	190,684	-
Tier 2 Public Safety and Firefighter	<u>22,461</u>	<u>2,086</u>
	817,071	316,094
Contributions subsequent to the measurement date:		
Noncontributory System	4,679,377	-
Contributory System	28,502	-
Public Safety System	4,315,306	-
Tier 2 Public Employees System	3,119,892	-
Tier 2 Public Safety and Firefighter	<u>1,232,526</u>	<u>-</u>
	13,375,603	-
Total deferred outflows / inflows of resources:		
Noncontributory System	7,399,882	12,911,178
Contributory System	28,502	706,196
Public Safety System	14,172,353	8,393,359
Tier 2 Public Employees System	3,573,278	410,785
Tier 2 Public Safety and Firefighter	<u>1,395,385</u>	<u>141,936</u>
	<u>\$ 26,569,400</u>	<u>\$ 22,563,454</u>

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

Contributions made by the County to Utah Retirement Systems prior to the County's fiscal year end but subsequent to the measurement date of December 31, 2020 are reported as deferred outflows of resources related to pensions in the amount of \$13,375,603 (see breakdown by System in the previous table). These contributions will be recognized as a reduction of the net pension liability in the following 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
2021	\$ (6,217)
2022	358,096
2023	(6,531,911)
2024	(3,534,698)
2025	50,707
Thereafter	294,367

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

Year Ended Dec. 31,	Non- Contributory System	Contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety & Firefighter System
2021	\$ (2,557,449)	\$ (225,868)	\$ 2,860,383	\$ (59,816)	\$ (23,467)
2022	(1,239,904)	(108,214)	1,757,372	(35,129)	(16,029)
2023	(4,337,980)	(256,939)	(1,825,024)	(81,440)	(30,528)
2024	(2,055,340)	(115,175)	(1,329,044)	(23,630)	(11,509)
2025	-	-	-	41,161	9,546
Thereafter	-	-	-	201,456	92,911

**Actuarial Assumptions**

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 - 9.75 percent, average, including inflation
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation

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

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

The actuarial assumptions used in the January 1, 2020 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2019.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	37.00%	6.30%	2.33%
Debt securities	20.00%	0.00%	0.00%
Real assets	15.00%	6.19%	0.93%
Private equity	12.00%	9.50%	1.14%
Absolute return	16.00%	2.75%	0.44%
Totals	<u>100.00%</u>		4.84%
	Inflation		<u>2.50%</u>
	Expected arithmetic nominal return		<u>7.34%</u>

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

**Discount rate:** The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate remained unchanged at 6.95 percent.

**Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate:** The following table presents the proportionate share of the net pension liability/(asset) calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one (1) percentage point lower (5.95 percent) or one (1) percentage point higher (7.95 percent) than the current rate:

System	Discount Rate		
	1% Decrease (5.95%)	Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 29,434,997	\$ 1,697,810	\$ (21,425,306)
Contributory System	619,137	(416,277)	(1,290,509)
Public Safety System	28,588,927	7,820,302	(9,102,273)
Tier 2 Public Employees System	2,022,739	120,208	(1,335,178)
Tier 2 Public Safety and Firefighter	883,212	187,333	(367,675)
Total	<u>\$ 61,549,012</u>	<u>\$ 9,409,376</u>	<u>\$ (33,520,941)</u>

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

**III. Detailed Notes on All Activities and Funds (continued)****H. Employee retirement plans other than pension plans***401(k) Defined Contribution Plan*

Utah County participates in a 401(k) defined contribution plan administered by Prudential Financial, Inc. The County matches employees' contributions to the plan, up to 6.2 percent of base wages. The County's matching contribution is a Social Security replacement program for the employees of the County. The payroll covered by the defined contribution plan for the year ended December 31, 2021 was \$68,167,486. For the year ended December 31, 2021, employer contributions to the plan were \$3,657,233 and employee contributions to the plan were \$4,035,687.

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

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

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

Contribution Type	Year Ended December 31,		
	2021	2020	2019
Employer contributions	\$ 673,887	\$ 559,772	\$ 442,288
Employee contributions	150	-	-

*457 Deferred Compensation Plan*

Utah County participates in a 457 deferred compensation plan administered by Prudential Financial, Inc. Prudential Financial, Inc. has adopted GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Accordingly, assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than being held by the County as the employer. Consequently, plan assets are not included in the County's financial statements as they are not legal assets of the County. All elected officials and employees may elect to participate in this plan. The County does not match amounts deferred by the participants.

**I. Other postemployment benefit (OPEB) obligations**General Information about the Plan*Plan Description*

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

Health insurance premiums paid on behalf of family members of public safety employees who die in the line of duty are governed by Utah Code and can be amended at any time by the Utah State Legislature. The benefit, benefit level, and employee/employer contributions for other postemployment benefits are governed by County policy and can be amended at any time. The plan is not accounted for as a trust fund and no assets are being accumulated in



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

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

a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a separate financial report. The County currently pays for postemployment benefits other than pensions on a “pay-as-you-go” basis.

*Healthcare Benefits*

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

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

**Tier 1** – Employees who had completed 100 percent of the required years of service for retiree healthcare coverage will receive the same subsidy as active employees. The monthly contribution requirement for active employees effective January 1, 2022 are as follows:

Plan	Full-Time		3/4-Time		1/2-Time	
	Employee Only	Employee +1	Employee Only	Employee +1	Employee Only	Employee +1
SelectHealth HDHP	\$-	\$-	\$-	\$-	N/A	N/A
SelectHealth PPO	\$95.80	\$193.90	\$95.80	\$193.90	N/A	N/A

**Tier 2** – For employees who had completed at least 80 percent but less than 100 percent of the required years of service for retiree healthcare coverage, the County will pay up to a fixed-dollar amount per month for healthcare coverage. For 2022, the fixed-dollar monthly amount is \$997.56. The County subsidy will increase annually according to the premium increase, but not more than 8 percent.

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

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

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

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

Finally, as set forth in Utah Code, surviving spouses of public safety employees who die in the line of duty are eligible to join an employer plan with premium payments and Health Savings Account (HSA) contributions made by the County until the first of either (a) the surviving spouse’s 65th birthday, (b) the surviving spouse’s remarriage, or (c) a dependent child’s 26th birthday. Beginning 13 months after the line-of-duty death, the County is eligible to be reimbursed for these healthcare costs from the State of Utah’s Local Public Safety and Firefighter Surviving Spouse Trust Fund.

*Postemployment Income Benefits for Surviving Spouses and/or Children*

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

If an active employee dies prior to retirement (regardless of whether they are eligible for retirement), the surviving spouse is eligible for a postemployment income benefit. The plan will pay the employee's surviving spouse 30 percent of the employee's monthly income at the time of death to age 65. If both unmarried children under the age of 21 and a spouse survive, the spouse will receive 40 percent of the employee's monthly income. If only unmarried children under the age of 21 survive, the children will divide 20 percent of the employee's monthly income. The amount of the benefit is based on the employee's monthly income at the time of death, plus future cost-of-living (COLA) increases at the same rate as COLAs approved by the Board for current County employees.

*Covered Employees*

The County has the following employees covered by the Plan as of December 31, 2021:

Active participants	1038
Retired/fallen officer participants	20

Total OPEB Liability

The County's total OPEB liability of \$8,226,676 was measured as of December 31, 2021, and was determined by an actuarial valuation as January 1, 2021. The plan had a formal actuarial experience study performed in 2021 and the results of that study are reflected in the valuation as of December 31, 2021.

*Actuarial Assumptions and Other Inputs*

The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.25% as of December 31, 2021 and 2.12% as of January 1, 2021.
Payroll Growth	2.25% per year with an additional salary merit scale of 1.04%-1.30% for public employees and 1.02-1.30% for public safety employees
Inflation Rate	2.25% per year
Cost Method	Allocation of Actuarial Present Value of Future Benefits for services prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none"> <li>• Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and</li> <li>• Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.</li> </ul>
Mortality	SOA Pub-2010 General Total Dataset with Headcount Weighted Mortality Table fully generational using Scale MP-2020 for public employees SOA Pub-2010 Public Safety Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2020 for public safety employees SOA Pub-2010 Contingent Survivors Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2020 for surviving spouses

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

Trend Rates	FYE	Medical	Subsidy*	*These rates only apply to the
	2022	7.50%	7.00%	County's subsidy for
	2023	7.00%	6.50%	Tier 2 employees (those who have
	2024	6.50%	6.00%	at least 80% but less than
	2025	6.00%	5.50%	100% of the years of service
	2026	5.50%	5.00%	requirement for retiree health
	2027	5.00%	4.50%	care coverage).
	2028+	4.50%	4.50%	

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

HRA contributions are assumed to not increase.

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

Turnover Rate Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rates represent the probability of termination in the next 12 months. The termination rates are based on the rates determined through an experience study completed in 2021.

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

Changes in the Total OPEB Liability

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

	<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>
Total OPEB Liability, January 1	\$ 8,261,379	\$ 10,466,150	\$ 9,866,466
Changes for the Year:			
Service cost	457,533	639,160	560,008
Interest	180,277	351,899	414,505
Change of benefit terms	-	-	-
Changes in assumptions	(89,051)	(1,025,759)	671,712
Differences between expected and actual experience	(150,601)	(1,543,296)	(357,207)
Benefit payments	(432,861)	(626,775)	(689,334)
Net change in total OPEB liability	<u>(34,703)</u>	<u>(2,204,771)</u>	<u>599,684</u>
Total OPEB Liability, December 31	<u>\$ 8,226,676</u>	<u>\$ 8,261,379</u>	<u>\$ 10,466,150</u>

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

The following table presents the County's total OPEB liability as of December 31, 2021, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (1.25%) or one-percentage point higher (3.25%) than the current discount rate (2.25%) :

	<b>1% Decrease (1.25%)</b>	<b>Current Discount Rate (2.25%)</b>	<b>1% Increase (3.25%)</b>
Total OPEB Liability at December 31, 2021	\$8,935,367	\$8,226,676	\$7,572,568

*Sensitivity of the total OPEB liability to changes in the health care trend rates.*

The following table presents the County's total OPEB liability as of December 31, 2021, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (initial rate of 6.50%, decreasing to an ultimate rate of 3.50%) or one-percentage point higher (initial rate of 8.50%, decreasing to an ultimate rate of 5.50%) than the current health care trend rate (initial rate of 7.50%, decreasing to an ultimate rate of 4.50%):

	<b>1% Decrease</b>	<b>Current Trend Rates</b>	<b>1% Increase</b>
Total OPEB Liability at December 31, 2021	\$7,400,289	\$8,226,676	\$9,199,292

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

For the year ended December 31, 2021, the County recognized OPEB expense of \$127,923. At December 31, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ (1,525,177)
Changes of assumptions or other inputs	383,835	(1,157,288)
Total	<b>\$ 383,835</b>	<b>\$ (2,682,465)</b>

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

<b>Year Ended December 31:</b>	
2022	\$ (509,887)
2023	\$ (509,887)
2024	\$ (509,887)
2025	\$ (362,019)
2026	\$ (406,949)
Thereafter	\$ -

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

#### **J. Risk management**

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

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

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

#### **K. Leases**

##### **1. Leases receivable**

Beginning July 1, 2010, Utah County began leasing the Old Health Department building located in South Provo to Mountainland Community Health Center. The lease is for twenty years and the County will receive monthly payments of \$16,200. Utah County recognized \$159,980 in lease revenue and \$34,420 in interest revenue during the current fiscal year related to this lease. As of December 31, 2021, Utah County's receivable for lease payments was \$1,509,930. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2021, the balance of the deferred inflow of resources was \$1,478,125.

Beginning in 2020, Utah County began leasing office space in the Health & Justice Building to Wasatch Behavioral Health Services Special Service District. The lease is for five years and the County will receive monthly payments of \$17,108. Utah County recognized \$200,274 in lease revenue and \$6,049 in interest revenue during the current fiscal year related to this lease. As of December 31, 2021, Utah County's receivable for lease payments was \$728,978. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2021, the balance of the deferred inflow of resources was \$719,130.

In 2011, the County signed an agreement to lease space in a structure on Teat Mountain to a wireless service provider for communications equipment. The lease was effective July 1, 2013, and the initial lease term is for five years with the option to renew the lease for four additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$2,152 through June 2021 and will receive monthly payments of \$2,217 from July 2021 through June 2022. Utah County recognized \$15,864 in lease revenue and \$10,350 in interest revenue during the current fiscal year related to this lease. As of December 31, 2021, Utah County's receivable for lease payments was \$468,721. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2021, the balance of the deferred inflow of resources was \$445,296.

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

#### K. Leases (continued)

##### 1. Leases receivable (continued)

In 202019, the County signed an agreement to lease land on Teat Mountain to a wireless service provider for placement of communications equipment. The lease was effective March 1, 20220, and the initial lease term is for five years with the option to renew the lease for five additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$721. Utah County recognized \$3,683 in lease revenue and \$4,927 in interest revenue during the current fiscal year related to this lease. As of December 31, 2021, Utah County's receivable for lease payments was \$297,783. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2021, the balance of the deferred inflow of resources was \$285,656.

In 2005, the County signed an agreement to lease land at Equestrian Park to a wireless service provider for placement of communications equipment. The lease was effective November 1, 2005, and the initial lease term is for five years with the option to renew the lease for additional five-year terms. The County expects to exercise these options. The County received monthly payments of \$1,093 during the current fiscal year. Utah County recognized \$11,944 in lease revenue and \$1,168 in interest revenue during the current fiscal year related to this lease. As of December 31, 2021, Utah County's receivable for lease payments was \$48,271. Also, Utah County has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of December 31, 2021, the balance of the deferred inflow of resources was \$47,028.

##### 2. Leases payable

In 2020, the County entered into a ten-year lease agreement as lessee for office space in Provo for the Sheriff's Office. An initial lease liability was recorded in the amount of \$933,154. As of December 31, 2021, the value of the lease liability was \$806,326. Utah County is required to make monthly principal and interest payments of \$6,842. The payment will be increased annually by 3%. The value of the right-to-use asset as of the end of the current fiscal year was \$779,658 and had accumulated amortization of \$153,496.

In 2017, the County entered into a five-year lease agreement as lessee for office space in Orem for the Health Department. An initial lease liability was recorded in the amount of \$177,928. As of December 31, 2021, the value of the lease liability was \$58,463. Utah County was required to make monthly principal and interest payments of \$5,194 from January through November 2021 and \$5,350 for December 2021. The value of the right-to-use asset as of the end of the current fiscal year was \$55,801 and had accumulated amortization of \$122,127.

In 2020, the County entered into a five-year lease agreement as lessee for office space in American Fork for the Health Department. An initial lease liability was recorded in the amount of \$814,375. As of December 31, 2021, the value of the lease liability was \$625,398. Utah County is required to make monthly principal and interest payments of \$12,250. The value of the right-to-use asset as of the end of the current fiscal year was \$610,781 and had accumulated amortization of \$203,594.

In 2020, the County entered into a one-year lease agreement as lessee for office space in American Fork for the Children's Justice Center. The County has an option to extend the lease term for one additional year and expects to exercise that option. An initial lease liability was recorded in the amount of \$52,378. As of December 31, 2021, the value of the lease liability was \$4,398. Utah County is required to make monthly principal and interest payments of \$2,200. The value of the right-to-use asset as of the end of the current fiscal year was \$4,233 and had accumulated amortization of \$48,145.

In 2018, the County entered into a thirty-year lease agreement as lessee for a communication site on federal land on Teat Mountain for Public Works. An initial lease liability was recorded in the amount of \$102,760. As of December 31, 2021, the value of the lease liability was \$97,666. Utah County is required to make annual principal and interest payments of \$6,539. The value of the right-to-use asset as of the end of the current fiscal year was \$95,669 and had accumulated amortization of \$7,091.

In 2020, the County entered into a lease agreement as lessee of office space in Payson for the Health Department. An initial lease liability was recorded in the amount of \$667,738. As of December 31, 2021, the value of the lease

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

#### **K. Leases (continued)**

##### **2. Leases payable (continued)**

liability was \$500,008. Utah County is required to make monthly principal and interest payments of \$8,204. The value of the right-to-use asset as of the end of the current fiscal year was \$476,844 and had accumulated amortization of \$190,894.

In 2016, the County entered into a fifteen-year lease agreement as lessee of an airplane hangar for the Sheriff's Office. The County has an option to extend the lease term for one additional 15-year term and expects to exercise that option. An initial lease liability was recorded in the amount of \$13,216. As of December 31, 2021, the value of the lease liability was \$12,456. Utah County is required to make annual principal and interest payments of \$668. The value of the right-to-use asset as of the end of the current fiscal year was \$12,198 and had accumulated amortization of \$1,018.

In 2017, the County entered into a fifteen-year lease agreement as lessee of an additional airplane hangar for the Sheriff's Office. The County has an option to extend the lease term for one additional 15-year term and expects to exercise that option. An initial lease liability was recorded in the amount of \$19,586. As of December 31, 2021, the value of the lease liability was \$18,461. Utah County is required to make annual principal and interest payments of \$990. The value of the right-to-use asset as of the end of the current fiscal year was \$18,078 and had accumulated amortization of \$1,508.

In 2006, the County entered into a twenty-year lease agreement as lessee for a communication site on state land on Lake Mountain for Public Works. An initial lease liability was recorded in the amount of \$78,824. As of December 31, 2021, the value of the lease liability was \$53,478. Utah County is required to make annual principal and interest payments of \$13,870. The value of the right-to-use asset as of the end of the current fiscal year was \$54,856 and had accumulated amortization of \$23,968.

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

The following is a summary and description of the individual bonds and debt obligations of the County for the year ended December 31, 2021:

<u>Revenue Bonds</u>	<u>Amount</u>
<p>Series 2010 Taxable Sales Tax Revenue Bonds (Qualified Energy Conservation Bonds), original issue of \$4,940,000, principal due in annual installments beginning February 2012, interest at 5.39% due in semi-annual installments beginning February 2011, with the final payment due February 2027. The bonds were issued to finance the costs of energy improvements to County facilities. The Series 2010 Taxable Sales Tax Revenue Bonds were issued as Qualified Energy Conservation Bonds and are, therefore, eligible for a 70- percent interest subsidy from the United States Treasury.</p>	\$ 2,430,000
<p>Series 2013 Excise Tax Revenue Bonds, original issue of \$3,800,000, principal due in annual installments beginning in December 2013, interest at 2.00% to 5.00% due in semi-annual installments beginning December 2013, with the final payment due in December 2033. These bonds were issued to finance the Museum of Natural Curiosity at Thanksgiving Point in Lehi. The Museum of Natural Curiosity had its grand opening in May 2014. The \$28.5 million project was funded largely through private donations, but also received \$2 million from the State of Utah, \$1 million from Lehi City, and \$4.1 million from the County.</p>	\$ 2,550,000
<p>Series 2016 Subordinated Transportation Sales Tax Revenue Bonds, original issue of \$65,000,000, principal due in annual installments beginning in November 2017, interest at 3.172% due in semi-annual installments beginning May 2017, with the final payment due in November 2029. These bonds were issued to finance a Transportation Improvement Project, commonly referred to Bus Rapid Transit (BRT) at the time of issuance. The transit project, now known as Utah Valley Express (UVX), formally opened on January 9, 2019. The UVX line is operated by the Utah Transit Authority and runs between southwest Orem and south-central Provo. Pursuant to an interlocal agreement with Utah Transit Authority, the County has been and expects it will continue to be fully reimbursed for the total principal and interest of the financing.</p>	\$ 57,670,000
<p>Series 2019 Transportation Sales Tax Revenue Refunding Bonds, original issue of \$66,345,000, principal due in annual installments beginning in December 2020, interest at 5.00% due in semi-annual installments beginning June 2019, with the final payment due in December 2034. These bonds were issued to finance the refunding of the Series 2009B Transportation Sales Tax Revenue Bonds originally used to finance certain transportation projects in the County.</p>	\$ 60,040,000



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

<u>Revenue Bonds</u>	<u>Amount</u>
Series 2019 Vehicle Registration Fee Revenue Refunding Bonds, original issue of \$14,710,000, principal due in annual installments beginning in December 2020, interest at 1.00% to 2.50% due in semi-annual installments beginning in June 2020, with the final payment due in December 2029. These bonds were issued to finance the refunding of the Series 2009B Vehicle Registration Fee Revenue Bonds issued to finance certain transportation projects in the County.	\$ 11,915,000
Series 2020 Excise Tax Revenue Refunding Bonds, original issue of \$27,315,000, principal due in annual installments beginning in December 2020, interest at 4.00% to 5.00% due in semi-annual installments beginning in June 2020, with the final payment due in December 2039. These bonds were issued to finance the refunding of the Series 2010B and Series 2010C Taxable Excise Tax Revenue Bonds issued to finance construction of the Utah Valley Convention Center in Provo.	\$ 25,485,000
Series 2021 Transportation Sales Tax Revenue Refunding Bonds, original issue of \$34,745,000, principal due in annual installments beginning in December 2022, interest at 4.00% due in semi-annual installments beginning June 2022, with the final payment due in December 2039. The bonds were issued to finance the refunding of the Series 2012 Sales Tax Revenue Bonds issued to finance certain transportation projects within the County. Before the issuance of the Series 2012 Sales Tax Revenue Bonds, the County entered into an interlocal agreement with Utah Transit Authority (UTA) whereby the County borrowed \$55.2 million from UTA's portion of the fixed guideway (or Section 2216) sales tax to fund transportation projects such as Pioneer Crossing and North County Boulevard. The interlocal agreement stipulated that the County would repay interest to UTA at a rate of 5%. The issuance of these bonds not only reduced the interest payments due to UTA, but also provided immediate operational funding for FrontRunner South, which began service in Utah County in December 2012.	\$ 34,745,000
Total Revenue Bonds – Governmental Activities	<u>\$ 194,835,000</u>

Advance refunding

**Series 2019 Transportation Sales Tax Revenue Refunding Bonds.** In 2019, Utah County issued \$66,345,000 in Series 2019 Transportation Sales Tax Revenue Refunding Bonds with interest at 5.00%. The proceeds were used to advance refund \$79,615,000 of outstanding Series 2009B Transportation Sales Tax Revenue Bonds which had interest rates ranging from 4.62% to 6.51%. The net proceeds of \$78,414,677 (including a \$12,466,275 premium and after payment of \$396,597 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2009B Transportation Sales Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. At December 31, 2021, \$69,690,000 of the defeased bonds remain outstanding.

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

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

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

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

**Series 2019 Vehicle Registration Fee Revenue Refunding Bonds.** In 2019, Utah County issued \$14,710,000 in Series 2019 Vehicle Registration Fee Revenue Refunding Bonds with interest at 1.00% to 2.50%. The proceeds were used to advance refund \$20,580,000 of outstanding Series 2009B Vehicle Registration Fee Revenue Bonds which had interest rates ranging from 4.31% to 6.44%. The net proceeds of \$14,639,933 (after payment of \$70,067 in issuance costs) along with an equity contribution of \$6 million from the County were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2009B Vehicle Registration Fee Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. At December 31, 2021, \$18,750,000 of the defeased bonds remain outstanding.

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

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

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

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

**Series 2020 Excise Tax Revenue Refunding Bonds.** In 2020, Utah County issued \$27,315,000 in Series 2020 Excise Tax Revenue Refunding Bonds with interest at 4.00% to 5.00%. The proceeds were used to advance refund \$32,300,000 of outstanding Series 2010B and 2010C Taxable Excise Tax Revenue Bonds which had interest rates ranging from 5.42% to 7.13%. The net proceeds of \$32,657,109 (including a \$5,582,794 premium and after payment of \$240,684 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2010B and Series 2010C Taxable Excise Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. At December 31, 2021, \$30,350,000 of the defeased bonds remain outstanding.

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

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

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

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

**Series 2021 Transportation Sales Tax Revenue Refunding Bonds.** During the current fiscal year, Utah County issued \$34,745,000 in Series 2021 Transportation Sales Tax Revenue Refunding Bonds with interest at 4.00%. The proceeds were used to advance refund \$42,060,000 of outstanding Series 2012 Sales Tax Revenue Bonds which had interest rates ranging from 2.00% to 5.00%. The net proceeds of \$42,064,809 (including a \$7,552,539 premium and after payment of \$232,730 in underwriting fees and other issuance costs) along with available debt service fund cash were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, the Series 2012 Sales Tax Revenue Bonds are considered defeased and the liability for these bonds has been removed from the statement of net position. At December 31, 2021, \$42,060,000 of the defeased bonds remain outstanding.

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

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

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

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

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

The annual debt service requirements to maturity are as follows:

Fiscal Year	All Bonds		
	Principal	Interest	Total
2022	\$ 8,220,000	\$ 8,115,026	\$ 16,885,713
2023	8,795,000	7,492,024	16,836,874
2024	9,030,000	7,140,396	16,716,746
2025	9,320,000	6,776,508	16,644,108
2026	9,605,000	6,396,971	16,644,108
2027-2031	87,645,000	23,205,174	119,439,470
2032-2036	37,530,000	9,832,700	51,255,275
2037-2039	24,690,000	2,000,800	37,786,000
Totals	<u>\$ 194,835,000</u>	<u>\$ 70,959,599</u>	<u>\$ 292,208,294</u>

Compensated Absences

As of December 31, 2021, the liability for accrued compensated absences amounted to \$6,356,541. The liability for these compensated absences, including salary-related benefits, is reported as incurred in the government-wide and proprietary fund financial statements. A liability for such leave is also recorded in the governmental funds except for the Health Department and Children's Justice Center special revenue funds. Payouts of compensated absences are charged as an expenditure/expense when paid to employees leaving the employ of Utah County rather than being charged to the liability; therefore there is no retirement of or reduction in the long-term liability.

Other Postemployment Benefits

As of December 31, 2021, the County's net other postemployment benefit (OPEB) liability was \$8,226,676.

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

Governmental Activities	January 1		December 31		Due in
	2021	Additions	Retirements	2021	One Year
Long-term debt:					
2010 Taxable Sales Tax Revenue Bonds (QECCB)	\$ 2,785,000	\$ -	\$ (355,000)	\$ 2,430,000	\$ 375,000
2012 Sales Tax Revenue Bonds	43,005,000	-	(43,005,000)	-	-
2013 Excise Tax Revenue Bonds	2,710,000	-	(160,000)	2,550,000	165,000
2016 Subordinated Sales Tax Revenue Bonds	59,170,000	-	(1,500,000)	57,670,000	1,545,000
2019 Transportation Sales Tax Refunding Bonds	63,270,000	-	(3,230,000)	60,040,000	3,390,000
2019 Vehicle Registration Fee Refunding Bonds	13,315,000	-	(1,400,000)	11,915,000	1,415,000
2020 Excise Tax Revenue Refunding Bonds	26,405,000	-	(920,000)	25,485,000	970,000
2021 Transportation Sales Tax Refunding Bonds	-	34,745,000	-	34,745,000	360,000
Unamortized bond discounts	(808,143)	-	58,875	(749,268)	(58,875)
Unamortized bond premiums	17,734,164	7,552,539	(2,721,239)	22,565,464	1,545,201
Total long-term debt	<u>227,586,021</u>	<u>42,297,539</u>	<u>(53,232,364)</u>	<u>216,651,196</u>	<u>9,706,326</u>
Other long-term liabilities:					
Compensated absences	6,177,350	179,191	-	6,356,541	6,356,541
Net OPEB liability	8,261,379	-	(34,703)	8,226,676	509,887
Total other long-term liabilities	<u>14,438,729</u>	<u>179,191</u>	<u>(34,703)</u>	<u>14,583,217</u>	<u>6,866,428</u>
Total governmental long-term debt and liabilities	<u>\$ 242,024,750</u>	<u>\$ 42,476,730</u>	<u>\$ (53,267,067)</u>	<u>\$ 231,234,413</u>	<u>\$ 16,572,754</u>

**M. Fund balance**

**Minimum fund balance policy.** The Board of County Commissioners has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund. The target level is set at two months of general fund annual revenues (approximately 16.7 percent). This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period. At December 31, 2021, the County's general fund balance is compliant with the targeted level set forth by the policy.

**III. Detailed Notes on All Activities and Funds (continued)****N. Discretely presented component units**

**Condensed Financial Statements**  
**Discretely Presented Component Units**  
**Statement of Net Position**

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Behavioral Health Services	Total
<b>Assets</b>						
Current assets	\$ 72,483,276	\$ 5,583,160	\$ 2,160,690	\$ 777,949	\$ 25,961,876	\$ 106,966,951
Capital assets, net of accumulated depreciation	132,299,077	6,392,215	8,972,746	26,340	16,835,025	164,525,403
Other noncurrent assets	1,709,723	257,553	387,099	188,776	222,186	2,765,337
Total assets	206,492,076	12,232,928	11,520,535	993,065	43,019,087	274,257,691
<b>Deferred Outflow of Resources</b>	669,495	450,590	85,441	-	3,679,538	4,885,064
Total assets and deferred outflows of resources	<u>207,161,571</u>	<u>12,683,518</u>	<u>11,605,976</u>	<u>993,065</u>	<u>46,698,625</u>	<u>279,142,755</u>
<b>Liabilities</b>						
Current liabilities	4,310,880	368,382	372,993	114,019	4,460,032	9,626,306
Noncurrent liabilities	23,944,010	590,821	3,408,824	-	1,670,863	29,614,518
Total liabilities	28,254,890	959,203	3,781,817	114,019	6,130,895	39,240,824
<b>Deferred Inflow of Resources</b>	825,599	413,424	110,129	-	9,384,977	10,734,129
<b>Net position</b>	<u>178,081,082</u>	<u>11,310,891</u>	<u>7,714,030</u>	<u>879,046</u>	<u>31,182,753</u>	<u>229,167,802</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 207,161,571</u>	<u>\$ 12,683,518</u>	<u>\$ 11,605,976</u>	<u>\$ 993,065</u>	<u>\$ 46,698,625</u>	<u>\$ 279,142,755</u>

**Statement of Revenues, Expenses, and Changes in Net Position**

Operating revenues	\$ 19,847,111	\$ 11,502,092	\$ 2,683,310	\$ 1,667,684	\$ 56,581,161	\$ 92,281,358
Operating expenses:						
Depreciation	4,276,954	10,925,713	1,785,373	1,309,874	46,627,674	64,925,588
Other operating expenses	10,621,898	591,284	367,933	6,784	913,834	12,501,733
Operating income (loss)	4,948,259	(14,905)	530,004	351,026	9,039,653	14,854,037
Non-operating revenues (expenses)	13,469,939	58,842	238,313	-	402,411	14,169,505
Change in net position	18,418,198	43,937	768,317	351,026	9,442,064	29,023,542
<b>Net position - beginning</b>	159,662,884	11,266,954	6,945,713	528,020	21,740,689	200,144,260
<b>Net position - ending</b>	<u>\$ 178,081,082</u>	<u>\$ 11,310,891</u>	<u>\$ 7,714,030</u>	<u>\$ 879,046</u>	<u>\$ 31,182,753</u>	<u>\$ 229,167,802</u>



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

#### **O. Contingencies**

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

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

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

#### **P. Commitments and agreements**

##### Community reinvestment agencies and tax incentives

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

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

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

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

For the year ended December 31, 2021, the following tax incentives were paid:

Project	Increment Available	Increment Paid
8004 - SOUTH UNIVERSITY AVENUE REDEVELOPMENT	\$ 19,811	\$ 18,357
8005 - PROVO CITY REDEVELOPMENT PROJECT AREA #4	30,257	22,965
8006 - FINANCIAL CENTER COMMUNITY DEVELOPMENT AREA - PROVO	17,565	17,281
8051 - WESTSIDE REDEVELOPMENT PROJECT AREA #85-01	134,590	129,124
8056 - OREM REDEVELOPMENT PROJECT AREA NO. 87-10	85,201	73,143
8057 - REDEVELOPMENT PROJECT AREA #90-08	40,733	40,007
8058 - UNIVERSITY PLACE CDA	128,031	127,448
8105 - 700 NORTH COMMUNITY DEVELOPMENT	34,195	31,867
8202 - ALPINE HIGHWAY ECONOMIC DEVELOPMENT PLAN	736,169	736,168
8203 - THANKSGIVING PARK EDA - LEHI	26,845	26,845
8204 - ALPINE HIGHWAY WEST ECONOMIC DEVELOPMENT PROJECT - LEH	113,187	113,183
8205 - TRAVERSE MOUNTAIN CDA - LEHI	51,938	51,982
8206 - WEST TIMPANOGAS COMMUNITY DEVELOPMENT AREA	67,004	67,004
8251 - NORTH VALLEY REDEVELOPMENT PROJECT	90,093	88,450
8253 - EAST MAIN STREET REDEVELOPMENT PROJECT	13,731	11,851
8254 - EGG FARM ECONOMIC DEVELOPMENT PLAN	89,340	87,854
8310 - SIERRA BONITA CDA	5,731	5,731
8402 - PLEASANT GROVE GATEWAY COMMUNITY DEVELOPMENT AREA	61,501	61,501
8403 - 1300 WEST CDA	77,724	77,724
8404 - GROVE TOWER COMMUNITY REINVESTMENT PROJECT AREA	14,037	13,613
8450 - FRONTAGE ROAD NEIGHBORHOOD DEVELOPMENT PROJECT AREA	19,002	17,421
8601 - PARKSIDE COMMUNITY DEVELOPEMENT AREA - EAGLE MOUNTAIN	4,225	4,225
8602 - EAGLE MOUNTAIN EDA 2012-1	21,004	20,753
8603 - POLE CANYON COM	48	48
8604 - SWEETWATER #1 COMMUNITY REINVESTMENT AREA	241,254	231,797
8675 - GENEVA URBAN RENEWAL PROJECT	405,909	404,379
8676 - GENEVA URBAN RENEWAL PHASE II	88,499	87,276
8677 - GENEVA URBAN RENEWAL PHASE III	211,510	205,836
8678 - GENEVA URBAN RENEWAL PROJECT PHASE 4	45,757	39,186
9105 - 700 NORTH COMMUNITY DEVELOPMENT	24,056	23,013
9450 - FRONTAGE ROAD NEIGHBORHOOD DEVELOPMENT PROJECT AREA	5,050	5,046
9603 - POLE CANYON COMMUNITY REINVESTMENT AREA - EAGLE MT	23,063	23,063
9675 - GENEVA URBAN RENEWAL PROJECT	22,198	21,623
	<u>\$ 2,949,259</u>	<u>\$ 2,885,764</u>

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

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

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

In 2016, the County and Utah Transit Authority (Authority) entered into an interlocal agreement that requires the Authority to reimburse the County for all the costs (principal, interest, and cost of issuance) associated with the issuance of the Series 2016 Subordinated Transportation Sales Tax Revenue Bonds prior to December 31, 2028. In 2019, the County and the Authority entered into a separate interlocal agreement that requires the Authority to reimburse the County for any operational costs of the bus rapid transit system paid by the County on behalf of the Authority. At December 31, 2021, the Authority had made all contractually required payments to the County.

# Required Supplementary Information



## **Timponeeke-Chris Flat Trail**

Photographer Credit: Wyatt Peterson, @wyattpetersonstudios (Instagram)  
Photo courtesy of Utah Valley Convention & Visitors Bureau • Visit [utahvalley.com](http://utahvalley.com)

**Required Supplementary Information**  
**Schedule of Utah County's Proportionate Share of the Net Pension Liability (Asset)**  
**Utah Retirement Systems (URS)**  
**Last Ten Fiscal Years <sup>(1)</sup>**  
**December 31, 2021**

	2021	2020	2019	2018	2017	2016	2015
<b>Noncontributory System</b>							
Proportion of the net pension liability (asset)	3.31%	3.38%	3.19%	3.11%	3.28%	3.20%	3.18%
Proportionate share of the net pension liability (asset)	\$1,697,810	\$12,756,920	\$23,521,614	\$13,643,291	\$21,033,186	\$18,120,296	\$13,803,555
Covered payroll	\$26,863,754	\$28,515,617	\$27,374,013	\$26,596,999	\$28,577,052	\$26,949,576	\$27,061,127
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	6.32%	44.74%	85.93%	51.30%	73.60%	67.24%	51.00%
Plan fiduciary net position as a percentage of the total pension liability	99.20%	93.70%	87.00%	91.90%	87.30%	87.80%	90.20%
<b>Contributory System</b>							
Proportion of the net pension liability (asset)	2.32%	2.86%	2.59%	2.75%	2.86%	1.60%	1.36%
Proportionate share of the net pension liability (asset)	\$(416,277)	\$187,217	\$1,052,287	\$223,791	\$936,815	\$1,125,829	\$393,310
Covered payroll	\$383,134	\$511,894	\$485,345	\$558,048	\$685,070	\$682,507	\$730,686
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	(108.65%)	36.57%	216.81%	40.10%	136.75%	164.95%	53.80%
Plan fiduciary net position as a percentage of the total pension liability	103.90%	98.60%	91.20%	98.20%	92.90%	85.70%	94.00%
<b>Public Safety System</b>							
Proportion of the net pension liability (asset)	21.75%	21.69%	20.40%	19.98%	20.50%	19.91%	19.59%
Proportionate share of the net pension liability (asset)	\$7,820,302	\$10,769,049	\$16,078,573	\$9,652,669	\$12,775,219	\$9,716,378	\$7,745,223
Covered payroll	\$14,439,758	\$14,501,460	\$13,429,139	\$13,260,890	\$14,058,214	\$12,731,406	\$12,246,827
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	54.16%	74.26%	119.73%	72.79%	90.87%	76.32%	63.20%
Plan fiduciary net position as a percentage of the total pension liability	94.50%	91.70%	85.60%	90.50%	172.60%	87.60%	89.00%
<b>Tier 2 Public Employees System</b>							
Proportion of the net pension liability (asset)	0.84%	0.82%	0.75%	0.74%	0.71%	0.62%	0.51%
Proportionate share of the net pension liability (asset)	\$120,208	\$184,630	\$322,537	\$65,476	\$79,409	\$(1,362)	\$(15,515)
Covered payroll	\$13,363,146	\$11,406,277	\$8,789,822	\$7,269,736	\$5,837,928	\$4,031,816	\$2,511,911
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	0.90%	1.62%	3.67%	0.90%	1.36%	(3.00%)	(0.60%)
Plan fiduciary net position as a percentage of the total pension liability	98.30%	96.50%	90.80%	97.40%	95.10%	100.20%	103.50%

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

(continued on next page)

**Required Supplementary Information**  
**Schedule of Utah County's Proportionate Share of the Net Pension Liability (Asset), continued**  
**Utah Retirement Systems (URS)**  
**Last Ten Fiscal Years <sup>(1)</sup>**  
 December 31, 2021

	2021	2020	2019	2018	2017	2016	2015
<b>Tier 2 Public Safety and Firefighters System</b>							
Proportion of the net pension liability (asset)	2.09%	2.00%	1.68%	1.55%	1.28%	1.21%	1.09%
Proportionate share of the net pension liability (asset)	\$187,333	\$188,130	\$42,078	\$(17,953)	\$(11,073)	\$(17,634)	\$(16,108)
Covered payroll	\$4,145,297	\$3,296,342	\$2,245,923	\$1,637,523	\$1,053,894	\$718,350	\$450,257
Proportionate share of the net pension liability (asset) as a percentage of covered payroll	4.52%	5.71%	1.87%	(1.10%)	(1.05%)	(2.45%)	(3.60%)
Plan fiduciary net position as a percentage of the total pension liability	93.10%	89.60%	95.60%	103.00%	103.60%	110.70%	120.50%

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

**Required Supplementary Information**  
**Schedule of Contributions**  
**Utah Retirement Systems (URS)**  
**Last Ten Fiscal Years <sup>(1)</sup>**  
December 31, 2021

	As of Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered- Employee Payroll <sup>(2)</sup>
<b>Noncontributory System</b>	2014	\$ 4,812,841	\$ 4,812,841	\$ -	\$ 27,064,751	17.78%
	2015	4,961,885	4,961,885	-	26,948,474	18.41%
	2016	5,109,445	5,109,445	-	30,953,891	16.51%
	2017	4,758,689	4,758,689	-	26,612,212	17.88%
	2018	4,888,300	4,888,300	-	27,368,516	17.86%
	2019	5,074,811	5,074,811	-	29,052,846	17.47%
	2020	4,780,972	4,780,972	-	27,399,083	17.45%
	2021	4,679,377	4,679,377	-	26,407,531	17.72%
<b>Contributory System</b>	2014	\$ 101,179	\$ 101,179	\$ -	\$ 730,686	13.85%
	2015	98,690	98,690	-	682,507	14.46%
	2016	99,061	99,061	-	685,070	14.46%
	2017	80,842	80,842	-	559,072	14.46%
	2018	70,182	70,182	-	485,345	14.46%
	2019	74,020	74,020	-	511,446	14.47%
	2020	55,402	55,402	-	387,838	14.28%
	2021	28,502	28,502	-	197,104	14.46%
<b>Public Safety System</b>	2014	\$ 3,917,564	\$ 3,917,564	\$ -	\$ 12,246,827	31.99%
	2015	4,068,717	4,068,717	-	12,731,406	31.96%
	2016	4,279,058	4,279,058	-	14,370,641	29.78%
	2017	4,047,466	4,047,466	-	13,263,425	30.52%
	2018	4,112,470	4,112,470	-	13,432,904	30.61%
	2019	4,481,126	4,481,126	-	14,541,997	30.82%
	2020	4,486,310	4,486,310	-	14,458,449	31.03%
	2021	4,315,306	4,315,306	-	14,106,155	30.59%
<b>Tier 2 Public Employees System *</b>	2014	\$ 364,776	\$ 364,776	\$ -	\$ 2,518,467	14.48%
	2015	605,017	605,017	-	4,061,598	14.90%
	2016	874,279	874,279	-	5,864,519	14.91%
	2017	1,098,190	1,098,190	-	7,346,632	14.95%
	2018	1,366,205	1,366,205	-	8,910,468	15.33%
	2019	1,782,739	1,782,739	-	11,003,164	16.20%
	2020	2,150,496	2,150,496	-	13,519,434	15.91%
	2021	2,824,259	2,824,259	-	17,640,722	16.01%
<b>Tier 2 Public Safety and Firefighter System *</b>	2014	\$ 92,171	\$ 92,171	\$ -	\$ 450,257	20.47%
	2015	146,795	146,795	-	719,203	20.41%
	2016	214,472	214,472	-	1,073,819	19.97%
	2017	332,806	332,806	-	1,635,522	20.35%
	2018	465,481	465,481	-	2,249,304	20.69%
	2019	688,806	688,806	-	3,293,772	20.91%
	2020	930,212	930,212	-	4,151,623	22.41%
	2021	1,172,870	1,172,870	-	4,947,119	23.71%
<b>Tier 2 Public Employees DC Only System *</b>	2014	\$ 31,110	\$ 31,110	\$ -	\$ 506,931	6.14%
	2015	38,653	38,653	-	576,630	6.70%
	2016	65,847	65,847	-	1,425,622	4.62%
	2017	86,299	86,299	-	1,744,866	4.95%
	2018	116,484	116,484	-	1,740,654	6.69%
	2019	172,920	172,920	-	3,781,578	4.57%
	2020	236,510	236,510	-	5,425,496	4.36%
	2021	295,633	295,633	-	6,471,456	4.57%

(continued on next page)

**Required Supplementary Information**  
**Schedule of Contributions**  
**Utah Retirement Systems (URS)**  
**Last Ten Fiscal Years <sup>(1)</sup>**  
 December 31, 2021

	As of Fiscal Year Ended December 31,	Contractually Required Contribution	Contributions in relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a percentage of Covered- Employee Payroll <sup>(2)</sup>
<b>Tier 2 Public Safety and Firefighter DC Only System *</b>	2014	\$ 3,236	\$ 3,236	\$ -	\$ 33,457	9.67%
	2015	5,437	5,437	-	55,938	9.72%
	2016	9,921	9,921	-	104,447	9.50%
	2017	14,171	14,171	-	145,795	9.72%
	2018	19,306	19,306	-	198,338	9.73%
	2019	30,189	30,189	-	309,944	9.74%
	2020	41,214	41,214	-	423,134	9.74%
	2021	59,656	59,656	-	612,472	9.74%
<b>Total</b>	2014	\$ 9,322,877	\$ 9,322,877	\$ -	\$ 43,551,376	21.41%
	2015	9,925,194	9,925,194	-	45,775,756	21.68%
	2016	10,652,083	10,652,083	-	54,478,009	19.55%
	2017	10,418,463	10,418,463	-	51,307,524	20.31%
	2018	11,038,428	11,038,428	-	54,385,529	20.30%
	2019	12,304,611	12,304,611	-	62,494,747	19.69%
	2020	12,681,116	12,681,116	-	65,765,057	19.28%
	2021	13,375,603	13,375,603	-	70,382,559	19.00%

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

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

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



**Required Supplementary Information**  
**Schedule of Changes in Utah County's Total OPEB Liability and Related Ratios**  
**Last Ten Fiscal Years\***  
December 31, 2021

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

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

## Notes to Required Supplementary Information

December 31, 2021

### Utah Retirement Systems Pensions

#### *Changes in Assumptions*

There were a number of demographic assumptions (e.g. rates of termination, disability, retirement, as well as an updated mortality and salary increase assumption) updated for use in the January 1, 2020 actuarial valuation. These assumption updates were adopted by the Utah State Retirement Board as a result of an Actuarial Experience Study performed for the Utah Retirement Systems. In aggregate, those assumption changes resulted in a \$201 million increase in the Total Pension Liability, which is about 0.50% of the Total Pension Liability as of December 31, 2019 for all systems combined. The Actuarial Experience Study report as of December 31, 2019 provides detailed information regarding those assumption changes, which may be accessed online at [newsroom.urs.org](http://newsroom.urs.org) under the "Retirement Office" column using the "Reports and Stats" tab.

### Other Postemployment Benefits (OPEB)

#### *Changes in Assumptions*

The discount rate has been updated based on the yield for 20-year tax-exempt general obligation municipal bonds as of December 31, 2021 (measurement date). The discount rate is 2.12% as of January 1, 2021 and 2.25% as of December 31, 2021. The impact of this change was a decrease in liabilities.

# Combining and Individual Fund Financial Statements and Schedules



## **Mount Timpanogos**

Photographer Credit: Matt Galland

Photo courtesy of Utah Valley Convention & Visitors Bureau • Visit [utahvalley.com](http://utahvalley.com)

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
 December 31, 2021

	Special Revenue Funds			
	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8
<b>Assets:</b>				
Cash and investments	\$ -	\$ 5,830,906	\$ 1,707,696	\$ 1,998,958
Receivables	-	-	-	520
Tax receivables	-	938,415	123,639	209,290
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	117,396	67,400
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 6,769,321</b>	<b>\$ 1,948,731</b>	<b>\$ 2,276,168</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 117,396	\$ 3,456
Accrued liabilities	-	22,698	4,161	19,256
Compensated absences	-	180,337	8,624	84,465
Deposits payable	-	-	-	284,363
Due to other funds	-	-	-	-
Unearned revenues	-	2,798	531	623
<b>Total liabilities</b>	<b>-</b>	<b>205,833</b>	<b>130,712</b>	<b>392,163</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenue-property taxes	-	406,626	41,224	90,829
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>406,626</b>	<b>41,224</b>	<b>90,829</b>
<b>Fund balances (deficits):</b>				
<b>Restricted:</b>				
Transient room tax	-	-	-	-
Assessing and collecting	-	-	-	-
Recorder services	-	-	-	-
Special service areas/districts	-	6,156,862	1,776,795	1,793,176
<b>Committed:</b>				
Public health and welfare	-	-	-	-
Public safety	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>-</b>	<b>6,156,862</b>	<b>1,776,795</b>	<b>1,793,176</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ -</b>	<b>\$ 6,769,321</b>	<b>\$ 1,948,731</b>	<b>\$ 2,276,168</b>

(continued)

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

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
December 31, 2021

	Special Revenue Funds				
	Utah Valley		Soldier Summit	Children's	Jail Inmate
	Road Special	Service			
	Service Area	Service	Special Service	Justice	Benefit
9	District	District	Justice	Benefit	
<b>Assets:</b>					
Cash and investments	\$ 487	\$ 1,491,022	\$ 224,986	\$ 842	\$ 1,082,243
Receivables	-	-	3,542	590,825	26,827
Tax receivables	72,157	-	8,438	-	-
Lease receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid items	-	-	-	11,749	-
<b>Total assets</b>	<b>\$ 72,644</b>	<b>\$ 1,491,022</b>	<b>\$ 236,966</b>	<b>\$ 603,416</b>	<b>\$ 1,109,070</b>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 2,915	\$ 3,742	\$ 7,979
Accrued liabilities	-	-	160	33,092	4,118
Compensated absences	-	-	-	-	4,356
Deposits payable	-	-	942	-	-
Due to other funds	-	-	-	430,000	-
Unearned revenues	178	1,418,416	-	250	-
<b>Total liabilities</b>	<b>178</b>	<b>1,418,416</b>	<b>4,017</b>	<b>467,084</b>	<b>16,453</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenue-property taxes	33,974	-	3,282	-	-
<b>Total deferred inflows of resources</b>	<b>33,974</b>	<b>-</b>	<b>3,282</b>	<b>-</b>	<b>-</b>
<b>Fund balances (deficits):</b>					
<b>Restricted:</b>					
Transient room tax	-	-	-	-	-
Assessing and collecting	-	-	-	-	-
Recorder services	-	-	-	-	-
Special service areas/districts	38,492	72,606	229,667	-	-
<b>Committed:</b>					
Public health and welfare	-	-	-	136,332	-
Public safety	-	-	-	-	1,092,617
<b>Total fund balances (deficits)</b>	<b>38,492</b>	<b>72,606</b>	<b>229,667</b>	<b>136,332</b>	<b>1,092,617</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 72,644</b>	<b>\$ 1,491,022</b>	<b>\$ 236,966</b>	<b>\$ 603,416</b>	<b>\$ 1,109,070</b>

(continued)

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

**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
 December 31, 2021

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Contract Law Enforcement	Transient Room Tax	Assessing & Collecting	
<b>Assets:</b>				
Cash and investments	\$ 938	\$ 1,761,191	\$ 18,449,592	\$ 32,548,861
Receivables	1,172,612	-	2,128	1,796,454
Tax receivables	-	713,779	2,302,402	4,368,120
Lease receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	8,700	205,245
<b>Total assets</b>	<b>\$ 1,173,550</b>	<b>\$ 2,474,970</b>	<b>\$ 20,762,822</b>	<b>\$ 38,918,680</b>
<b>Liabilities:</b>				
Accounts payable	\$ 269,990	\$ -	\$ 383,128	\$ 788,606
Accrued liabilities	93,440	-	160,688	337,613
Compensated absences	-	-	456,827	734,609
Deposits payable	-	-	-	285,305
Due to other funds	828,000	-	-	1,258,000
Unearned revenues	-	-	6,217	1,429,013
<b>Total liabilities</b>	<b>1,191,430</b>	<b>-</b>	<b>1,006,860</b>	<b>4,833,146</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenue-property taxes	-	-	500,614	1,076,549
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>500,614</b>	<b>1,076,549</b>
<b>Fund balances (deficits):</b>				
<b>Restricted:</b>				
Transient room tax	-	2,474,970	-	2,474,970
Assessing and collecting	-	-	5,652,631	5,652,631
Recorder services	-	-	13,602,717	13,602,717
Special service areas/districts	-	-	-	10,067,598
<b>Committed:</b>				
Public health and welfare	-	-	-	136,332
Public safety	(17,880)	-	-	1,074,737
<b>Total fund balances (deficits)</b>	<b>(17,880)</b>	<b>2,474,970</b>	<b>19,255,348</b>	<b>33,008,985</b>
<b>Total liabilities, deferred inflows of resources, and fund balances (deficits)</b>	<b>\$ 1,173,550</b>	<b>\$ 2,474,970</b>	<b>\$ 20,762,822</b>	<b>\$ 38,918,680</b>

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

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

### Nonmajor Governmental Funds

For the Year Ended December 31, 2021

	Special Revenue Funds			
	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8
<b>Revenues:</b>				
Property taxes	\$ -	\$ 2,108,587	\$ 536,757	\$ 469,748
Licenses and permits	-	-	32,458	362,379
Charges for services	-	-	38,124	112,691
Fines and forfeitures	-	-	-	46,110
Investment earnings	-	22,673	7,546	9,643
Payments in lieu of taxes	-	822,027	-	183,109
Miscellaneous	335,831	-	(950)	-
<b>Total revenues</b>	335,831	2,953,287	613,935	1,183,680
<b>Expenditures:</b>				
Current:				
General government	335,866	-	-	1,212,996
Public safety	-	1,596,072	897,022	-
Capital outlay:				
<b>Total expenditures</b>	335,866	1,596,072	897,022	1,212,996
Excess/(deficiency) of revenues over/(under) expenditures	(35)	1,357,215	(283,087)	(29,316)
<b>Other financing sources/(uses):</b>				
Transfers in	35	-	224,000	-
Sale of general capital assets	-	-	3,205	-
<b>Total other financing sources/(uses)</b>	35	-	227,205	-
<b>Net change in fund balance</b>	-	1,357,215	(55,882)	(29,316)
<b>Fund balances - beginning</b>	-	4,799,647	1,832,677	1,822,492
<b>Fund balances - ending</b>	\$ -	\$ 6,156,862	\$ 1,776,795	\$ 1,793,176

(continued)

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

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
 For the Year Ended December 31, 2021

	Special Revenue Funds				
	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Children's Justice	Jail Inmate Benefit
<b>Revenues:</b>					
Property taxes	\$ 99,940	\$ -	\$ 30,100	\$ -	\$ -
Sales taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	1,555,152	-
Charges for services	-	-	-	100,500	206,368
Fines and forfeitures	-	-	-	-	-
Investment earnings	106	7,145	1,018	-	5,541
Fees	-	-	86,221	-	-
Payments in lieu of taxes	90,376	-	-	-	-
Miscellaneous	-	-	-	121,273	-
<b>Total revenues</b>	<u>190,422</u>	<u>7,145</u>	<u>117,339</u>	<u>1,776,925</u>	<u>211,909</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	3,863	-	-	-	229,343
Public health and welfare	-	-	-	2,136,115	-
Roads and public improvements	-	25	51,654	-	-
Capital outlay:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public health and welfare	-	-	-	81,523	-
<b>Total expenditures</b>	<u>3,863</u>	<u>25</u>	<u>51,654</u>	<u>2,217,638</u>	<u>229,343</u>
Excess/(deficiency) of revenues over/(under) expenditures	<u>186,559</u>	<u>7,120</u>	<u>65,685</u>	<u>(440,713)</u>	<u>(17,434)</u>
<b>Other financing sources/(uses):</b>					
Transfers in	-	-	-	440,994	-
Transfers out	(224,000)	-	-	-	-
Leases issued (as lessee)	-	-	-	-	-
Sale of general capital assets	-	-	-	-	-
Insurance recoveries	-	-	-	-	-
<b>Total other financing sources/(uses)</b>	<u>(224,000)</u>	<u>-</u>	<u>-</u>	<u>440,994</u>	<u>-</u>
Net change in fund balance	(37,441)	7,120	65,685	281	(17,434)
<b>Fund balances - beginning</b>	<u>75,933</u>	<u>65,486</u>	<u>163,982</u>	<u>136,051</u>	<u>1,110,051</u>
<b>Fund balances - ending</b>	<u>\$ 38,492</u>	<u>\$ 72,606</u>	<u>\$ 229,667</u>	<u>\$ 136,332</u>	<u>\$ 1,092,617</u>

(continued)

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



**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
For the Year Ended December 31, 2021

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Contract Law Enforcement	Transient Room Tax	Assessing & Collecting	
<b>Revenues:</b>				
Property taxes	\$ -	\$ -	\$ 10,006,396	\$ 13,251,528
Sales taxes	-	4,820,396	-	4,820,396
Licenses and permits	-	-	-	394,837
Intergovernmental	-	-	-	1,555,152
Charges for services	5,749,345	-	8,633,813	14,840,841
Fines and forfeitures	-	-	-	46,110
Investment earnings	-	5,980	68,739	128,391
Fees	-	-	-	86,221
Payments in lieu of taxes	-	-	121,026	1,216,538
Miscellaneous	462	-	244,235	700,851
<b>Total revenues</b>	5,749,807	4,826,376	19,074,209	37,040,865
<b>Expenditures:</b>				
Current:				
General government	-	1,305,883	8,319,274	11,174,019
Public safety	5,768,187	-	-	8,494,487
Public health and welfare	-	-	-	2,136,115
Roads and public improvements	-	-	-	51,679
Capital outlay:				
General government	-	-	4,178,152	4,178,152
Public safety	-	-	-	-
Public health and welfare	-	-	-	81,523
<b>Total expenditures</b>	5,768,187	1,305,883	12,497,426	26,115,975
Excess/(deficiency) of revenues over/(under) expenditures	(18,380)	3,520,493	6,576,783	10,924,890
<b>Other financing sources/(uses):</b>				
Transfers in	-	-	-	665,029
Transfers out	-	(2,118,652)	-	(2,342,652)
Leases issued (as lessee)	-	-	-	-
Sale of general capital assets	-	-	-	3,205
Insurance recoveries	500	-	-	500
<b>Total other financing sources/(uses)</b>	500	(2,118,652)	-	(1,673,918)
Net change in fund balance	(17,880)	1,401,841	6,576,783	9,250,972
<b>Fund balances - beginning</b>	-	1,073,129	12,678,565	23,758,013
<b>Fund balances - ending</b>	\$ (17,880)	\$ 2,474,970	\$ 19,255,348	\$ 33,008,985

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

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

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 3,376,874	\$ 3,376,874	\$ 3,423,016	\$ 46,142
Total revenues	3,376,874	3,376,874	3,423,016	46,142
<b>Expenditures:</b>				
Debt service:				
Principal	8,510,000	8,510,000	8,510,000	-
Interest	8,419,521	8,419,108	8,415,457	3,651
Fiscal charges	28,350	28,763	19,600	9,163
Total expenditures	16,957,871	16,957,871	16,945,057	12,814
Excess (deficiency) of revenues over expenditures	(13,580,997)	(13,580,997)	(13,522,041)	58,956
<b>Other financing sources (uses):</b>				
Transfers in	13,580,997	13,580,997	13,521,541	(59,456)
Total other financing sources (uses)	13,580,997	13,580,997	13,521,541	(59,456)
Net change in fund balance	-	-	(500)	(500)
<b>Fund balance - beginning</b>	500	500	500	-
<b>Fund balance - ending</b>	\$ 500	\$ 500	\$ -	\$ (500)

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

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Investment earnings	\$ 250,000	\$ 250,000	\$ 184,079	\$ (65,921)
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>184,079</u>	<u>(65,921)</u>
<b>Expenditures:</b>				
Operating expenses:				
Materials, supplies, services	21,250,000	31,212,297	7,205	31,205,092
Capital outlay:				
Public safety	-	763,820	-	763,820
Total expenditures	<u>21,250,000</u>	<u>31,976,117</u>	<u>7,205</u>	<u>31,968,912</u>
Excess (deficiency) of revenues over expenditures	(21,000,000)	(31,726,117)	176,874	31,902,991
<b>Other financing sources (uses):</b>				
Transfers in	1,000,000	11,400,000	19,976,826	8,576,826
Total other financing sources (uses)	<u>1,000,000</u>	<u>11,400,000</u>	<u>19,976,826</u>	<u>8,576,826</u>
Net change in fund balance*	(20,000,000)	(20,326,117)	20,153,700	40,479,817
<b>Fund balance - beginning</b>	<u>28,606,428</u>	<u>28,606,428</u>	<u>28,606,428</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 8,606,428</u>	<u>\$ 8,280,311</u>	<u>\$ 48,760,128</u>	<u>\$ 40,479,817</u>

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Municipal Building Authority - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Miscellaneous	\$ 335,832	\$ 335,832	\$ 335,831	\$ (1)
Total revenues	<u>335,832</u>	<u>335,832</u>	<u>335,831</u>	<u>(1)</u>
<b>Expenditures:</b>				
Materials, supplies, and services	500	500	35	465
Contributions to other governmental agencies	335,832	335,832	335,831	1
Total expenditures	<u>336,332</u>	<u>336,332</u>	<u>335,866</u>	<u>466</u>
Excess (deficiency) of revenues over expenditures	(500)	(500)	(35)	465
<b>Other financing sources (uses):</b>				
Transfers in	500	500	35	(465)
Total other financing sources (uses)	<u>500</u>	<u>500</u>	<u>35</u>	<u>(465)</u>
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Utah County Special Service Area No. 6 - Special Revenue Fund**  
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 2,303,000	\$ 2,303,000	\$ 2,108,587	\$ (194,413)
Charges for services	-	-	-	-
Investment earnings	15,000	15,000	22,673	7,673
Payments in lieu of taxes	750,000	750,000	822,027	72,027
Miscellaneous	-	-	-	-
Total revenues	<u>3,068,000</u>	<u>3,068,000</u>	<u>2,953,287</u>	<u>(114,713)</u>
<b>Expenditures:</b>				
Personnel services	1,511,770	1,511,770	1,545,285	(33,515)
Materials, supplies, and services	1,556,230	1,556,230	50,787	1,505,443
Total expenditures	<u>3,068,000</u>	<u>3,068,000</u>	<u>1,596,072</u>	<u>1,471,928</u>
Excess (deficiency) of revenues over expenditures	-	-	1,357,215	1,357,215
<b>Other financing sources (uses):</b>				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	1,357,215	1,357,215
<b>Fund balance - beginning</b>	<u>4,799,647</u>	<u>4,799,647</u>	<u>4,799,647</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 4,799,647</u>	<u>\$ 4,799,647</u>	<u>\$ 6,156,862</u>	<u>\$ 1,357,215</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Utah County Special Service Area No. 7 - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>GENERAL FUND</b>				
<b>Revenues:</b>				
Property taxes	\$ 549,000	\$ 549,000	\$ 536,757	\$ (12,243)
Licenses and permits	20,500	20,500	32,458	11,958
Charges for services	29,300	29,300	38,124	8,824
Investment earnings	40,000	40,000	7,546	(32,454)
Miscellaneous	-	-	(950)	(950)
Total revenues	<u>638,800</u>	<u>638,800</u>	<u>613,935</u>	<u>(24,865)</u>
<b>Expenditures:</b>				
Personnel services	238,859	238,859	228,459	10,400
Materials, supplies, and services	90,113	114,587	84,368	30,219
Contributions to other governmental agencies	685,000	683,547	584,195	99,352
Total expenditures	<u>1,013,972</u>	<u>1,036,993</u>	<u>897,022</u>	<u>139,971</u>
Excess (deficiency) of revenues over expenditures	(375,172)	(398,193)	(283,087)	115,106
<b>Other financing sources (uses):</b>				
Transfers in	224,000	224,000	224,000	-
Sale of general capital assets	-	-	3,205	3,205
Total other financing sources (uses)	<u>224,000</u>	<u>224,000</u>	<u>227,205</u>	<u>3,205</u>
Net change in fund balance*	(151,172)	(174,193)	(55,882)	118,311
<b>Fund balance - beginning</b>	<u>1,332,677</u>	<u>1,332,677</u>	<u>1,332,677</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 1,181,505</u>	<u>\$ 1,158,484</u>	<u>\$ 1,276,795</u>	<u>\$ 118,311</u>

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

**CAPITAL PROJECTS FUND**

<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Capital outlay:				
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
<b>Fund balance - beginning</b>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Utah County Special Service Area No. 8 - Special Revenue Fund**  
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>GENERAL FUND</b>				
<b>Revenues:</b>				
Property taxes	\$ 515,000	\$ 515,000	\$ 469,748	\$ (45,252)
Licenses and permits	182,000	182,000	362,379	180,379
Charges for services	61,900	61,900	112,691	50,791
Fines and forfeitures	28,400	28,400	46,110	17,710
Investment earnings	25,000	25,000	9,643	(15,357)
Payments in lieu of taxes	150,000	150,000	183,109	33,109
Total revenues	<u>962,300</u>	<u>962,300</u>	<u>1,183,680</u>	<u>221,380</u>
<b>Expenditures:</b>				
Personnel services	1,023,935	1,021,935	989,875	32,060
Materials, supplies, and services	241,071	262,390	223,121	39,269
Capital outlay	-	-	-	-
Total expenditures	<u>1,265,006</u>	<u>1,284,325</u>	<u>1,212,996</u>	<u>71,329</u>
Excess (deficiency) of revenues over expenditures	(302,706)	(322,025)	(29,316)	292,709
<b>Other financing sources (uses):</b>				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(302,706)	(322,025)	(29,316)	292,709
<b>Fund balance - beginning</b>	<u>1,322,492</u>	<u>1,322,492</u>	<u>1,322,492</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 1,019,786</u>	<u>\$ 1,000,467</u>	<u>\$ 1,293,176</u>	<u>\$ 292,709</u>

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

**CAPITAL PROJECTS FUND**

<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Capital outlay:				
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
<b>Fund balance - beginning</b>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Utah County Special Service Area No. 9 - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 113,000	\$ 113,000	\$ 99,940	\$ (13,060)
Investment earnings	-	-	106	106
Payments in lieu of taxes	75,000	75,000	90,376	15,376
<b>Total revenues</b>	<u>188,000</u>	<u>188,000</u>	<u>190,422</u>	<u>2,422</u>
<b>Expenditures:</b>				
Materials, supplies, and services	150	3,903	3,863	40
<b>Total expenditures</b>	<u>150</u>	<u>3,903</u>	<u>3,863</u>	<u>40</u>
Excess (deficiency) of revenues over expenditures	187,850	184,097	186,559	2,462
<b>Other financing sources (uses):</b>				
Transfers out	(224,000)	(224,000)	(224,000)	-
<b>Total other financing sources (uses)</b>	<u>(224,000)</u>	<u>(224,000)</u>	<u>(224,000)</u>	<u>-</u>
Net change in fund balance*	(36,150)	(39,903)	(37,441)	2,462
<b>Fund balance - beginning</b>	<u>75,933</u>	<u>75,933</u>	<u>75,933</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 39,783</u>	<u>\$ 36,030</u>	<u>\$ 38,492</u>	<u>\$ 2,462</u>

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



**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Utah Valley Road Special Service District - Special Revenue Fund**  
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental	\$ 1,244,187	\$ 1,244,187	\$ -	\$ (1,244,187)
Investment earnings	29,477	29,477	7,145	(22,332)
Total revenues	<u>1,273,664</u>	<u>1,273,664</u>	<u>7,145</u>	<u>(1,266,519)</u>
<b>Expenditures:</b>				
Materials, supplies, and services	1,321,845	1,321,845	25	1,321,820
Total expenditures	<u>1,321,845</u>	<u>1,321,845</u>	<u>25</u>	<u>1,321,820</u>
Excess (deficiency) of revenues over expenditures	(48,181)	(48,181)	7,120	55,301
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(48,181)	(48,181)	7,120	55,301
<b>Fund balance - beginning</b>	65,486	65,486	65,486	-
<b>Fund balance - ending</b>	<u>\$ 17,305</u>	<u>\$ 17,305</u>	<u>\$ 72,606</u>	<u>\$ 55,301</u>

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Soldier Summit Special Service District - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>GENERAL FUND</b>				
<b>Revenues:</b>				
Property taxes	\$ 35,000	\$ 35,000	\$ 30,100	\$ (4,900)
Fees	77,000	77,000	86,221	9,221
Investment earnings	1,000	1,000	1,018	18
Total revenues	<u>113,000</u>	<u>113,000</u>	<u>117,339</u>	<u>4,339</u>
<b>Expenditures:</b>				
Personnel services	30,000	25,000	17,726	7,274
Materials, supplies, and services	25,000	30,000	30,656	(656)
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>48,382</u>	<u>6,618</u>
Excess (deficiency) of revenues over expenditures	58,000	58,000	68,957	10,957
<b>Other financing sources (uses):</b>				
Transfers out	(86,500)	(86,500)	(68,206)	18,294
Total other financing sources (uses)	<u>(86,500)</u>	<u>(86,500)</u>	<u>(68,206)</u>	<u>18,294</u>
Net change in fund balance*	(28,500)	(28,500)	751	29,251
<b>Fund balance - beginning</b>	55,416	55,416	55,416	-
<b>Fund balance - ending</b>	<u>\$ 26,916</u>	<u>\$ 26,916</u>	<u>\$ 56,167</u>	<u>\$ 29,251</u>

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

**CAPITAL PROJECTS FUND**

<b>Revenues:</b>				
Investment earnings	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Capital outlay:				
General government	205,731	205,731	3,272	202,459
Total expenditures	<u>205,731</u>	<u>205,731</u>	<u>3,272</u>	<u>202,459</u>
Excess (deficiency) of revenues over expenditures	(205,731)	(205,731)	(3,272)	202,459
<b>Other financing sources (uses):</b>				
Transfers in	86,500	86,500	68,206	(18,294)
Total other financing sources (uses)	<u>86,500</u>	<u>86,500</u>	<u>68,206</u>	<u>(18,294)</u>
Net change in fund balance**	(119,231)	(119,231)	64,934	184,165
<b>Fund balance - beginning</b>	108,566	108,566	108,566	-
<b>Fund balance - ending</b>	<u>\$ (10,665)</u>	<u>\$ (10,665)</u>	<u>\$ 173,500</u>	<u>\$ 184,165</u>

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Children's Justice Center - Special Revenue Fund**  
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 2,094,487	\$ 2,094,487	\$ 1,555,152	\$ (539,335)
Charges for services	111,325	111,325	100,500	(10,825)
Miscellaneous	159,380	159,380	121,273	(38,107)
Total revenues	2,365,192	2,365,192	1,776,925	(588,267)
<b>Expenditures:</b>				
Personnel services	1,985,164	2,063,713	1,790,313	273,400
Materials, supplies, and services	645,058	589,515	345,802	243,713
Capital outlay	-	71,000	81,523	(10,523)
Total expenditures	2,630,222	2,724,228	2,217,638	506,590
Excess (deficiency) of revenues over expenditures	(265,030)	(359,036)	(440,713)	(81,677)
<b>Other financing sources (uses):</b>				
Transfers in	265,030	274,567	440,994	166,427
Total other financing sources (uses)	265,030	274,567	440,994	166,427
Net change in fund balance*	-	(84,469)	281	84,750
<b>Fund balance - beginning</b>	136,051	136,051	136,051	-
<b>Fund balance - ending</b>	\$ 136,051	\$ 51,582	\$ 136,332	\$ 84,750

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Inmate Benefit - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 303,870	\$ 303,870	\$ 206,368	\$ (97,502)
Investment earnings	-	-	5,541	5,541
Total revenues	<u>303,870</u>	<u>303,870</u>	<u>211,909</u>	<u>(91,961)</u>
<b>Expenditures:</b>				
Personnel services	242,820	242,820	195,681	47,139
Materials, supplies, and services	111,050	111,050	33,662	77,388
Capital outlay	-	-	-	-
Total expenditures	<u>353,870</u>	<u>353,870</u>	<u>229,343</u>	<u>124,527</u>
Excess (deficiency) of revenues over expenditures	(50,000)	(50,000)	(17,434)	32,566
<b>Other financing sources (uses):</b>				
Sale of general capital assets	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(50,000)	(50,000)	(17,434)	32,566
<b>Fund balance - beginning</b>	<u>1,110,051</u>	<u>1,110,051</u>	<u>1,110,051</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 1,060,051</u>	<u>\$ 1,060,051</u>	<u>\$ 1,092,617</u>	<u>\$ 32,566</u>

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

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Contract Law Enforcement - Special Revenue Fund**

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 6,040,819	\$ 6,040,819	\$ 5,749,345	\$ (291,474)
Miscellaneous	-	-	462	(462)
Total revenues	<u>6,040,819</u>	<u>6,040,819</u>	<u>5,749,807</u>	<u>(291,012)</u>
<b>Expenditures:</b>				
Personnel services	3,908,061	4,245,106	4,187,021	58,085
Materials, supplies, and services	2,132,758	1,795,713	1,581,166	214,547
Total expenditures	<u>6,040,819</u>	<u>6,040,819</u>	<u>5,768,187</u>	<u>272,632</u>
Excess (deficiency) of revenues over expenditures	-	-	(18,380)	(18,380)
<b>Other financing sources (uses):</b>				
Transfers in	-	-	-	-
Sale of general capital assets	-	-	-	-
Insurance recoveries	-	-	500	500
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Net change in fund balance	-	-	(17,880)	(17,880)
<b>Fund balance - beginning</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,880)</u>	<u>\$ (17,880)</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Transient Room Tax (TRT) - Special Revenue Fund**  
 For the Year Ended December 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Sales taxes	\$ 3,219,000	\$ 6,219,480	\$ 4,820,396	\$ (1,399,084)
Investment earnings	-	-	5,980	5,980
<b>Total revenues</b>	<u>3,219,000</u>	<u>6,219,480</u>	<u>4,826,376</u>	<u>(1,393,104)</u>
<b>Expenditures:</b>				
Materials, supplies, and services	1,819,000	4,819,480	1,305,883	3,513,597
Contributions to other governmental agencies	-	-	-	-
<b>Total expenditures</b>	<u>1,819,000</u>	<u>4,819,480</u>	<u>1,305,883</u>	<u>3,513,597</u>
Excess (deficiency) of revenues over expenditures	1,400,000	1,400,000	3,520,493	2,120,493
<b>Other financing sources (uses):</b>				
Transfers out	(1,400,000)	(1,400,000)	(2,118,652)	(718,652)
<b>Total other financing sources (uses)</b>	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(2,118,652)</u>	<u>(718,652)</u>
Net change in fund balance	-	-	1,401,841	1,401,841
<b>Fund balance - beginning</b>	<u>1,073,129</u>	<u>1,073,129</u>	<u>1,073,129</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 1,073,129</u>	<u>\$ 1,073,129</u>	<u>\$ 2,474,970</u>	<u>\$ 1,401,841</u>

**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Assessing and Collecting - Special Revenue Fund**  
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 9,950,000	\$ 9,950,000	\$ 10,006,396	\$ 56,396
Charges for services	4,737,000	6,508,255	8,633,813	2,125,558
Investment earnings	50,000	50,000	68,739	18,739
Payments in lieu of taxes	100,000	100,000	121,026	21,026
Miscellaneous	-	-	244,235	244,235
<b>Total revenues</b>	<u>14,837,000</u>	<u>16,608,255</u>	<u>19,074,209</u>	<u>2,465,954</u>
<b>Expenditures:</b>				
Personnel services	8,596,868	9,566,538	8,239,306	1,327,232
Materials, supplies, services, and capital outlay	12,090,132	12,911,717	3,482,995	9,428,722
Contributions to other governmental agencies	650,000	650,000	775,125	(125,125)
<b>Total expenditures</b>	<u>21,337,000</u>	<u>23,128,255</u>	<u>12,497,426</u>	<u>10,630,829</u>
Excess (deficiency) of revenues over expenditures	(6,500,000)	(6,520,000)	6,576,783	13,096,783
<b>Other financing sources (uses):</b>				
Transfers out	-	-	-	-
Sale of general capital assets	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance*	(6,500,000)	(6,520,000)	6,576,783	13,096,783
<b>Fund balance - beginning</b>	<u>12,678,565</u>	<u>12,678,565</u>	<u>12,678,565</u>	<u>-</u>
<b>Fund balance - ending</b>	<u>\$ 6,178,565</u>	<u>\$ 6,158,565</u>	<u>\$ 19,255,348</u>	<u>\$ 13,096,783</u>

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

**Combining Statement of Net Position  
Discretely Presented Component Units  
December 31, 2021**

	<b>Timpanogos Special Service District</b>	<b>North Pointe Solid Waste Special Service District</b>	<b>North Fork Special Service District</b>	<b>Utah Valley Visitors and Convention Bureau</b>	<b>Wasatch Behavioral Health Services</b>	<b>Total Component Units</b>
<b>Assets and Deferred Outflows of Resources</b>						
Current assets:						
Cash and cash equivalents	\$ 67,466,663	\$ 4,947,110	\$ 1,701,392	\$ 511,403	\$ 18,950,260	\$ 93,576,828
Restricted cash	-	-	111,999	-	-	111,999
Investments	-	-	-	47,383	-	47,383
Accounts and notes receivable	4,768,313	608,923	313,103	172,577	6,012,718	11,875,634
Taxes receivable	-	-	34,196	-	-	34,196
Inventories	113,677	-	-	10,195	-	123,872
Prepaid items	134,623	-	-	36,391	-	171,014
Other current assets	-	27,127	-	-	998,898	1,026,025
<b>Total current assets</b>	<b>72,483,276</b>	<b>5,583,160</b>	<b>2,160,690</b>	<b>777,949</b>	<b>25,961,876</b>	<b>106,966,951</b>
Noncurrent assets:						
Restricted cash	1,709,723	257,553	319,851	18,550	-	2,305,677
Restricted investments	-	-	-	170,226	-	170,226
Notes receivable	-	-	-	-	222,186	222,186
Net pension asset	-	-	67,248	-	-	67,248
Other noncurrent assets	-	-	-	-	-	-
Capital assets:						
Land, easements, water rights, construction in progress	12,419,038	2,207,049	602,953	-	2,400,343	17,629,383
Depreciable assets, net of accumulated depreciation/amortization	119,880,039	4,185,166	8,369,793	26,340	14,434,682	146,896,020
Net capital assets	132,299,077	6,392,215	8,972,746	26,340	16,835,025	164,525,403
<b>Total noncurrent assets</b>	<b>134,008,800</b>	<b>6,649,768</b>	<b>9,359,845</b>	<b>215,116</b>	<b>17,057,211</b>	<b>167,290,740</b>
<b>Total assets</b>	<b>206,492,076</b>	<b>12,232,928</b>	<b>11,520,535</b>	<b>993,065</b>	<b>43,019,087</b>	<b>274,257,691</b>
Deferred outflows of resources	669,495	450,590	85,441	-	3,679,538	4,885,064
<b>Total assets and deferred outflows of resources</b>	<b>207,161,571</b>	<b>12,683,518</b>	<b>11,605,976</b>	<b>993,065</b>	<b>46,698,625</b>	<b>279,142,755</b>
<b>Liabilities, Deferred Inflows of Resources, and Net Assets</b>						
Current liabilities:						
Accounts payable	941,700	206,459	86,051	11,478	1,227,276	2,472,964
Accrued interest payable	87,200	3,555	4,591	-	-	95,346
Accrued expenses	295,164	118,581	86,480	83,991	1,772,651	2,356,867
Unearned revenue	-	4,523	-	-	-	4,523
Current portion of long-term debt	2,560,000	26,417	195,871	-	-	2,782,288
Other current liabilities	426,816	8,847	-	18,550	1,460,105	1,914,318
<b>Total current liabilities</b>	<b>4,310,880</b>	<b>368,382</b>	<b>372,993</b>	<b>114,019</b>	<b>4,460,032</b>	<b>9,626,306</b>
Noncurrent liabilities:						
Bonds, notes, and leases payable	23,795,280	56,958	3,399,324	-	-	27,251,562
Net pension liability	112,344	55,632	9,500	-	840,151	1,017,627
Compensated absences and OPEB	-	-	-	-	830,712	830,712
Other long-term liabilities	36,386	478,231	-	-	-	514,617
<b>Total noncurrent liabilities</b>	<b>23,944,010</b>	<b>590,821</b>	<b>3,408,824</b>	<b>-</b>	<b>1,670,863</b>	<b>29,614,518</b>
<b>Total liabilities</b>	<b>28,254,890</b>	<b>959,203</b>	<b>3,781,817</b>	<b>114,019</b>	<b>6,130,895</b>	<b>39,240,824</b>
Deferred inflows of resources	825,599	413,424	110,129	-	9,384,977	10,734,129
<b>Total liabilities and deferred inflows of resources</b>	<b>29,080,489</b>	<b>1,372,627</b>	<b>3,891,946</b>	<b>114,019</b>	<b>15,515,872</b>	<b>49,974,953</b>
Net position:						
Net investment in capital assets	105,943,797	6,308,840	5,766,172	-	16,835,025	134,853,834
Restricted	1,282,909	-	24,150	708,820	-	2,015,879
Unrestricted	70,854,376	5,002,051	1,923,708	170,226	14,347,728	92,298,089
<b>Total net position</b>	<b>\$ 178,081,082</b>	<b>\$ 11,310,891</b>	<b>\$ 7,714,030</b>	<b>\$ 879,046</b>	<b>\$ 31,182,753</b>	<b>\$ 229,167,802</b>



**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Discretely Presented Component Units**  
Year Ended December 31, 2021

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Behavioral Health Services	Total Component Units
Operating revenues	\$ 19,847,111	\$ 11,502,092	\$ 2,683,310	\$ 1,667,684	\$ 56,581,161	\$ 92,281,358
Operating expenses:						
Cost of services	10,621,898	10,925,713	1,785,373	1,309,874	46,627,674	71,270,532
Depreciation	4,276,954	591,284	367,933	6,784	913,834	6,156,789
Total operating expenses	<u>14,898,852</u>	<u>11,516,997</u>	<u>2,153,306</u>	<u>1,316,658</u>	<u>47,541,508</u>	<u>77,427,321</u>
Operating income (loss)	<u>4,948,259</u>	<u>(14,905)</u>	<u>530,004</u>	<u>351,026</u>	<u>9,039,653</u>	<u>14,854,037</u>
Nonoperating revenues (expenses):						
Interest revenue	242,801	34,221	18,200	-	67,959	363,181
Interest expense and fiscal charges	(820,219)	(4,480)	(92,339)	-	-	(917,038)
Other revenues (expenses)	14,047,357	29,101	312,452	-	334,452	14,723,362
Total nonoperating revenues (expenses)	<u>13,469,939</u>	<u>58,842</u>	<u>238,313</u>	<u>-</u>	<u>402,411</u>	<u>14,169,505</u>
Net income (loss)	18,418,198	43,937	768,317	351,026	9,442,064	29,023,542
Net position - beginning	<u>159,662,884</u>	<u>11,266,954</u>	<u>6,945,713</u>	<u>528,020</u>	<u>21,740,689</u>	<u>200,144,260</u>
Net position - ending	<u>\$ 178,081,082</u>	<u>\$ 11,310,891</u>	<u>\$ 7,714,030</u>	<u>\$ 879,046</u>	<u>\$ 31,182,753</u>	<u>\$ 229,167,802</u>

**Combining Statement of Cash Flows  
Discretely Presented Component Units  
For the Year Ended December 31, 2021**

	<b>Timpanogos Special Service District</b>	<b>North Pointe Solid Waste Special Service District</b>	<b>North Fork Special Service District</b>	<b>Utah Valley Visitors and Convention Bureau</b>	<b>Wasatch Behavioral Health Services</b>	<b>Total</b>
<b>Cash flows from operating activities:</b>						
Receipts from customers and users and others	\$ 20,052,006	\$ 11,473,301	\$ 2,743,691	\$ 1,179,457	\$ 57,529,268	\$ 92,977,723
Payments to suppliers and others	(6,689,867)	(8,638,417)	(610,964)	(862,874)	(8,587,938)	(25,390,060)
Payments to employees	(5,251,959)	(2,448,657)	(1,160,939)	(538,191)	(39,033,349)	(48,433,095)
Net cash provided (used) by operating activities	<u>8,110,180</u>	<u>386,227</u>	<u>971,788</u>	<u>(221,608)</u>	<u>9,907,981</u>	<u>19,154,568</u>
<b>Cash flows from non-capital financing activities:</b>						
Property taxes collected and other	166,638	-	327,108	151,967	82,381	728,094
Net cash provided (used) by non-capital financing activities	<u>166,638</u>	<u>-</u>	<u>327,108</u>	<u>151,967</u>	<u>82,381</u>	<u>728,094</u>
<b>Cash flows from capital and related financing activities:</b>						
Purchases of capital assets	(11,680,061)	(400,812)	(362,192)	(1,186)	(3,216,050)	(15,660,301)
Proceeds from sales of capital assets	447,000	-	-	-	800	447,800
Proceeds from issuance of debt	-	-	-	-	-	-
Interest paid on noncurrent liabilities	(1,107,275)	(5,551)	(93,964)	-	-	(1,206,790)
Principal paid on noncurrent liabilities	(2,435,000)	(25,131)	(435,627)	-	-	(2,895,758)
Impact fees, capital facility fees, and other	12,478,924	-	-	-	-	12,478,924
Net cash provided (used) by capital and related financing activities	<u>(2,296,412)</u>	<u>(431,494)</u>	<u>(891,783)</u>	<u>(1,186)</u>	<u>(3,215,250)</u>	<u>(6,836,125)</u>
<b>Cash flows from investing activities:</b>						
Receipt (payment) of note receivable	-	-	-	-	21,512	21,512
Land lease receipts and other	-	29,101	-	-	234,487	263,588
Net sales (purchases) of investments	-	-	-	179	18,359	18,538
Interest and dividends received	242,801	34,221	18,200	-	67,959	363,181
Net cash provided (used) by investing activities	<u>242,801</u>	<u>63,322</u>	<u>18,200</u>	<u>179</u>	<u>342,317</u>	<u>666,819</u>
Net change in cash and cash equivalents	6,223,207	18,055	425,313	(70,648)	7,117,429	13,713,356
<b>Cash and cash equivalents - beginning</b>	<u>62,953,179</u>	<u>5,186,608</u>	<u>1,707,929</u>	<u>600,601</u>	<u>11,832,831</u>	<u>82,281,148</u>
<b>Cash and cash equivalents - ending</b>	<u>\$ 69,176,386</u>	<u>\$ 5,204,663</u>	<u>\$ 2,133,242</u>	<u>\$ 529,953</u>	<u>\$ 18,950,260</u>	<u>\$ 95,994,504</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>						
Operating income (loss)	\$ 4,948,259	\$ (14,905)	\$ 530,004	\$ 351,026	\$ 9,039,653	\$ 14,854,037
<b>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</b>						
Depreciation/amortization expense	4,276,954	591,284	367,933	6,784	913,834	6,156,789
Net (gain) loss on investments and other assets	-	-	-	(149,735)	-	(149,735)
Other noncash expenses	-	272,199	-	-	-	272,199
(Increase) decrease in accounts receivable	204,895	(31,998)	60,381	(154,677)	(1,842,691)	(1,764,090)
(Increase) decrease in prepaid expenses	(10,295)	-	-	(13,465)	-	(23,760)
(Increase) decrease in inventory	63,047	-	-	2,318	-	65,365
(Increase) decrease in other assets	-	(3,451)	-	-	194,946	191,495
Increase (decrease) in accounts payable	(865,438)	(318,225)	28,763	(19,255)	679,314	(494,841)
Increase (decrease) in accrued expenses	(207,035)	13,153	25,900	(60,789)	217,956	(10,815)
Increase (decrease) in unearned revenue	-	3,207	-	(197,263)	-	(194,056)
Increase (decrease) in net pension liability	-	(315,314)	-	-	(4,517,651)	(4,832,965)
Change in net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	-	171,139	(41,193)	-	4,982,084	5,112,030
Increase (decrease) in other liabilities	(300,207)	19,138	-	13,448	240,536	(27,085)
Total adjustments	<u>3,161,921</u>	<u>401,132</u>	<u>441,784</u>	<u>(572,634)</u>	<u>868,328</u>	<u>4,300,531</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 8,110,180</u>	<u>\$ 386,227</u>	<u>\$ 971,788</u>	<u>\$ (221,608)</u>	<u>\$ 9,907,981</u>	<u>\$ 19,154,568</u>

# Other Schedules



## **Downtown Provo**

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**Statement of Taxes Levied, Collected, and Treasurer's Relief**  
For The Year Ended December 31, 2021

<b>Taxing Unit</b>	<b>&lt;a&gt; Year-End Real Property Value</b>	<b>&lt;b&gt; Year-End Centrally Assessed Value</b>	<b>&lt;c&gt; &lt;a&gt; + &lt;b&gt; Total Real &amp; Centrally Assessed Value</b>	<b>&lt;d&gt; Total Personal Property Value</b>
Alpine City	\$ 1,500,034,945	\$ 18,132,886	\$ 1,518,167,831	\$ 9,681,645
Alpine School Charter	36,126,520,090	1,425,227,236	37,551,747,326	2,126,215,304
Alpine School District	36,126,520,090	1,425,227,236	37,551,747,326	2,126,215,304
American Fork City	3,289,790,774	63,126,941	3,352,917,715	160,998,033
Benjamin Cemetery Maintenance District	110,293,447	12,585,019	122,878,466	2,542,122
Bluffdale	-	143,781	143,781	402,967
Cedar Fort Town	39,917,068	4,657,092	44,574,160	1,042,959
Cedar Hills City	714,783,441	9,759,704	724,543,145	7,770,712
Central Utah Water Conservancy District	54,931,764,352	2,244,886,121	57,176,650,473	3,083,092,898
Draper City	372,189,722	7,149,846	379,339,568	17,010
Eagle Mountain City	2,761,226,384	112,739,807	2,873,966,191	239,996,178
Elk Ridge City	344,683,254	2,887,394	347,570,648	1,321,527
Fairfield Town	21,826,819	912,312	22,739,131	372,600
Genola Town	118,657,057	56,176,959	174,834,016	789,367
Goshen Town	43,407,830	2,319,627	45,727,457	386,712
Highland City	1,965,896,275	43,900,343	2,009,796,618	20,161,586
Jordan Valley Water Conservancy District	360,888,835	5,687,846	366,576,681	419,677
Lehi City	8,122,163,455	165,362,627	8,287,526,082	940,587,135
Lehi Metropolitan Water District	8,122,163,455	165,362,627	8,287,526,082	940,587,135
Lindon City	1,947,775,637	30,711,111	1,978,486,748	192,132,291
Mapleton City	1,246,565,508	13,171,296	1,259,736,804	12,444,135
Medical School Campus PID	9,121,600	-	9,121,600	-
Nebo School Charter	11,493,777,916	636,424,139	12,130,202,055	574,820,442
Nebo School District	11,493,777,916	636,424,139	12,130,202,055	574,820,442
North Fork Special Service District	361,166,227	2,792,346	363,958,573	3,586,862
North Utah County Water Conservancy District	19,283,743,479	1,006,578,345	20,290,321,824	1,287,718,815
Orem City	7,456,381,297	162,204,173	7,618,585,470	371,649,525
Orem Metropolitan Water District	7,456,381,297	162,204,173	7,618,585,470	371,649,525
Payson City	1,386,263,870	20,863,055	1,407,126,925	88,547,293
Pleasant Grove City	3,029,175,266	49,659,652	3,078,834,918	101,918,388
Pole Canyon Basic Local District	47,545,200	209,322	47,754,522	144,060
Provo City	7,369,999,938	183,751,006	7,553,750,944	382,332,340
Provo City School District	7,311,466,346	183,234,746	7,494,701,092	382,057,152
Provo School Charter	7,311,466,346	183,234,746	7,494,701,092	382,057,152
Salem City	766,358,284	17,159,068	783,517,352	8,452,937
Santaquin City	790,220,915	29,977,840	820,198,755	12,148,276
Saratoga Springs City	3,110,063,399	40,626,951	3,150,690,350	37,593,161
Soldier Summit Special Service District	9,033,528	1,377,154	10,410,682	78,763
South Valley Sewer District	369,943,022	7,293,627	377,236,649	419,677
Spanish Fork City	3,143,501,426	32,176,447	3,175,677,873	212,869,385
Springville City	2,650,993,227	47,439,748	2,698,432,975	199,299,835
Springville Drainage District	889,094,430	6,227,028	895,321,458	28,646,650
Traverse Ridge Special Service District	360,888,835	5,544,065	366,432,900	16,710
Unified Fire Service Area (Salt Lake County)	2,761,226,384	112,739,807	2,873,966,191	239,996,178
Multi-County (State) Assessing & Collecting	54,931,764,352	2,244,886,121	57,176,650,473	3,083,092,898
Utah County Local Assessing & Collecting	54,931,764,352	2,244,886,121	57,176,650,473	3,083,092,898
Utah County	54,931,764,352	2,244,886,121	57,176,650,473	3,083,092,898
Utah County Service Area #6	1,432,014,712	524,400,078	1,956,414,790	48,552,138
Utah County Service Area #7	918,038,817	58,259,560	976,298,377	34,070,416
Utah County Service Area #8	1,432,014,712	524,400,078	1,956,414,790	48,552,138
Utah County Service Area #9	504,942,367	464,906,301	969,848,668	14,402,959
Vineyard Town	1,105,873,109	604,835,026	1,710,708,135	31,401,046
Woodland Hills City	202,000,740	641,351	202,642,091	223,717
<b>TOTAL</b>	<b>\$ 427,518,836,099</b>	<b>\$ 18,250,370,145</b>	<b>\$ 445,769,206,244</b>	<b>\$ 24,554,481,973</b>

(continued)

**Statement of Taxes Levied, Collected, and Treasurer's Relief**  
For The Year Ended December 31, 2021

Taxing Unit	<e>	<f>	<g>	<h>	<i>
	<c> + <d>	Current	Prior	<c> * <f>	<d> * <g>
	Taxable	Year Tax	Year Tax	Real & Cent.	Personal
	Value	Rate	Rate	Assessed	Property
				Taxes	Taxes
				Charged	Charged
Alpine City	\$ 1,527,849,476	0.001306	0.001424	\$ 1,982,727	\$ 13,787
Alpine School Charter	39,677,962,630	0.000062	0.000056	2,328,208	119,068
Alpine School District	39,677,962,630	0.006842	0.006744	256,929,055	14,339,196
American Fork City	3,513,915,748	0.001687	0.001906	5,656,372	306,862
Benjamin Cemetery Maintenance District	125,420,588	0.000104	0.000112	12,779	285
Bluffdale	546,748	0.001519	0.001695	218	683
Cedar Fort Town	45,617,119	0.000612	0.000671	27,279	700
Cedar Hills City	732,313,857	0.001495	0.001646	1,083,192	12,791
Central Utah Water Conservancy District	60,259,743,371	0.000400	0.000400	22,870,660	1,233,237
Draper City	379,356,578	0.001141	0.001227	432,826	21
Eagle Mountain City	3,113,962,369	0.000724	0.000769	2,080,752	184,557
Elk Ridge City	348,892,175	0.001494	0.001599	519,271	2,113
Fairfield Town	23,111,731	0.000930	0.001019	21,147	380
Genola Town	175,623,383	0.000914	0.001000	159,798	789
Goshen Town	46,114,169	0.000488	0.000539	22,315	208
Highland City	2,029,958,204	0.001122	0.001216	2,254,992	24,516
Jordan Valley Water Conservancy District	366,996,358	0.000369	0.000366	135,267	154
Lehi City	9,228,113,217	0.001429	0.001451	11,842,875	1,364,792
Lehi Metropolitan Water District	9,228,113,217	0.000008	0.000008	66,300	7,525
Lindon City	2,170,619,039	0.001116	0.001174	2,207,991	225,563
Mapleton City	1,272,180,939	0.002048	0.002209	2,579,941	27,489
Medical School Campus PID	9,121,600	0.015000	na	136,824	-
Nebo School Charter	12,705,022,497	0.000076	0.000086	921,895	49,435
Nebo School District	12,705,022,497	0.008618	0.008663	104,538,081	4,979,669
North Fork Special Service District	367,545,435	0.000467	0.000492	169,969	1,765
North Utah County Water Conservancy District	21,578,040,639	0.000015	0.000016	304,355	20,604
Orem City	7,990,234,995	0.001094	0.001166	8,334,733	433,343
Orem Metropolitan Water District	7,990,234,995	0.000023	0.000025	175,227	9,291
Payson City	1,495,674,218	0.001193	0.001193	1,678,702	105,637
Pleasant Grove City	3,180,753,306	0.001497	0.001602	4,609,016	163,273
Pole Canyon Basic Local District	47,898,582	0.000057	0.000533	2,722	77
Provo City	7,936,083,284	0.002230	0.002426	16,844,865	927,538
Provo City School District	7,876,758,244	0.006926	0.007244	51,908,300	2,767,622
Provo School Charter	7,876,758,244	0.000091	0.000093	682,018	35,531
Salem City	791,970,289	0.001227	0.001290	961,376	10,904
Santaquin City	832,347,031	0.001282	0.001396	1,051,495	16,959
Saratoga Springs City	3,188,283,511	0.001359	0.001446	4,281,788	54,360
Soldier Summit Special Service District	10,489,445	0.002591	0.002815	26,974	222
South Valley Sewer District	377,656,326	0.000250	0.000271	94,309	114
Spanish Fork City	3,388,547,258	0.001129	0.001200	3,585,340	255,443
Springville City	2,897,732,810	0.001497	0.001612	4,039,554	321,271
Springville Drainage District	923,968,108	0.000290	0.000298	259,643	8,537
Traverse Ridge Special Service District	366,449,610	0.000447	0.000501	163,796	8
Unified Fire Service Area (Salt Lake County)	3,113,962,369	0.001592	0.001715	4,575,354	411,593
Multi-County (State) Assessing & Collecting	60,259,743,371	0.000012	0.000012	686,120	36,997
Utah County Local Assessing & Collecting	60,259,743,371	0.000142	0.000149	8,119,084	459,381
Utah County	60,259,743,371	0.000853	0.001041	48,771,683	3,209,500
Utah County Service Area #6	2,004,966,928	0.001046	0.001103	2,046,410	53,553
Utah County Service Area #7	1,010,368,793	0.000472	0.000507	460,813	17,274
Utah County Service Area #8	2,004,966,928	0.000233	0.000246	455,845	11,944
Utah County Service Area #9	984,251,627	0.000115	0.000118	111,533	1,700
Vineyard Town	1,742,109,181	0.003329	0.003249	5,694,947	102,022
Woodland Hills City	202,865,808	0.004250	0.004345	861,229	972
<b>TOTAL</b>	<b>\$470,323,688,217</b>			<b>\$ 589,767,966</b>	<b>\$ 32,331,255</b>

(continued)

**Statement of Taxes Levied, Collected, and Treasurer's Relief**  
For The Year Ended December 31, 2021

Taxing Unit	Treasurer's Relief				
	Total Taxes Charged	Unpaid Taxes	Abate-ments	Other	Total Relief
Alpine City	\$ 1,996,514	\$ 214,455	\$ 6,520	\$ 798	\$ 221,773
Alpine School Charter	2,447,276	136,436	15,207	(16,611)	135,032
Alpine School District	271,268,251	14,556,369	1,678,141	(767,851)	15,466,659
American Fork City	5,963,234	388,502	37,298	(40,313)	385,487
Benjamin Cemetery Maintenance District	13,064	1,404	194	(5)	1,593
Bluffdale	901	-	-	-	-
Cedar Fort Town	27,979	1,700	294	14	2,008
Cedar Hills City	1,095,983	42,261	8,611	(1,834)	49,038
Central Utah Water Conservancy District	24,103,897	1,490,453	158,596	(131,422)	1,517,627
Draper City	432,847	31,505	6,681	520	38,706
Eagle Mountain City	2,265,309	69,080	25,583	(27,973)	66,690
Elk Ridge City	521,384	19,457	8,001	514	27,972
Fairfield Town	21,527	1,929	323	43	2,295
Genola Town	160,588	11,608	1,112	(74)	12,646
Goshen Town	22,523	1,704	489	(51)	2,142
Highland City	2,279,508	144,038	12,669	(3,994)	152,713
Jordan Valley Water Conservancy District	135,420	10,188	2,161	166	12,515
Lehi City	13,207,667	560,395	59,904	(40,582)	579,717
Lehi Metropolitan Water District	73,825	3,137	335	(307)	3,165
Lindon City	2,433,555	194,424	5,361	(12,712)	187,073
Mapleton City	2,607,430	230,519	16,485	296	247,300
Medical School Campus PID	136,824	136,824	-	-	136,824
Nebo School Charter	971,330	73,816	8,700	(2,925)	79,591
Nebo School District	109,517,751	8,170,319	986,514	(160,080)	8,996,753
North Fork Special Service District	171,733	20,960	129	372	21,461
North Utah County Water Conservancy District	324,958	18,309	1,679	(406)	19,582
Orem City	8,768,076	485,947	55,295	(82,825)	458,417
Orem Metropolitan Water District	184,519	10,216	1,163	(1,712)	9,667
Payson City	1,784,339	95,113	21,021	(5,461)	110,673
Pleasant Grove City	4,772,289	262,250	30,768	(6,530)	286,488
Pole Canyon Basic Local District	2,799	2	-	48	50
Provo City	17,772,403	1,236,073	81,947	(61,073)	1,256,947
Provo City School District	54,675,922	3,639,033	254,515	(415,180)	3,478,368
Provo School Charter	717,549	50,441	3,344	(8,110)	45,675
Salem City	972,280	71,038	11,080	(207)	81,911
Santaquin City	1,068,454	60,788	14,782	(353)	75,217
Saratoga Springs City	4,336,148	232,620	48,152	(2,565)	278,207
Soldier Summit Special Service District	27,196	2,311	-	(15)	2,296
South Valley Sewer District	94,423	6,903	1,464	114	8,481
Spanish Fork City	3,840,784	222,303	32,450	(20,148)	234,605
Springville City	4,360,825	328,941	35,691	(21,999)	342,633
Springville Drainage District	268,180	24,609	1,929	(558)	25,980
Traverse Ridge Special Service District	163,804	12,342	2,617	205	15,164
Unified Fire Service Area (Salt Lake County)	4,986,948	151,900	56,254	(50,681)	157,473
Multi-County (State) Assessing & Collecting	723,117	44,714	4,758	(3,311)	46,161
Utah County Local Assessing & Collecting	8,578,465	529,111	56,302	(31,628)	553,785
Utah County	51,981,183	3,178,391	338,206	(73,568)	3,443,029
Utah County Service Area #6	2,099,963	336,769	7,513	(22,891)	321,391
Utah County Service Area #7	478,087	44,362	3,179	(9,941)	37,600
Utah County Service Area #8	467,788	75,016	1,673	(5,104)	71,585
Utah County Service Area #9	113,232	26,114	51	(137)	26,028
Vineyard Town	5,796,969	169,699	17,001	(89,200)	97,500
Woodland Hills City	862,201	82,945	6,976	372	90,293
<b>TOTAL</b>	<b>\$ 622,099,221</b>	<b>\$ 37,909,743</b>	<b>\$ 4,129,118</b>	<b>-\$2,116,875</b>	<b>\$ 39,921,986</b>

(continued)

## Statement of Taxes Levied, Collected, and Treasurer's Relief

For The Year Ended December 31, 2021

Taxing Unit	Other Collections			
	<k> Current Year Taxes Collected	<k> / <j> Collection Rate	Fee-in-Lieu / Age-Based	Misc Collections & Pers. Prop. Realloc
Alpine City	\$ 1,774,741	88.89%	\$ 130,598	\$ 3,475
Alpine School Charter	2,312,244	94.48%	142,093	44,906
Alpine School District	255,801,592	94.30%	16,759,588	4,980,657
American Fork City	5,577,748	93.54%	394,038	176,951
Benjamin Cemetery Maintenance District	11,471	87.81%	925	222
Bluffdale	902	100.06%	-	1
Cedar Fort Town	25,972	92.83%	3,453	369
Cedar Hills City	1,046,945	95.53%	103,171	1,635
Central Utah Water Conservancy District	22,586,270	93.70%	1,469,247	471,005
Draper City	394,141	91.06%	29,944	593
Eagle Mountain City	2,198,618	97.06%	175,371	57,474
Elk Ridge City	493,412	94.64%	42,151	3,219
Fairfield Town	19,233	89.34%	3,074	378
Genola Town	147,942	92.13%	9,362	3,170
Goshen Town	20,382	90.49%	2,631	52
Highland City	2,126,795	93.30%	192,837	3,431
Jordan Valley Water Conservancy District	122,905	90.76%	8,599	171
Lehi City	12,627,949	95.61%	719,019	201,361
Lehi Metropolitan Water District	70,660	95.71%	3,978	1,126
Lindon City	2,246,481	92.31%	127,093	10,943
Mapleton City	2,360,131	90.52%	168,400	278,621
Medical School Campus PID	-	-%	-	-
Nebo School Charter	891,739	91.81%	67,026	31,388
Nebo School District	100,520,999	91.79%	6,918,930	3,538,339
North Fork Special Service District	150,272	87.50%	627	232
North Utah County Water Conservancy District	305,377	93.97%	20,131	5,490
Orem City	8,309,659	94.77%	625,162	46,243
Orem Metropolitan Water District	174,851	94.76%	13,348	977
Payson City	1,673,666	93.80%	115,672	30,401
Pleasant Grove City	4,485,801	94.00%	355,962	133,440
Pole Canyon Basic Local District	2,749	98.22%	80	414
Provo City	16,515,455	92.93%	944,248	90,320
Provo City School District	51,197,554	93.64%	2,844,019	277,313
Provo School Charter	671,874	93.63%	36,703	3,618
Salem City	890,369	91.58%	76,373	59,030
Santaquin City	993,237	92.96%	94,534	8,586
Saratoga Springs City	4,057,941	93.58%	336,185	296,846
Soldier Summit Special Service District	24,900	91.56%	91	1,456
South Valley Sewer District	85,942	91.02%	6,286	130
Spanish Fork City	3,606,178	93.89%	259,187	121,794
Springville City	4,018,193	92.14%	277,166	51,119
Springville Drainage District	242,200	90.31%	13,978	6,344
Traverse Ridge Special Service District	148,640	90.74%	11,468	232
Unified Fire Service Area (Salt Lake County)	4,829,474	96.84%	389,892	126,613
Multi-County (State) Assessing & Collecting	676,956	93.62%	44,077	14,171
Utah County Local Assessing & Collecting	8,024,680	93.54%	541,486	168,542
Utah County	48,538,153	93.38%	3,667,719	1,074,122
Utah County Service Area #6	1,778,573	84.70%	64,463	82,522
Utah County Service Area #7	440,487	92.14%	25,492	28,481
Utah County Service Area #8	396,203	84.70%	14,374	18,383
Utah County Service Area #9	87,203	77.01%	941	2,068
Vineyard Town	5,699,470	98.32%	206,672	6,209
Woodland Hills City	771,908	89.53%	37,719	15,854
TOTAL	\$ 582,177,237		\$ 38,495,583	\$ 12,480,437

(continued)

**Statement of Taxes Levied, Collected, and Treasurer's Relief**  
For The Year Ended December 31, 2021

Taxing Unit	Delinquent Collections					Total All Collections
	Tax	Interest / Penalty	Tax Increments Paid	Refunds Paid		
Alpine City	\$ 217,487	\$ 4,553	\$ 0	\$ 0	\$ 2,130,854	
Alpine School Charter	121,015	4,112	172,751	-	2,451,619	
Alpine School District	14,031,891	493,452	17,250,595	-	274,816,585	
American Fork City	368,239	15,699	391,430	-	6,141,245	
Benjamin Cemetery Maintenance District	1,103	41	-	-	13,762	
Bluffdale	-	4	-	-	907	
Cedar Fort Town	1,023	63	-	-	30,880	
Cedar Hills City	51,107	970	-	-	1,203,828	
Central Utah Water Conservancy District	1,277,571	43,482	1,312,773	-	24,534,802	
Draper City	36,067	1,331	-	-	462,076	
Eagle Mountain City	71,453	2,067	281,848	-	2,223,135	
Elk Ridge City	22,968	442	-	-	562,192	
Fairfield Town	3,793	220	-	-	26,698	
Genola Town	6,366	116	-	-	166,956	
Goshen Town	1,933	69	-	-	25,067	
Highland City	160,426	4,877	-	-	2,488,366	
Jordan Valley Water Conservancy District	10,569	364	-	-	142,608	
Lehi City	470,770	12,939	1,701,309	-	12,330,729	
Lehi Metropolitan Water District	2,602	71	9,330	-	69,107	
Lindon City	115,168	7,136	75,148	-	2,431,673	
Mapleton City	196,341	4,615	-	-	3,008,108	
Medical School Campus PID	-	-	-	-	-	
Nebo School Charter	58,934	1,695	2,843	-	1,047,939	
Nebo School District	6,198,956	184,731	313,952	-	117,048,003	
North Fork Special Service District	22,744	527	-	-	174,402	
North Utah County Water Conservancy District	17,034	549	30,812	-	317,769	
Orem City	504,338	25,110	523,549	-	8,986,963	
Orem Metropolitan Water District	10,786	538	11,045	-	189,455	
Payson City	105,702	6,139	-	-	1,931,580	
Pleasant Grove City	283,573	9,060	330,367	-	4,937,469	
Pole Canyon Basic Local District	564	33	1,541	-	2,299	
Provo City	1,048,258	36,649	310,866	-	18,324,064	
Provo City School District	3,202,872	114,883	913,968	-	56,722,673	
Provo School Charter	40,872	1,385	11,954	-	742,498	
Salem City	69,874	1,475	-	-	1,097,121	
Santaquin City	55,866	1,300	-	-	1,153,523	
Saratoga Springs City	290,215	9,492	-	-	4,990,679	
Soldier Summit Special Service District	958	28	-	-	27,433	
South Valley Sewer District	7,907	290	-	-	100,555	
Spanish Fork City	163,427	4,291	7,586	-	4,147,291	
Springville City	304,302	9,320	41,127	-	4,618,973	
Springville Drainage District	26,288	459	8,185	-	281,084	
Traverse Ridge Special Service District	13,977	517	-	-	174,834	
Unified Fire Service Area (Salt Lake County)	163,506	4,444	475,748	-	5,038,181	
Multi-County (State) Assessing & Collecting	37,902	1,217	-	-	774,323	
Utah County Local Assessing & Collecting	485,372	16,854	-	-	9,236,934	
Utah County	2,935,423	1,136,900	2,935,199	-	54,417,118	
Utah County Service Area #6	180,758	4,464	-	-	2,110,780	
Utah County Service Area #7	42,446	1,067	-	-	537,973	
Utah County Service Area #8	40,301	996	-	-	470,257	
Utah County Service Area #9	9,504	229	-	-	99,945	
Vineyard Town	130,760	6,465	3,023,290	-	3,026,286	
Woodland Hills City	63,974	1,394	-	-	890,849	
<b>TOTAL</b>	<b>\$ 33,685,285</b>	<b>\$ 2,179,124</b>	<b>\$ 30,137,216</b>	<b>\$ 0</b>	<b>\$ 638,880,450</b>	



## Information about Infrastructure Assets Reported Using the Modified Approach

### Ratings for Utah County's Roads System

For the Year Ended December 31, 2021

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

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

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

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

The rating system includes the following variables:

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

On December 31, 2021, the County had 47.77 miles of dirt roads, 140.09 miles of gravel roads, 255.77 miles of chip-seal roads, and 92.29 miles of asphalt roads.

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

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

Year	Budget	Expenditures
2017	\$ 3,727,910	\$ 2,867,304
2018	\$ 6,495,628	\$ 6,271,108
2019	\$ 4,317,670	\$ 4,280,504
2020	\$ 4,191,483	\$ 3,878,312
2021	\$ 3,937,544	\$ 4,476,122

The total value of the County's roads system was \$64,105,046 as of December 31, 2021.

Report prepared by the Utah County Public Works Department.

**Schedule of Transient Room Tax (TRT) and Tourism, Recreation, Cultural,  
Convention, and Airport Facilities (TRCC) Tax Expenditures**  
For the Year Ended December 31, 2021

**Transient Room Tax**

Establishing and promoting:		
Recreation	\$	-
Tourism		1,305,883
Film production		-
Conventions		-
 Acquiring, leasing, constructing, furnishing, or operating:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
 Acquiring or leasing land required for or related to:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
 Mitigation costs		-
Payment of principal, interest, premiums, and reserves on bonds		2,118,652
 Total expenditures	\$	<u>3,424,535</u>

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

Financing tourism promotion	\$	468,023
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		2,088,535
Cultural facilities		1,026,494
Convention facilities		5,298,402
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>8,881,454</u>

# STATISTICAL SECTION



## **Cascade Springs**

Photographer Credit: Wyatt Peterson, @wyattpetersonstudios (Instagram)  
Photo courtesy of Utah Valley Convention & Visitors Bureau • Visit [utahvalley.com](http://utahvalley.com)

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets, net of related debt	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978	\$ 285,092	\$ 270,761	\$ 234,109
Restricted	68,756	73,746	75,918	72,021	89,378	101,109	107,132	123,608	165,340	220,435
Unrestricted	38,352	43,953	51,489	53,711	46,690	10,667	15,552	9,990	85,122	172,175
Total governmental activities net position	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>	<u>\$ 385,662</u>	<u>\$ 418,690</u>	<u>\$ 521,223</u>	<u>\$ 626,719</u>
Primary government										
Invested in capital assets, net of related debt	\$ 180,013	\$ 184,153	\$ 192,534	\$ 197,175	\$ 202,326	\$ 216,353	\$ 262,978	\$ 285,092	\$ 270,761	\$ 234,109
Restricted	68,756	73,746	75,918	72,021	89,378	101,109	107,132	123,608	165,340	220,435
Unrestricted	38,352	43,953	51,489	53,711	46,690	10,667	15,552	9,990	85,122	172,175
Total primary government net position	<u>\$ 287,121</u>	<u>\$ 301,852</u>	<u>\$ 319,941</u>	<u>\$ 322,907</u>	<u>\$ 338,394</u>	<u>\$ 328,129</u>	<u>\$ 385,662</u>	<u>\$ 418,690</u>	<u>\$ 521,223</u>	<u>\$ 626,719</u>

Source: Utah County Statements of Net Position at December 31, 2012 through 2021.

Note: The County has no business-type activities.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
General government	\$ 31,836	\$ 37,695	\$ 38,498	\$ 37,907	\$ 39,400	\$ 41,393	\$ 47,470	\$ 51,857	\$ 133,201	\$ 67,585
Public safety	44,994	46,787	48,865	48,362	51,135	55,342	56,047	62,761	60,433	66,068
Public health and welfare	31,462	33,660	32,924	32,988	32,301	34,600	35,890	38,774	34,900	36,494
Roads and public improvements	59,278	37,657	44,088	48,453	61,128	82,785	24,269	79,686	100,754	113,684
Parks and recreation	5,157	3,699	1,772	1,760	2,100	4,464	5,797	4,096	1,880	2,139
Interest on long-term liabilities	12,662	12,593	12,326	11,950	11,505	12,957	12,803	10,673	7,092	5,659
Total primary government expenses	<u>\$ 185,389</u>	<u>\$ 172,091</u>	<u>\$ 178,473</u>	<u>\$ 181,420</u>	<u>\$ 197,569</u>	<u>\$ 231,541</u>	<u>\$ 182,276</u>	<u>\$ 247,847</u>	<u>\$ 338,260</u>	<u>\$ 291,629</u>
<b>Program Revenues</b>										
Charges for services:										
General government	\$ 14,152	\$ 11,876	\$ 13,163	\$ 15,303	\$ 15,224	\$ 16,339	\$ 17,787	\$ 26,846	\$ 28,702	\$ 37,149
Public safety	12,461	13,673	12,955	13,132	13,543	8,402	7,969	6,424	3,206	5,747
Public health	7,692	11,371	11,107	10,397	11,833	11,390	12,387	15,122	11,943	11,714
Operating grants and contributions	26,923	24,326	30,521	28,501	28,832	30,744	35,354	30,118	144,121	62,857
Total primary government program revenues	<u>\$ 61,228</u>	<u>\$ 61,246</u>	<u>\$ 67,746</u>	<u>\$ 67,333</u>	<u>\$ 69,432</u>	<u>\$ 66,875</u>	<u>\$ 73,497</u>	<u>\$ 78,510</u>	<u>\$ 187,972</u>	<u>\$ 117,467</u>
<b>Net (Expense)/Revenue</b>										
Total primary government program net expense	<u>\$ (124,161)</u>	<u>\$ (110,845)</u>	<u>\$ (110,727)</u>	<u>\$ (114,087)</u>	<u>\$ (128,137)</u>	<u>\$ (164,666)</u>	<u>\$ (108,779)</u>	<u>\$ (169,337)</u>	<u>\$ (150,288)</u>	<u>\$ (174,162)</u>
<b>General Revenues</b>										
Property taxes	\$ 40,093	\$ 42,611	\$ 40,610	\$ 42,949	\$ 44,528	\$ 44,474	\$ 48,402	\$ 50,216	\$ 73,840	\$ 70,651
Sales taxes	48,403	80,375	84,809	90,067	96,055	105,973	112,734	143,279	166,954	204,966
Investment earnings	935	578	556	695	1,183	2,538	3,503	4,212	2,506	1,174
Miscellaneous	1,059	2,015	2,840	1,688	1,858	1,416	2,676	4,657	9,381	2,867
Total primary government general revenues	90,490	125,579	128,815	135,399	143,624	154,401	167,315	202,364	252,681	279,658
<b>Changes in Net Position</b>										
Total primary government	<u>\$ (33,671)</u>	<u>\$ 14,734</u>	<u>\$ 18,088</u>	<u>\$ 21,312</u>	<u>\$ 15,487</u>	<u>\$ (10,265)</u>	<u>\$ 58,536</u>	<u>\$ 33,027</u>	<u>\$ 102,393</u>	<u>\$ 105,496</u>

Source: Utah County Statements of Activities for years ended at December 31, 2012 through 2021.

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

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

	2017	2018	2019	2020	2021
<b>Assets and deferred outflows of resources</b>					
<b>Assets:</b>					
Cash and investments	\$ 188,095,541	\$ 156,382,465	\$ 174,766,354	\$ 242,252,848	\$ 405,409,109
<b>Receivables:</b>					
Taxes receivable	20,770,460	21,501,860	27,175,559	36,266,748	34,911,198
Leases receivable	-	-	-	3,445,250	3,053,506
Other receivables	12,383,250	10,975,408	12,555,941	51,979,020	15,855,823
Inventories	358,651	314,349	315,837	572,563	634,070
Other current assets	787,214	4,257,491	4,297,114	11,617,793	11,980,252
<b>Capital assets, net of depreciation</b>					
Land	46,939,657	47,074,157	48,013,335	47,626,335	48,997,453
Rights of way and water rights	211,740	211,740	211,740	211,740	211,740
Buildings	112,119,299	109,513,264	106,758,580	100,363,508	99,224,896
Improvements other than buildings	4,210,870	3,957,006	3,739,898	3,388,561	3,205,591
Equipment	10,909,644	10,438,260	12,355,640	14,302,683	18,829,172
Right-to-use assets	-	-	-	2,552,570	2,108,118
Infrastructure	239,045,217	311,835,068	315,299,518	321,838,027	322,543,824
Construction in progress	-	-	-	-	7,084
Net pension asset	11,073	17,953	-	-	416,277
<b>Total assets</b>	<b>635,842,616</b>	<b>676,479,021</b>	<b>705,489,516</b>	<b>836,417,646</b>	<b>967,388,113</b>
<b>Deferred outflows of resources</b>	<b>28,655,514</b>	<b>26,496,655</b>	<b>35,882,059</b>	<b>28,042,789</b>	<b>28,502,152</b>
<b>Total assets and deferred outflows of resources</b>	<b>664,498,130</b>	<b>702,975,676</b>	<b>741,371,575</b>	<b>864,460,435</b>	<b>995,890,265</b>
<b>Liabilities and deferred inflows of resources</b>					
<b>Liabilities:</b>					
Accounts payable and accruals	\$ 15,647,407	\$ 12,315,745	\$ 21,547,079	\$ 39,750,852	\$ 19,491,620
Accrued interest	955,550	924,444	801,005	793,025	698,608
Unearned revenues	6,290,497	3,132,201	4,637,954	19,092,090	76,381,891
Revenue bonds payable--due within one year	8,892,668	9,202,668	10,596,810	8,907,022	8,220,000
Other liabilities	2,820,010	3,567,758	562,886	-	-
<b>Noncurrent liabilities:</b>					
Revenue bonds payable--due more than one year	251,586,020	242,383,352	227,483,675	219,076,021	208,431,196
Leases payable--due more than one year	-	-	-	2,051,588	2,176,655
Compensated absences and other postemployment benefits	11,112,139	11,692,531	14,773,282	14,435,729	14,583,217
Net pension liability	34,824,628	23,585,228	41,017,088	24,085,947	9,825,653
<b>Total liabilities</b>	<b>332,128,919</b>	<b>306,803,927</b>	<b>321,419,779</b>	<b>328,192,274</b>	<b>339,808,840</b>
<b>Deferred inflows of resources</b>	<b>4,240,141</b>	<b>10,509,348</b>	<b>1,262,166</b>	<b>15,044,849</b>	<b>29,362,237</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>336,369,060</b>	<b>317,313,275</b>	<b>322,681,945</b>	<b>343,237,123</b>	<b>369,171,077</b>
<b>Net position</b>					
Net investment in capital assets	\$ 216,352,739	\$ 262,978,181	\$ 285,092,022	\$ 270,761,103	\$ 234,108,748
<b>Restricted for:</b>					
Debt service	4,186,306	2,807,164	1,396,040	500	-
Special service areas/districts	-	-	-	8,760,217	10,067,598
Assessing and collecting property taxes	5,281,093	4,426,091	6,500,960	4,510,034	5,652,531
Recorder services	-	-	-	8,168,531	13,602,717
Transient room tax	733,124	771,038	772,576	1,073,129	2,474,970
Public transit tax	75,601,550	79,176,704	87,415,200	109,678,666	148,192,673
TRCC taxes	15,306,920	19,951,288	27,522,726	33,149,320	40,444,761
Unrestricted	10,667,338	15,551,935	9,990,106	85,121,812	172,175,190
<b>Total net position</b>	<b>\$ 328,129,070</b>	<b>\$ 385,662,401</b>	<b>\$ 418,689,630</b>	<b>\$ 521,223,312</b>	<b>\$ 626,719,188</b>

Source: Utah County Statements of Net Position at December 31, 2017 through 2021.

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

	2017	2018	2019	2020	2021
Net (expenses)/revenues by function: <sup>1</sup>					
Governmental activities:					
General government	\$ (25,053,679)	\$ (29,683,836)	\$ (25,010,942)	\$ (17,279,118)	\$ 1,441,010
Public safety	(42,697,469)	(42,095,367)	(51,199,988)	(24,096,798)	(58,766,528)
Public health and welfare	(4,912,908)	(5,640,848)	(6,866,438)	(6,433,663)	(4,589,049)
Roads and public improvements	(74,580,833)	(12,758,697)	(71,490,657)	(93,505,235)	(104,449,882)
Parks and recreation	(4,464,337)	(5,797,461)	(4,096,461)	(1,880,475)	(2,139,504)
Interest on long-term liabilities	(12,957,564)	(12,802,726)	(10,672,711)	(7,091,831)	(5,658,676)
Total net (expenses)/revenues	<u>(164,666,790)</u>	<u>(108,778,935)</u>	<u>(169,337,197)</u>	<u>(150,287,120)</u>	<u>(174,162,629)</u>
General revenues:					
Property taxes	\$ 44,473,978	\$ 48,402,475	\$ 50,215,937	\$ 73,839,645	\$ 70,650,601
Sales taxes	93,194,377	99,158,282	128,349,527	153,730,847	186,985,524
TRCC taxes	9,177,694	9,762,168	10,679,684	10,186,963	13,160,330
Transient room tax	3,601,373	3,813,235	4,250,553	3,035,857	4,820,396
Earnings on investments	2,538,252	3,503,161	4,212,102	2,506,251	1,174,498
Miscellaneous revenues	1,415,854	2,675,514	4,656,623	9,380,804	2,867,156
Total general revenues	<u>154,401,528</u>	<u>167,314,835</u>	<u>202,364,426</u>	<u>252,680,367</u>	<u>279,658,505</u>
Change in net position	(10,265,262)	58,535,900	33,027,229	102,393,247	105,495,876
Net position - beginning	338,394,332	327,126,501 <sup>2</sup>	385,662,401	418,830,065 <sup>3</sup>	521,223,312
Net position - ending	<u>\$ 328,129,070</u>	<u>\$ 385,662,401</u>	<u>\$ 418,689,630</u>	<u>\$ 521,223,312</u>	<u>\$ 626,719,188</u>

<sup>(1)</sup> 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.

<sup>(2)</sup> Beginning net position in 2018 restated due to implementation of GASB Statement No. 75.

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

Source: Utah County Statements of Activities at December 31, 2017 through 2021.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General fund										
Restricted	\$ -	\$ 3,503	\$ 3,532	\$ 3,590	\$ 3,737	\$ 3,687	\$ 3,828	\$ 4,024	\$ 6,567	\$ 5,910
Committed	-	-	-	-	-	-	-	-	15,366	13,828
Assigned	8,315	8,587	7,442	7,574	7,428	4,666	4,666	3,666	7,579	-
Unassigned	13,949	13,822	17,407	16,323	16,924	16,557	14,414	11,577	13,918	34,224
Total general fund	<u>\$ 22,264</u>	<u>\$ 25,912</u>	<u>\$ 28,381</u>	<u>\$ 27,487</u>	<u>\$ 28,089</u>	<u>\$ 24,910</u>	<u>\$ 22,908</u>	<u>\$ 19,267</u>	<u>\$ 43,430</u>	<u>\$ 53,962</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 444	\$ 431	\$ 50	\$ 373	\$ 681	\$ 733	\$ 771	\$ 772	\$ 1,073	\$ 2,475
Assessing and collecting	3,384	3,676	4,055	4,505	5,209	5,281	4,426	6,501	4,510	5,653
Recorder services	-	-	-	-	-	-	-	-	8,169	13,603
Public transit tax	39,582	44,521	51,213	57,085	68,789	75,602	79,177	87,415	109,679	148,193
TRCC taxes	4,122	5,711	6,333	7,479	11,635	15,307	19,951	27,523	33,149	40,445
Special service areas/districts	6,958	5,854	6,248	5,588	5,796	5,932	5,959	6,199	8,760	10,067
Bond proceeds	10,262	10,047	9,421	8,142	56,461	28,754	-	-	-	-
Debt service	1,588	-	-	-	-	-	-	-	-	-
Committed for:										
Public health and welfare	5,685	6,293	6,732	5,882	7,163	8,197	8,241	10,025	8,610	9,291
Public safety	534	640	720	797	882	983	1,035	1,129	1,349	1,075
Capital projects	8,014	7,396	6,596	8,503	9,462	9,629	9,466	9,754	28,606	48,760
Debt service	9,593	9,579	9,593	5,314	3,064	4,186	2,807	1,396	1	-
Assigned	-	-	-	-	-	-	-	-	7,579	-
Unassigned	-	-	-	-	7	7	7	7	13,918	603
Total all other governmental funds	<u>\$ 90,166</u>	<u>\$ 94,148</u>	<u>\$ 100,961</u>	<u>\$ 103,668</u>	<u>\$ 169,149</u>	<u>\$ 154,611</u>	<u>\$ 131,840</u>	<u>\$ 150,721</u>	<u>\$ 247,336</u>	<u>\$ 280,165</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2012 through 2021.



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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Revenues</b>										
Taxes	\$ 88,497	\$ 122,271	\$ 125,999	\$ 132,574	\$ 140,517	\$ 151,516	\$ 160,001	\$ 193,693	\$ 239,851	\$ 275,383
Licenses and permits	267	330	323	384	505	416	404	368	745	950
Intergovernmental	32,609	27,774	29,994	29,074	29,494	30,484	36,478	35,473	141,896	75,223
Charges for services	25,349	30,604	35,560	35,294	37,238	33,853	34,672	40,766	64,829	38,196
Fines and forfeitures	3,002	2,862	2,832	2,582	2,262	2,122	1,958	1,904	1,569	1,658
Investment earnings	935	578	556	695	1,183	2,535	3,503	4,212	2,506	1,174
Fees	-	-	-	-	-	-	-	-	4,597	7,605
Payments in lieu of taxes	-	-	-	-	-	-	-	-	1,908	1,887
Miscellaneous	1,059	1,688	1,878	1,684	1,791	1,416	2,656	4,655	2,875	925
<b>Total revenues</b>	<b>151,718</b>	<b>186,107</b>	<b>197,142</b>	<b>202,287</b>	<b>212,990</b>	<b>222,342</b>	<b>239,672</b>	<b>281,071</b>	<b>460,776</b>	<b>403,001</b>
<b>Expenditures</b>										
General government	55,754	41,998	43,589	44,001	43,621	46,698	47,877	52,868	161,037	78,265
Public safety	43,840	45,642	47,968	49,334	52,038	53,658	56,244	61,556	61,020	65,214
Public health	31,061	33,318	32,606	33,903	33,205	34,225	36,254	38,367	35,934	37,556
Roads and public improvements	78,012	39,844	44,428	48,666	61,455	82,775	97,099	83,239	105,640	118,260
Parks and recreation	4,850	1,433	1,465	1,503	1,843	4,097	5,561	3,852	1,429	1,827
Debt service:										
Principal	10,805	9,945	8,590	13,390	10,550	8,735	8,755	15,065	9,640	8,510
Interest and fiscal charges	12,900	12,879	12,691	12,277	11,669	13,036	12,972	11,713	8,793	8,435
<b>Total expenditures</b>	<b>237,222</b>	<b>185,059</b>	<b>191,337</b>	<b>203,074</b>	<b>214,381</b>	<b>243,224</b>	<b>264,762</b>	<b>266,660</b>	<b>383,493</b>	<b>318,067</b>
Excess of revenues over (under) expenditures	(85,504)	1,048	5,805	(787)	(1,391)	(20,882)	(25,090)	14,411	77,283	84,934

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Other financing sources (uses)</b>										
Transfers in	31,783	25,623	26,401	28,866	25,040	28,228	25,276	27,245	36,221	37,067
Transfers out	(28,698)	(22,993)	(22,982)	(26,264)	(22,566)	(25,064)	(24,959)	(26,883)	(39,181)	(37,156)
Bonds issued	51,675	3,800	-	-	65,000	-	-	-	-	-
Refunding bonds issued	-	-	6,755	-	-	-	-	81,055	27,315	34,745
Payments for bond redemption	-	-	(6,698)	-	-	-	-	(93,055)	(32,661)	(42,065)
Bond premiums and discounts	2,326	154	-	-	-	-	-	12,466	5,583	7,553
Leases issued (as lessee)	-	-	-	-	-	-	-	-	1,819	-
Sale of general capital assets	-	-	-	-	-	-	-	-	884	1,704
Insurance recoveries	-	-	-	-	-	-	-	-	85	9
Total other financing sources (uses)	<u>57,086</u>	<u>6,584</u>	<u>3,476</u>	<u>2,602</u>	<u>67,474</u>	<u>3,164</u>	<u>317</u>	<u>828</u>	<u>65</u>	<u>1,857</u>
Net change in fund balances	<u>\$ (28,418)</u>	<u>\$ 7,632</u>	<u>\$ 9,281</u>	<u>\$ 1,815</u>	<u>\$ 66,083</u>	<u>\$ (17,718)</u>	<u>\$ (24,773)</u>	<u>\$ 15,239</u>	<u>\$ 77,348</u>	<u>\$ 86,791</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2012 through 2021.

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

	2017	2018	2019	2020	2021
<b>Assets</b>					
Cash and investments	\$ 28,989,868	\$ 27,229,108	\$ 24,078,331	\$ 4,521,336	\$ 43,521,652
Receivables:					
Taxes	11,597,439	11,863,925	14,860,101	22,804,386	19,524,315
Other	1,597,020	1,233,938	1,509,519	26,933,107	538,836
Due from other funds	1,747,000	3,196,000	2,045,000	977,000	1,258,000
Other assets	121,183	112,460	211,151	214,980	426,805
Total assets	<u>\$ 44,052,510</u>	<u>\$ 43,635,432</u>	<u>\$ 42,704,102</u>	<u>\$ 55,450,809</u>	<u>\$ 65,269,608</u>
<b>Liabilities</b>					
Accounts payable and accruals	4,183,488	5,851,137	8,287,913	4,380,238	3,662,027
Unearned revenues	1,448,562	1,120,274	1,094,674	971,946	1,314,254
Other liabilities	12,351,077	11,792,832	12,176,599	3,948,575	3,583,715
Total liabilities	<u>17,983,126</u>	<u>18,764,243</u>	<u>21,559,185</u>	<u>9,300,759</u>	<u>8,559,996</u>
<b>Deferred Inflows Of Resources</b>	<u>1,159,405</u>	<u>1,963,349</u>	<u>1,878,250</u>	<u>2,720,018</u>	<u>2,747,183</u>
<b>Fund Balances</b>					
<b>Restricted:</b>					
Statutory minimum balance	3,687,256	3,828,171	4,024,215	6,566,830	5,909,750
<b>Committed:</b>					
County policy minimum balance	-	-	-	15,366,381	13,828,815
<b>Assigned:</b>					
Medicaid reserve	600,000	600,000	600,000	-	-
Equipment replacement	3,065,762	3,065,762	3,065,762	-	-
Presidential election <sup>(2020)</sup>	1,000,000	1,000,000	-	-	-
Capital projects	-	-	-	7,579,000	-
<b>Unassigned</b>	<u>16,556,960</u>	<u>14,413,906</u>	<u>11,576,689</u>	<u>13,917,821</u>	<u>34,223,864</u>
Total fund balances	<u>24,909,978</u>	<u>22,907,839</u>	<u>19,266,666</u>	<u>43,430,032</u>	<u>53,962,429</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 44,052,510</u>	<u>\$ 43,635,432</u>	<u>\$ 42,704,102</u>	<u>\$ 55,450,809</u>	<u>\$ 65,269,608</u>

Source: Utah County Balance Sheets at December 31, 2017 through 2021.

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Revenues</b>					
Property taxes	\$ 31,870,975	\$ 33,382,815	\$ 35,160,949	\$ 57,921,817	\$ 54,279,632
Sales taxes	27,815,838	29,714,589	32,225,118	36,468,928	43,763,871
Franchise taxes	3,145	4,924	4,961	5,159	7,709
Licenses and permits	393,746	379,620	350,074	425,485	555,462
Intergovernmental	796,225	828,453	856,161	335,840	11,830,302
Charges for services	10,056,386	8,968,827	8,186,359	32,560,928	5,368,227
Fines and forfeitures	2,116,978	1,943,400	1,904,275	1,528,688	1,602,207
Investment earnings	331,279	476,297	585,150	205,567	85,109
Payments in lieu of taxes	-	-	-	744,391	670,353
Miscellaneous	360,546	864,477	1,211,246	1,139,787	32,126
Total revenues	<u>73,745,119</u>	<u>76,563,401</u>	<u>80,484,293</u>	<u>131,336,590</u>	<u>118,194,998</u>
<b>Expenditures</b>					
Current:					
General government	26,836,350	26,707,392	29,341,497	32,612,399	27,372,598
Public safety	48,207,864	50,130,902	53,819,946	49,813,932	51,356,208
Public health and welfare	949,275	899,841	990,736	1,012,751	1,122,335
Parks and recreation	607,866	519,821	447,075	-	-
Capital outlay:					
General government	28,484	-	53,599	184,347	1,242,846
Public safety	98,491	237,029	90,472	1,124,765	2,881,890
Public health and welfare	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Total expenditures	<u>76,728,331</u>	<u>78,494,985</u>	<u>84,743,324</u>	<u>84,748,193</u>	<u>83,975,877</u>
Excess (deficiency) of revenues over expenditures	(2,983,212)	(1,931,584)	(4,259,032)	46,588,397	34,219,121
<b>Other Financing Sources (Uses)</b>					
Transfers in	3,618,928	3,721,669	3,882,818	707,805	-
Transfers out	(3,814,245)	(3,792,223)	(3,264,960)	(24,596,998)	(23,862,994)
Leases issued (as lessee)	-	-	-	952,740	-
Sale of general capital assets	-	-	-	464,751	167,273
Insurance recoveries	-	-	-	46,671	8,997
Total other financing sources (uses)	<u>(195,317)</u>	<u>(70,554)</u>	<u>617,858</u>	<u>(22,425,031)</u>	<u>(23,686,724)</u>
Net change in fund balances	(3,178,528)	(2,002,139)	(3,641,173)	24,163,366	10,532,397
<b>Fund balances - beginning</b>	<u>28,088,506</u>	<u>24,909,978</u>	<u>22,907,839</u>	<u>19,266,666</u>	<u>43,430,032</u>
<b>Fund balances - ending</b>	<u>\$ 24,909,978</u>	<u>\$ 22,907,839</u>	<u>\$ 19,266,666</u>	<u>\$ 43,430,032</u>	<u>\$ 53,962,429</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balance at December 31, 2017 through 2021.

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

Year Ended Dec. 31,	Real Property			Mobile Homes and Personal Property	Centrally Assessed Property	Total Taxable Assessed Value	% Change over Prior Year	Total Tax Rate	Estimated Total Market Value	% Change over Prior Year	Ratio of Taxable Assessed Value to Estimated Market Value
	(1) Primary Residential Property	Secondary Residential Property	Agricultural Property								
2012	\$ 14,065,087	\$ 7,811,216	\$ 253,741	\$ 1,760,005	\$ 1,133,164	\$ 25,023,213	(0.10%)	0.001324	\$ 45,403,264	(0.50%)	55.1%
2013	14,922,435	8,172,832	100,005	1,874,636	1,316,762	26,386,669	5.40%	0.001259	49,252,148	8.50%	53.6%
2014	18,021,070	7,462,938	397,491	1,934,222	1,389,516	29,205,237	10.70%	0.001149	42,426,090	(13.90%)	68.8%
2015	18,730,419	9,380,588	310,445	2,114,621	1,530,017	32,066,091	9.80%	0.001098	50,109,033	18.10%	64.0%
2016	20,616,378	10,193,886	325,303	2,369,902	1,598,021	35,103,491	9.50%	0.001049	61,394,295	22.50%	57.2%
2017	23,045,191	11,281,823	369,321	2,473,985	1,696,147	38,866,467	10.70%	0.000969	57,734,721	(6.00%)	67.3%
2018	25,975,653	12,352,584	435,106	2,385,025	1,943,028	43,091,397	10.90%	0.000911	63,673,572	10.30%	67.7%
2019	29,659,800	14,472,894	478,940	3,107,749	2,029,888	49,749,271	15.50%	0.000839	73,051,973	14.70%	68.1%
2020	32,856,488	16,314,176	526,352	3,038,019	2,221,210	54,956,245	10.50%	0.001202	86,728,328	18.70%	63.4%
2021	37,195,681	17,161,123	574,961	3,083,093	2,244,886	60,259,744	9.65%	0.000853	95,778,822	10.44%	62.9%

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

Notes:

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

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

	2021	2020	2019	2018	2017
<b>County-wide rates (1):</b>					
General Fund	0.000853	0.001041	0.000672	0.000732	0.000779
Bond Debt Service Fund	na	na	na	na	na
State Assessing & Collecting	0.000012	0.000012	0.000009	0.000009	0.000010
Local Assessing & Collecting	0.000142	0.000149	0.000158	0.000170	0.000180
Discharge of Judgment	na	na	na	na	na
Total Direct Rate <sup>(2)</sup>	0.001007	0.001202	0.000839	0.000911	0.000969
<b>Other County rates (3):</b>					
Law Enforcement - Service Area 6	0.001046	0.001103	0.001169	0.001236	0.001294
Urban Structure Fire - Service Area 7	0.000472	0.000507	0.000545	0.000589	0.000611
Planning - Service Area 8	0.000233	0.000246	0.000261	0.000276	0.000290
Rural Structure Fire - Service Area 9	0.000115	0.000118	0.000123	0.000127	0.000135
Soldier Summit Special Service District	0.002591	0.002815	0.003134	0.003046	0.003141
<b>School district rates:</b>					
Alpine School Charter	0.000062	0.000056	0.000064	0.000069	0.00008
Alpine School District	0.006842	0.006744	0.006635	0.006964	0.007087
Nebo School Charter	0.000076	0.000086	0.000103	0.000102	0.000086
Nebo School District	0.008618	0.008663	0.008646	0.008990	0.009212
Provo City School District	0.006926	0.007244	0.007032	0.007487	0.007244
Provo School Charter	0.000091	0.000093	0.000097	0.000089	0.000083
<b>City and town rates:</b>					
Alpine	0.001306	0.001424	0.001473	0.001179	0.001305
American Fork	0.001687	0.001906	0.002027	0.002077	0.002082
Bluffdale	0.001519	0.001695	0.001783	0.001442	0.001751
Cedar Fort	0.000612	0.000671	0.000701	0.000817	0.000924
Cedar Hills	0.001495	0.001646	0.001737	0.001923	0.002024
Draper	0.001141	0.001227	0.001268	0.001352	0.001460
Eagle Mountain	0.000724	0.000769	0.000825	0.000924	0.001011
Elk Ridge	0.001494	0.001599	0.001737	0.001841	0.001949
Fairfield	0.000930	0.001019	0.000822	0.000976	0.001043
Genola	0.000914	0.001000	0.001045	0.001045	0.001045
Goshen	0.000488	0.000539	0.000589	0.000637	0.000678
Highland	0.001122	0.001216	0.001254	0.001327	0.001428
Lehi	0.001429	0.001451	0.001538	0.001678	0.001830
Lindon	0.001116	0.001174	0.001241	0.001392	0.001451
Mapleton	0.002048	0.002209	0.002317	0.002523	0.002729
Orem	0.001094	0.001166	0.001260	0.001281	0.001346
Payson	0.001193	0.001193	0.001272	0.001280	0.001280
Pleasant Grove	0.001497	0.001602	0.001734	0.001884	0.002029
Provo	0.002230	0.002426	0.002560	0.001888	0.002089
Salem	0.001227	0.001290	0.001411	0.001524	0.001633
Santaquin	0.001282	0.001396	0.001499	0.001644	0.001734
Saratoga Springs	0.001359	0.001446	0.001570	0.001731	0.001822
Spanish Fork	0.001129	0.001200	0.000991	0.000955	0.000955
Springville	0.001497	0.001612	0.001763	0.001914	0.002087
Vineyard	0.003329	0.003249	0.003369	0.003957	0.004015
Woodland Hills	0.004250	0.004345	0.004354	0.004337	0.004613
<b>Other taxing district rates:</b>	0.000008-0.015000	0.000008-0.001715	0.000008-0.001745	0.000009-0.001836	0.000010-0.001809

Source: Utah State Tax Commission

**Notes:**<sup>(1)</sup> Public hearings are required before the direct rates can be adjusted by the Board of Utah County Commissioners.<sup>(2)</sup> Most residents of the County will pay the total direct rate.<sup>(3)</sup> Only citizens who live in the unincorporated area of the County will pay the tax rates assessed in the service areas.

(continued)

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

	2016	2015	2014	2013	2012
<b>County-wide rates(1):</b>					
General Fund	0.000834	0.000870	0.000916	0.001006	0.001116
Bond Debt Service Fund	na	na	na	na	0.000011
State Assessing & Collecting	0.000011	0.000012	0.000013	0.000158	0.000168
Local Assessing & Collecting	0.000204	0.000216	0.000220	0.000095	0.000029
Discharge of Judgment	na	na	na	na	na
Total Direct Rate <sup>(2)</sup>	0.001049	0.001098	0.001149	0.001259	0.001324
<b>Other County rates(3):</b>					
Law Enforcement - Service Area 6	0.001379	0.001404	0.001440	0.001472	0.001442
Urban Structure Fire - Service Area 7	0.000831	0.000835	0.000854	0.000877	0.000875
Planning - Service Area 8	0.000309	0.000310	0.000323	0.000329	0.000374
Rural Structure Fire - Service Area 9	0.000139	0.000143	0.000145	0.000148	0.000155
Soldier Summit Special Service District	0.003385	0.003444	0.003857	0.003317	0.003657
<b>School district rates:</b>					
Alpine School Charter	na	na	na	na	na
Alpine School District	0.007718	0.008177	0.008096	0.008699	0.008828
Nebo School Charter	na	na	na	na	na
Nebo School District	0.009298	0.009326	0.009183	0.009526	0.009615
Provo City School District	0.007883	0.007568	0.006636	0.007094	0.007319
Provo School Charter	na	na	na	na	na
<b>City and town rates:</b>					
Alpine	0.001388	0.001478	0.001611	0.001773	0.001916
American Fork	0.002261	0.002362	0.002540	0.002750	0.002812
Bluffdale	0.001218	0.001309	0.001419	0.001523	0.001618
Cedar Fort	0.001037	0.001099	0.001163	0.001279	0.001268
Cedar Hills	0.002186	0.002315	0.002410	0.002873	0.003183
Draper	0.001560	0.001701	0.001791	0.001887	0.002009
Eagle Mountain	0.001081	0.001118	0.001192	0.001380	0.001668
Elk Ridge	0.002180	0.002356	0.002360	0.002526	0.002715
Fairfield	0.001012	0.000918	0.000801	0.001634	0.001665
Genola	0.000902	0.000949	0.000972	0.001045	0.001024
Goshen	0.000799	0.000855	0.000885	0.000922	0.000936
Highland	0.001494	0.001568	0.001681	0.001886	0.002005
Lehi	0.002005	0.002090	0.002172	0.002432	0.002585
Lindon	0.001630	0.001741	0.001862	0.002043	0.002107
Mapleton	0.002729	0.002729	0.003052	0.003466	0.003639
Orem	0.001550	0.001652	0.001716	0.001871	0.001921
Payson	0.001279	0.001280	0.001268	0.001353	0.001380
Pleasant Grove	0.001775	0.001875	0.001997	0.002237	0.002315
Provo	0.002239	0.002377	0.002775	0.002956	0.003032
Salem	0.001697	0.001839	0.001896	0.002020	0.002106
Santaquin	0.001909	0.002075	0.002176	0.002408	0.001817
Saratoga Springs	0.001994	0.002083	0.002233	0.002761	0.003054
Spanish Fork	0.001031	0.001091	0.001123	0.001221	0.001221
Springville	0.002262	0.001896	0.002054	0.002159	0.002190
Vineyard	0.003446	0.002878	0.002816	0.002740	0.002758
Woodland Hills	0.004839	0.004615	0.005262	0.006272	0.005519
<b>Other taxing district rates:</b>	0.000011-0.001884	0.000011-0.001997	0.000011-0.002097	0.000012-0.002192	0.000013-0.003773

Source: Utah State Tax Commission

**Notes:**

<sup>(1)</sup> Public hearings are required before the direct rates can be adjusted by the Board of Utah County Commissioners.

<sup>(2)</sup> Most residents of the County will pay the total direct rate.

<sup>(3)</sup> Only citizens who live in the unincorporated area of the County will pay the tax rates assessed in the service areas.

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

Year	Real Property	Centrally Assessed Property	Personal Property	Total Taxable Value	Tax Rate	Total Taxes Charged	Total Taxes Collected	Collection Rate
2012	\$ 22,130,044	\$ 1,133,164	\$ 1,760,005	\$ 25,023,213	0.001116	\$ 25,918	\$ 23,868	92.09%
2013	23,195,271	1,316,762	1,874,636	26,386,669	0.001006	24,569	22,741	92.56%
2014	25,881,499	1,389,516	1,934,222	29,205,237	0.000916	26,926	25,150	93.40%
2015	28,421,453	1,530,017	2,114,621	32,066,091	0.000870	27,995	26,103	93.24%
2016	31,135,568	1,598,021	2,369,902	35,103,491	0.000834	29,362	27,413	93.36%
2017	34,696,335	1,696,147	2,473,985	38,866,467	0.000779	30,413	28,577	93.96%
2018	38,763,344	1,943,028	2,385,025	43,091,397	0.000732	31,655	29,576	93.43%
2019	44,611,634	2,029,888	3,107,749	49,749,271	0.000672	33,618	31,633	94.10%
2020	49,697,016	2,221,210	3,038,019	54,956,245	0.001041	56,088	52,999	94.49%
2021	54,931,764	2,244,886	3,083,092	60,259,743	0.000853	51,981	48,538	93.38%

<sup>(1)</sup> Amount includes both real property and centrally assessed property.

Source: Utah County Treasurer



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

Taxpayer	Type of Business	2021			2011		
		Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values <sup>(1)</sup>	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values <sup>(2)</sup>
PacifiCorp	Electricity	\$ 975,695	1	1.62%	\$ 373,248	1	1.49%
IM Flash Technologies LLC	Semiconductor	318,508	2	0.53%	221,463	2	0.88%
Questar Gas	Natural Gas	314,280	3	0.52%	113,457	3	0.45%
Union Pacific Railroad	Transportation	277,853	4	0.46%	53,154	9	0.21%
Valley Properties LLC	Real Estate	193,329	5	0.32%	-	-	-
Adobe Systems Inc	Computer software	163,569	6	0.27%	-	-	-
University Place Spe LLC	Retail	117,201	7	0.19%	-	-	-
Walmart Real Estate Business Trust	Retail	112,471	8	0.19%	67,585	7	0.27%
Sir Properties Trust	Real Estate	111,909	9	0.19%	-	-	-
IHC Health Services Inc	Health	111,375	10	0.18%	-	-	-
CenturyLink Inc (formerly Qwest Corp)	Telecommunications	-	-	-	116,131	4	0.46%
Novell Inc	Computer software	-	-	-	88,576	5	0.35%
Kern River Gas	Natural Gas	-	-	-	84,635	6	0.34%
TCU-Canyon Park LLC	Real Estate	-	-	-	57,138	8	0.23%
Provo Mall LLC	Retail	-	-	-	49,755	10	0.20%
<b>Totals</b>		<u>\$ 2,696,190</u>		<u>4.47%</u>	<u>\$ 1,225,142</u>		<u>4.89%</u>

Source: Utah County Treasurer

Notes:

<sup>(1)</sup> Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$60,259,743 (amount expressed in thousands).

<sup>(2)</sup> Percentage of total taxable values equals the taxpayer taxable value divided by the total taxable value of \$25,042,009 (amount expressed in thousands).

## Principal Sales Taxpayers Current Year

State law prohibits disclosure of actual dollar figures of sales and use tax collections by a specific business. However, for the calendar year ending December 31, 2021, the ten largest sales and use tax collectors provided approximately 25 percent of all sales and use tax revenue in the County. No single business accounted for more than approximately 6 percent of the County's total sales and use tax revenue.

Source: Utah State Tax Commission

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

Year	(a) Property Taxes	Option Sales Tax	Local Sales Tax	Transient Room (Hotel) Sales Tax	Tourism (Restaurant) Sales Tax	Tourism (Car Rental) Sales Tax	(1) Section 2216 Sales Tax (Fixed Guideway)	Section 2218 Sales Tax (Roads & Public Transit)	(2) Section 2219 Sales Tax (Roads & Public Transit)	Total
2013	39,770	20,183	1,648	2,348	5,661	823	1,456	14,272	na	86,161
2014	39,113	21,365	1,398	2,543	6,243	927	1,541	17,072	na	90,202
2015	40,437	22,553	1,554	2,928	6,975	1,006	1,652	17,207	na	94,312
2016	42,200	23,832	1,527	3,320	7,610	1,087	1,761	18,336	na	99,673
2017	43,241	26,181	1,635	3,601	8,038	1,140	1,963	20,431	na	106,230
2018	45,074	27,992	1,722	3,813	8,584	1,178	2,083	22,200	na	112,646
2019	47,778	30,282	1,943	4,251	9,373	1,307	2,308	24,032	\$ 8,479	129,753
2020	70,583	34,380	2,089	3,036	9,179	1,008	2,658	27,685	5,758	156,376
2021	67,531	41,293	2,471	4,820	11,722	1,439	3,246	33,809	6,981	173,312

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

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

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

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

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

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

(4) Tax enacted January 1, 2009.

(5) Tax enacted April 1, 2019.

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

Year	Governmental Activities <sup>(1)</sup>		Total Primary Government	Percentage of Personal Income <sup>(2)</sup>	Per Capita <sup>(2)</sup>
	General Obligation	Revenue			
	Bonds	Bonds			
2012	\$ 1,680	\$ 239,330	\$ 241,010	1.49%	\$ 446
2013	-	234,865	234,865	1.37%	426
2014	-	226,770	226,770	1.22%	404
2015	-	213,380	213,380	1.05%	372
2016	-	267,830	267,830	1.22%	453
2017	-	259,095	259,095	1.10%	426
2018	-	250,340	250,340	0.98%	402
2019	-	225,285	225,285	0.81%	354
2020	-	210,660	210,660	0.70%	318
2021	-	194,835	194,835	na	284

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

Notes:

<sup>(1)</sup> The county does not have any business-type activities.

<sup>(2)</sup> See the Schedule of Demographic and Economic Statistics on page 145 for personal income and population

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

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property <sup>(1)</sup>	Population <sup>(2)</sup>	Per Capita
2012	\$ 1,680	\$ 1,588	\$ 92	0.00%	539,970	\$ -
2013	-	-	-	0.00%	551,689	-
2014	-	-	-	0.00%	561,171	-
2015	-	-	-	0.00%	573,289	-
2016	-	-	-	0.00%	591,107	-
2017	-	-	-	0.00%	607,612	-
2018	-	-	-	0.00%	622,076	-
2019	-	-	-	0.00%	635,675	-
2020	-	-	-	0.00%	663,143	-
2021	-	-	-	0.00%	684,986	-

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

Notes:

<sup>(1)</sup> See the Assessed Value and Actual Value Tax Information on page 129 for property value data.

<sup>(2)</sup> See the Schedule of Demographic and Economic Statistics on page 145 for personal income and population data.

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Market Value <sup>(1)</sup>	\$ 45,403,264	\$ 49,252,148	\$ 42,426,090	\$ 50,109,033	\$ 61,394,295	\$ 57,734,721	\$ 63,673,572	\$ 73,051,973	\$ 86,728,328	\$ 95,778,822
Debt limit (2% of Market Value) <sup>(2)</sup>	\$ 908,065	\$ 985,043	\$ 848,522	\$ 1,002,181	\$ 1,227,886	\$ 1,154,694	\$ 1,273,471	\$ 1,461,039	\$ 1,734,567	\$ 1,915,576
Total net debt applicable to limit	92	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 907,973</u>	<u>\$ 985,043</u>	<u>\$ 848,522</u>	<u>\$ 1,002,181</u>	<u>\$ 1,227,886</u>	<u>\$ 1,154,694</u>	<u>\$ 1,273,471</u>	<u>\$ 1,461,039</u>	<u>\$ 1,734,567</u>	<u>\$ 1,915,576</u>
Total net debt applicable to the limit as a percentage of debt limit	0.01%	-%	-%	-%	-%	-%	-%	-%	-%	-%

Source: Utah County Auditor's Office

Notes:

<sup>(1)</sup> 'Estimated Total Market Value' from the Assessed Value and Actual Value of Taxable Property Schedule on page 129.

<sup>(2)</sup> The general obligation indebtedness of the County is limited by Utah law to two percent of the 'reasonable fair cash value' of taxable property in the County.

## Outstanding Bonded Indebtedness Current Year

### Outstanding General Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2010 <sup>(1)</sup>	Energy/Qualified Energy Conservation Bonds	\$ 4,940,000	2/1/2027	\$ 2,430,000
Total				<u>\$ 2,430,000</u>

<sup>(1)</sup> 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 <sup>(2)</sup>	Museum	\$ 3,800,000	12/1/2033	\$ 2,550,000
2020 <sup>(3)</sup>	Convention center	27,315,000	12/1/2039	25,485,000
Total				<u>\$ 28,035,000</u>

<sup>(2)</sup> Rated "AA" by S&P as of the date of this report.

<sup>(3)</sup> Rated "AA+" by S&P as of the date of this report. These bonds are issued on a parity basis and are not issued on a parity with the 2013 Bonds.

### Outstanding Transportation Sales Tax Revenue Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2016 <sup>(4)</sup>	Transportation (Subordinated Sales Tax)	\$ 65,000,000	11/1/2029	\$ 57,670,000
Total				<u>\$ 57,670,000</u>

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

### Outstanding Transportation Sales Tax Revenue Refunding Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2019 <sup>(5)</sup>	Transportation	\$ 66,345,000	12/1/2034	\$ 60,040,000
2021 <sup>(6)</sup>	Transportation	34,745,000	12/1/2039	34,745,000
Total				<u>\$ 94,785,000</u>

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

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

### Outstanding Vehicle Registration Fee Revenue Refunding Bonded Indebtedness

Series	Purpose	Original Amount	Final Maturity Date	Current Balance Outstanding
2019 <sup>(7)</sup>	Transportation	\$ 14,710,000	12/1/2029	\$ 11,915,000
Total				<u>\$ 11,915,000</u>

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

Source: Utah County

**Historical Pledged Sales and Use Taxes/Fees  
Last Ten Years**

Year	<A> County Option Sales and Use Tax <sup>(1)</sup>	<B> Local Option Sales and Use Tax <sup>(2)</sup>	<A> + <B> Total Pledged Sales and Use Taxes	% Change from Prior Year
2021	\$ 41,292,774	\$ 2,471,097	\$ 43,763,871	20.0%
2020	34,379,525	2,089,402	36,468,927	13.2%
2019	30,282,165	1,942,952	32,225,118	8.4%
2018	27,992,175	1,722,414	29,714,589	6.8%
2017	26,181,125	1,634,714	27,815,838	9.7%
2016	23,832,442	1,527,303	25,359,745	5.2%
2015	22,553,213	1,554,404	24,107,617	5.9%
2014	21,364,817	1,397,782	22,762,600	4.3%
2013	20,183,106	1,647,755	21,830,861	4.5%
2012	19,282,408	1,606,844	20,889,252	6.4%

<sup>(1)</sup> The sales tax levy for the County Option Sales Tax is 0.25% and is collected County-wide by the Utah State Tax Commission.

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

Source: Utah State Tax Commission



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

Year	<C>	<D>	<C> + <D>	% Change from Prior Year
	Section 2216 Sales and Use Tax <sup>(3)</sup>	Section 2218 Sales and Use Tax <sup>(4)</sup>	Total Pledged Sales and Use Taxes	
2021	\$ 3,246,373	\$ 33,808,572	\$ 37,054,945	22.1%
2020	2,658,270	27,685,097	30,343,367	15.2%
2019	2,307,686	24,032,152	26,339,838	10.7%
2018	2,083,470	21,699,860	23,783,330	6.2%
2017	1,962,717	20,430,702	22,393,420	11.4%
2016	1,761,036	18,336,283	20,097,319	6.6%
2015	1,652,179	17,206,520	18,858,699	1.3%
2014	1,540,735	17,072,130	18,612,865	18.3%
2013	1,455,712	14,272,148	15,727,860	(1.1%)
2012	1,394,963	14,505,051	15,900,015	8.5%

<sup>(3)</sup> 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.

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

Source: Utah State Tax Commission

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

Year	Total Motor Vehicle Registrations <sup>(5)</sup>	% Change from Prior Year	Total Pledged Fees <sup>(6)</sup>	% Change from Prior Year
2021	500,952	2.7%	\$ 5,089,776	12.9%
2020	487,912	3.7%	4,509,920	(2.2%)
2019	470,413	4.8%	4,612,744	(4.6%)
2018	448,831	5.1%	4,836,036	22.0%
2017	427,029	4.7%	3,964,465	(4.2%)
2016	407,831	4.7%	4,136,812	5.7%
2015	389,623	2.4%	3,912,739	(2.0%)
2014	380,396	4.9%	3,993,299	11.0%
2013	362,520	2.1%	3,598,467	4.6%
2012	354,991	2.5%	3,441,020	2.2%

<sup>(5)</sup> 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.

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

Source: Utah State Tax Commission

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

Year	<E> Pledged Transient Room Tax (Hotel Tax) <sup>(7)</sup>	<F> Restaurant Tax <sup>(8)</sup>	<G> Short-Term Lease Tax <sup>(9)</sup>	<E> + <F> + <G> Total Pledged Taxes	% Change from Prior Year
2021	\$ 1,134,211	\$ 11,721,684	\$ 1,438,647	\$ 14,294,542	31.1%
2020	714,319	9,178,798	1,008,165	10,901,282	(6.7%)
2019	1,000,130	9,372,738	1,306,646	11,679,514	9.6%
2018	897,232	8,584,096	1,178,072	10,659,400	6.3%
2017	847,382	8,037,995	1,139,700	10,025,076	5.8%
2016	781,202	7,609,729	1,087,059	9,477,990	9.3%
2015	689,041	6,974,765	1,005,898	8,669,705	11.6%
2014	598,381	6,242,780	927,235	7,768,395	10.4%
2013	552,410	5,661,378	822,734	7,036,521	7.5%
2012	499,991	5,268,599	779,637	6,548,226	7.3%

<sup>(7)</sup> 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%.

<sup>(8)</sup> The Restaurant Tax levy was raised to 1.00% effective April 1, 2007.

<sup>(9)</sup> The County began levying the Short-Term Lease Tax effective April 1, 2004.

Source: Utah State Tax Commission

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

Year	Total Transient Room Tax Collections <sup>(10)</sup>	Pledged Taxes	% Change from Prior Year
2021	\$ 4,820,395	\$ 1,417,763	58.8%
2020	3,035,857	892,899	(28.6%)
2019	4,250,553	1,250,163	11.5%
2018	3,813,235	1,121,540	5.9%
2017	3,601,373	1,059,227	8.5%
2016	3,320,110	976,503	13.4%
2015	2,928,424	861,301	15.2%
2014	2,543,118	747,976	8.3%
2013	2,347,741	690,512	10.5%
2012	2,124,962	624,989	11.7%

<sup>(10)</sup> 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 143).

The Series 2013 Bonds are secured by 29.4% of the total TRT available to the County. The Pledged Taxes column in the table shows the historic amounts of such revenues, which in prior years were collected but not pledged to the payment of the Series 2013 Bonds. A supplemental tax of 1.25% was enacted April 1, 2007, raising the total TRT levy from 3.00% to 4.25%.

Source: Utah State Tax Commission

## Demographic and Economic Statistics Last Ten Years

Year	Population	Personal Income (amounts expressed in thousands) <sup>(3)</sup>	Per Capita Personal Income <sup>(3)</sup>	Median Age <sup>(4)</sup>	School Enrollment	County Unemployment Rate <sup>(6)</sup>
2012	539,970 <sup>(3)</sup>	\$ 16,220,471	\$ 30,040	24.2	115,507 <sup>(4)</sup>	4.6%
2013	551,689 <sup>(3)</sup>	\$ 17,081,815	\$ 30,963	24.2	131,293 <sup>(5)</sup>	3.9%
2014	561,171 <sup>(3)</sup>	\$ 18,578,426	\$ 33,107	24.3	135,125 <sup>(5)</sup>	3.3%
2015	573,289 <sup>(3)</sup>	\$ 20,382,206	\$ 35,553	24.4	139,108 <sup>(5)</sup>	3.2%
2016	591,107 <sup>(3)</sup>	\$ 21,980,449	\$ 37,185	24.6	143,244 <sup>(5)</sup>	3.0%
2017	607,612 <sup>(3)</sup>	\$ 23,474,742	\$ 38,634	24.8	144,431 <sup>(5)</sup>	2.8%
2018	622,076 <sup>(3)</sup>	\$ 25,481,148	\$ 40,961	25.0	146,840 <sup>(5)</sup>	2.7%
2019	635,675 <sup>(3)</sup>	\$ 27,722,352	\$ 43,611	25.2	149,250 <sup>(5)</sup>	2.4%
2020	663,143 <sup>(2)</sup>	\$ 30,251,205	\$ 46,465	25.4	147,421 <sup>(5)</sup>	3.2%
2021	684,986 <sup>(2)</sup>	na	na	25.6	150,955 <sup>(5)</sup>	2.0%

## Sources:

<sup>(1)</sup> Utah County's 2020 Financial Statements.


<sup>(2)</sup> U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Counties in Utah: April 1, 2020 to July 1, 2021. Release Date: March 2022. Retrieved April 2022.

<sup>(3)</sup> U.S. Department of Commerce, Bureau of Economic Analysis, Regional Data, Table CAINC1, 14 November 2021. Estimates are in current dollars (not adjusted for inflation). Per capita personal income was computed using Census Bureau midyear population estimates. Estimates for 2012-2020 reflect county population estimates available as of March 2021. Retrieved April 2022. Statistics for 2021 personal income are not yet available.

<sup>(4)</sup> 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, 2020. Release Date: June 2022. Retrieved June 2022.

<sup>(5)</sup> Utah State Board of Education, Data & Statistics (as of fall enrollment for each year). Enrollment for Kindergarten-Grade 12 for Utah County. Retrieved April 2022.

<sup>(6)</sup> Utah Department of Workforce Services. Utah County unemployment rate, seasonally adjusted, as of December for each year. Retrieved April 2022.



Utah County  
HEART of UTAH

**UTAH COUNTY**

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

**YEAR ENDED DECEMBER 31, 2021**

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**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<b><u>Corporation for National and Community Service</u></b>				
Direct				
Foster Grandparents/Senior Companion Cluster				
Foster Grandparent Program	94.011		\$ 230,610	\$ 250
Senior Companion Program	94.016		257,991	250
<b>Total Corp for National and Community Service/and Cluster</b>			<u>488,601</u>	
<b><u>Elections Assistance Commission</u></b>				
Passed Through Utah Office of the Lt. Governor				
Help America Vote Act Grant	90.404	GAX223-082	761	
<b>Total Elections Assistance Commission</b>			<u>761</u>	
<b><u>Environmental Protection Agency</u></b>				
Passed Through Utah Department of Environmental Quality				
Local Health Department Performance Partnership Grants	66.605	190080	36,820	
<b>Total Environmental Protection Agency</b>			<u>36,820</u>	
<b><u>Executive Office of the President</u></b>				
Passed Through Orem City				
High Intensity Drug Trafficking Areas Program	95.001	2016-G16RM0030A	57,035	
<b>Total Executive Office of the President</b>			<u>57,035</u>	
<b><u>U.S. Department of Agriculture</u></b>				
Direct				
USDA Natural Resources Conservation - EWP	10.923	NR208D43XXXXC008	638,444	
Passed Through Utah Department of Health				
Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	202700363	2,361,407	
Special Supplemental Nutrition Program for Women, Infants, and Children Food (Noncash Commodities)	10.557		4,794,601	
<b>Total CFDA</b>			<u>7,156,008</u>	
Summer Food - Child Nutrition Cluster	10.559	182700914	1,610	
<b>Total U.S. Department of Agriculture</b>			<u>7,796,062</u>	
<b><u>U.S. Department of Transportation</u></b>				
Passed Through Utah Highway Safety Office				
Highway Safety Cluster				
State & Community Highway Safety	20.600		31,250	
Passed Through Utah Highway Safety Office				
National Priority Safety Programs	20.616		12,150	
<b>Total Cluster</b>			<u>43,400</u>	
Passed Through Utah Department of Public Safety				
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	HMEP-USA 2013	3,200	
<b>Total U.S. Department of Transportation</b>			<u>46,600</u>	
<b><u>U.S. Department of the Treasury</u></b>				
Direct				
Covid 19 - Coronavirus Relief Fund	21.019		12,274,375	
Passed Through Utah Department of Health				
Covid 19 - Coronavirus Relief Fund	21.019	222700120	142,910	19,550
Covid 19 - Coronavirus Relief Fund	21.019	212700092	71,225	
<b>Total CFDA</b>			<u>12,488,510</u>	
Direct				
Emergency Rental Assistance	21.023		10,838,402	10,819,399
Coronavirus State and Local Fiscal Recovery Funds (ARPA)	21.027		3,546,963	
<b>Total U.S. Department of Treasury</b>			<u>26,873,874</u>	
<b><u>U.S. Department of Health and Human Services</u></b>				
Direct				
Food and Drug Administration-Research	93.103		3,000	285
Drug-free Communities Support Program Grants	93.276		104,840	
Passed Through National Association of City and County Health Officials				
Medical Reserve Corps Small Grant Program	93.008	MRC 21-0200	10,000	
Strengthening Public Health Systems and Services through National Partnerships to Improve and Protect the Nation's Health	93.421	6NU38OT000306-02-10	66,400	
Passed Through Utah Department of Human Services				
Block Grants for Prevention & Treatment of Substance Abuse	93.243	160080	99,856	
Block Grants for Prevention & Treatment of Substance Abuse	93.959		9,124	
Block Grants for Prevention & Treatment of Substance Abuse	93.959	160080	541,970	196,937
<b>Total CFDA</b>			<u>551,094</u>	

**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Health and Human Services (continued)</b>				
Passed Through Utah Department of Health				
Public Health Emergency Preparedness	93.069	212700113	329,685	
Environmental Public Health and Emergency Response	93.070	202700544	59,029	
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	202700584	8,024	
Injury Prevention and Control Research	93.136	212700684	94,743	
Childhood Lead Poisoning Prevention	93.197	222700404	1,924	
Immunization and Cooperative Agreements	93.268	212701520	1,970,797	
Immunization and Cooperative Agreements	93.268	192701014	103,918	
Immunization and Cooperative Agreements	93.268	202701060	299,084	
Immunization and Cooperative Agreements-Vaccines (Noncash Commodities)	93.268		548,310	
Total CFDA	93.268		2,922,109	
Viral Hepatitis Surveillance	93.271	212702417	9,889	
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	152700566	3,000	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	212700324	3,788,553	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	202700513	18,218	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	202700957	131,544	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	212702397	1,107,960	
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	222700105	4,713	
Total CFDA	93.323		5,050,988	
National and State Tobacco Control Program	93.387	212700252	349,616	87,707
Covid-19 Health Disparities and Advancing Health Equity	93.391	222700123	111,108	20,301
Improving Health of Americans	93.426	192700381	48,975	
Innovative Health Strategies to Prevent Diabetes	93.435	192700381	139,206	
Well-Integrated Screening and Evaluation for Women	93.436	162700953, 222700545	187,066	
State Physical Activity and Nutrition Program	93.439	192700381	28,676	
Medicaid Cluster				
Medicaid Assistance Program/and Cluster	93.778	162700973	50,712	
Medicaid Assistance Program/and Cluster	93.778	212702231	23,968	
Total CFDA	93.778		74,680	
Maternal, Infant, Childhood Home Visiting	93.870	212700826, 222700686, 222700477	396,327	
National Bioterrorism Hospital Preparedness Program	93.889	212700113	73,903	
National Bioterrorism Hospital Preparedness Program	93.889	222700221	8,000	
Total CFDA	93.889		81,903	
Cancer Prevention and Control	93.898	162700968, 212702500	155,820	
HIV Prevention Activities - Health Department Based	93.940	182700671	41,500	
Assistance Programs for Chronic Disease Prevention and Control	93.945	192700281	4,495	
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	192700675	60,014	
Preventative Health & Human Service Block Grant	93.991	192700381, 222700495	131,941	
Preventative Health & Human Service Block Grant	93.991	212700684	14,204	
Total CFDA	93.991		146,145	
Maternal and Child Health Block Grant	93.994	212700511	71,150	
Maternal and Child Health Block Grant	93.994	212700684, 222700556	58,554	
Total CFDA	93.994		129,704	
Community-Based Child Abuse Prevention	93.590	A03285	99,523	
Passed Through Mountainland Association of Governments				
Social Services Block Grant	93.667		8,443	
Passed Through University of Utah Poison Control Center				
Poison Center Support and Enhancement Grant Program	93.253		2,500	
Total U.S. Department of Health and Human Services			11,380,283	
<b>U.S. Department of Homeland Security</b>				
Passthrough Utah Department of Public Safety				
FEMA Public Assistance Grant	97.036		425,076	
Emergency Management Performance Grants	97.042	EMPG-2020-DEM-054	101,500	
Homeland Security Grant Program	97.067	DEM-2019-SHSP-008	128,325	
Homeland Security Grant Program	97.067	16-SHSP-BombSquad-Proj	1,534	
Total CFDA			129,859	
Total U.S. Department of Homeland Security			656,435	

**UTAH COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Housing &amp; Urban Development</b>				
Direct				
CDBG Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218		587,155	
Covid-19 Community Development Block Grants/Entitlement Grants	14.218		85,036	
<b>Total Cluster and U.S. Department of HUD</b>	14.218		<u>672,191</u>	672,191
<b>U.S. Department of Justice</b>				
Direct				
Covid 19 - Coronavirus Emergency Supplemental Program	16.034		22,086	
Passed Through Utah Commission on Criminal and Juvenile Justice				
Covid 19 - Coronavirus Emergency Supplemental Program	16.034	20CV04	101,611	
Total CFDA	16.034		<u>123,696</u>	
Crime Victim Assistance - VOCA	16.575	20VOCA017	485,298	
Crime Victim Assistance - VOCA	16.575	21VOCA016	360,065	
Crime Victim Assistance - VOCA	16.575	20VOCA068	59,979	
Crime Victim Assistance - VOCA	16.575	21VOCA069	34,697	
Crime Victim Assistance - VOCA	16.575	20VOCA069	61,961	
Crime Victim Assistance - VOCA	16.575	21VOCA070	66,880	
Total CFDA	16.575		<u>1,068,880</u>	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	19A186	4,500	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20A186	6,677	
Total CFDA	16.738		<u>11,177</u>	
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-SA21	16,005	
Passed Through Utah Department of Health				
Harold Rogers Prescription Drug Monitoring Program	16.754	212700684	769	
<b>Total U.S. Department of Justice</b>			<u>1,220,527</u>	
<b>U.S. Department of Labor</b>				
Passed Through Utah Department of Workforce Services				
Unemployment Insurance	17.225		53,015	
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 49,282,204</u>	<u>\$ 11,816,871</u>

**UTAH COUNTY**  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021

**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, 2021. 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.



# GILBERT & STEWART

CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

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

Honorable Board of County Commissioners  
Utah County  
Provo, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements, and have issued our report thereon dated August 16, 2022.

### Internal Control Over Financial Reporting

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

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

***Gilbert & Stewart***

Gilbert & Stewart  
*Certified Public Accountants*  
Provo, Utah  
August 16, 2022



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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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Utah County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Utah County's major federal programs for the year ended December 31, 2021. Utah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Utah County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

### **Report on Internal Control over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or



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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, and the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated August 16, 2022, 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  
August 16, 2022

**UTAH COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

**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: USDA Natural Resources Conservation – Emergency Watershed Protection Program (10.923), and Covid 19 – Coronavirus Relief Fund (21.019), Covid-19 - Emergency Rental Assistance (21.023), Covid-19 - Coronavirus State and Local Fiscal Recovery Funds (21.027), Immunization Cooperative Agreements (93.268), Epidemiology and Laboratory Capacity for Infections Diseases (ELC) (93.323), Disaster Grants – Public Assistance (Presidentially Declared Disasters) (97.036)
8. The threshold for distinguishing between Type A and B programs was \$1,478,466.
9. Utah County was determined to be a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**UTAH COUNTY**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

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

**US Department of Agriculture**

Program Name: Emergency Watershed Protection Program (EWP)  
CFDA #10.923  
Grant Number: NR198D43xxxxC018

**US Department of Housing and Urban Development**

Program Name: Covid-19 Community Development and Block Grants (Covid--CDBG)  
CFDA #14.218

**Finding 2020 – 001**

Significant Deficiency/Compliance

Reporting

Criteria: Under the requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) (Transparency Act) that are codified in 2 CFR Part 170, direct recipients of grants who make first tier subawards of \$25,000 or more are required to register in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) and report subaward data through FSRS.

Condition: (1) EWP --The County did not report the subaward information for 2 subrecipients. The total of the subawards was \$582,734. These subrecipients were the only ones receiving subawards exceeding \$25,000 during the year. (2) Covid--CDBG—The County did not report subawards required to be reported under the Transparency Act.

Effect: Two subawards were omitted from the required Transparency Act reporting.

Cause: The County does not have policies and procedures in place to determine and track which subawards are subject to the Transparency Act.

Recommendation: Policies and procedures should be implemented, and training should be conducted to ensure applicable employees are familiar with the Transparency Act requirements to ensure all applicable subawards are accounted for in the FSRS.

Current Status: The finding has been corrected in the current year.

**UTAH COUNTY**  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2021

**US Department of Agriculture, US Department of the Treasury, US Department of Health and Human Services, and US Department of Housing and Urban Development**

Passed through Utah Department of Health, Utah Department of Human Services, and Direct Programs

Program Names: Emergency Watershed Protection Program, Coronavirus Relief Fund, Block Grants for Prevention and Treatment of Substance Abuse, and Community Development and Block Grants

CFDA #'s: 10.923, 21.019, 93.959, and 14.218

**Finding 2020—002**

Significant Deficiency/ Compliance

Subrecipient Monitoring

Criteria: A pass-through entity (PTE) must:

(1) Identify the award and applicable requirements by clearly identifying to the subrecipient that the award is a subaward, and by providing all information described in 2 CFR section 200.331 (a)(1), and by providing all requirements imposed by the PTE on the subrecipient so that the federal award used in accordance with federal statutes and regulations, and by providing any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the federal award;

(2) Evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring (auditing) related to the subaward. This evaluation of risk may include consideration of such factors as: (a) The subrecipient's prior experience with the award, (b) The results of previous audits of the subrecipient, (c) Whether the subrecipient has new personnel or systems, and (d) the extent and results of Federal awarding agency monitoring (auditing) of the subrecipient;

(3) Monitor (Audit) the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, does not violate the suspension and debarment compliance requirements, and achieves performance goals. In

addition to procedures identified as necessary based upon the evaluation of subrecipient risk, or specifically required by the terms and conditions of the award, subaward monitoring must include: (a) Reviewing financial and special reports required by the PTE; (b) Following up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award provided to the subrecipient from the PTE detected through audits, on-site reviews, and other means. and (c) Issuing a management decision for audit findings pertaining to the federal award provided to the subrecipient from the PTE as required by 2 CFR section e200.521;

**UTAH COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

(4) Ensure Accountability of For-Profit Subrecipient – some federal awards may be passed through to for-profit entities. For-profit subrecipients are accountable to the PTE for the use of the federal funds provided. The PTE is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients for the subaward. The agreement with the for-profit subrecipient must describe applicable compliance requirements and the for-profit subrecipient’s compliance responsibility. Methods to ensure compliance for federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits (2 CFR section 200.501(h)).

Condition: The County does not have adequate policies and procedures in place to monitor (audit) a subrecipient’s compliance with all applicable federal requirements.

Effect: Without adequate monitoring (auditing) procedures, the County might not detect unallowed expenditures, improper payments to suspended or debarred entities, or receive incorrect or incomplete information from subrecipients.

Cause: County employees were unaware of all the compliance requirements applicable to subrecipients.

Current Status: The finding has been corrected in the current year.

**D. FINDINGS AND QUESTIONED COSTS – MAJOR AWARD PROGRAMS**

None



**GILBERT & STEWART**

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JAMES E. STEWART, CPA

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

Honorable Board of County Commissioners  
Utah County  
Provo, Utah

**REPORT ON COMPLIANCE WITH GENERAL STATE COMPLIANCE REQUIREMENTS**

We have audited Utah County’s compliance with the applicable general state requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on Utah County for the year ended December 31, 2021.

General state compliance requirements were tested for the year ended December 31, 2021 in the following areas:

- Budgetary Compliance
- Fund Balance
- Fraud Risk Assessment
- Cash Management
- Restricted Taxes and Related Revenues
- Open & Public Meetings Act
- 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, 2021.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described in our letter to management dated August 16, 2022 as item 2021-1. Our opinion on compliance is not modified with respect to these matters.

Utah County's response to the noncompliance findings identified in our audit is described in the accompanying letter to management dated August 16, 2022 as item 2021-1. Utah County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

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

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

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

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

***Gilbert & Stewart***

GILBERT & STEWART  
*Certified Public Accountants*  
August 16, 2022

**UTAH COUNTY**

**COMMUNICATION WITH THOSE CHARGED WITH  
GOVERNANCE**

**DECEMBER 31, 2021**





# GILBERT & STEWART

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JAMES E. STEWART, CPA

August 16, 2022

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, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards and Uniform Guidance, as well as certain information related to the planned scope and timing of or audit. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Findings

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utah County are described in Note I to the financial statements. The application of existing policies, including leases, was not changed during 2021. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

Management's estimate of the capital assets' useful life is based on the historical life of similar assets. We evaluated the key factor and assumptions used to develop the capital assets' useful life in determining that it is reasonable in relation to the financial statements taken as a whole. Another key estimate is related to leases (page 42 of the financial statements): Key estimates and judgements related to leases include how Utah County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) the lease term, and (3) lease payments. These estimates seem reasonable.

### *Difficulties Encountered in Performing the Audit*

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

### *Corrected and Uncorrected Misstatements*

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

### *Disagreements with Management*

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

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated August 16, 2022.

### *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*

2021-1 General Compliance- Fund Balance

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

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

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

*Utah State Compliance Findings – Prior Year*

2020-1 General Compliance- Open and Public Meetings Act

**Finding:** Utah State law requires entities to post all approved minutes to the Utah Public Notice website within 3 days of approval. We noted that the County failed to post approved minutes to the website within 3 days.

**Recommendation:** We recommend that the County post all approved minutes to the Utah Public Notice website within 3 days of approval.

**Current Status:** The finding was corrected during the current year.

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

1. The State Auditor's Office requires Utah County to complete an annual Fraud Risk Assessment that is signed by the governing board and financial management. As shown on the completed Fraud Risk Assessment for the fiscal year 2021, the County does not have a formal audit committee. We recommend that the County establishes an audit committee.
2. During our Single Audit procedures, we noted that the Schedule of Expenditures of Federal Awards (SEFA) prepared by the Grants Office required a significant number of changes and corrections. We recommend that the Grants Office work closely with department Finance Managers and seek additional external training to ensure the SEFA is presented accurately.

3. The County began utilizing a new Human Resource Information System (“HRIS”) many years ago. The controls over the new system need to be tested and reviewed to help ensure that the system is adequately designed.
4. We recommend that the Treasurer’s Office conduct annual training on the County's money handling policy for departments that handle cash/cash equivalents. Topics to cover during this training should include, but are not limited to: depositing funds daily, identifying counterfeit currency, settling credit card terminals daily, verifying checks meet the County’s policy (e.g. preprinted, not a counter check, not written in foreign currency, not stale dated). This training will help ensure that cash and cash/equivalents are handled according to County policy.
5. During our audit and fee analysis we noted that the Public Land Corner Preservation Fund has accumulated a balance of approximately \$64,000. Fees collected by the Surveyor are deposited to this Fund. The Fund has perpetually grown through the years whereas it would be generally expected the Fund would increase and decrease over time. We recommend that the County review this Fund to ensure the fees are being collected in a manner consistent with State Auditor Alert No. 2018-03 related to Government Fees.

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*