

UTAH COUNTY, UTAH

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2013



Published: July 28, 2014

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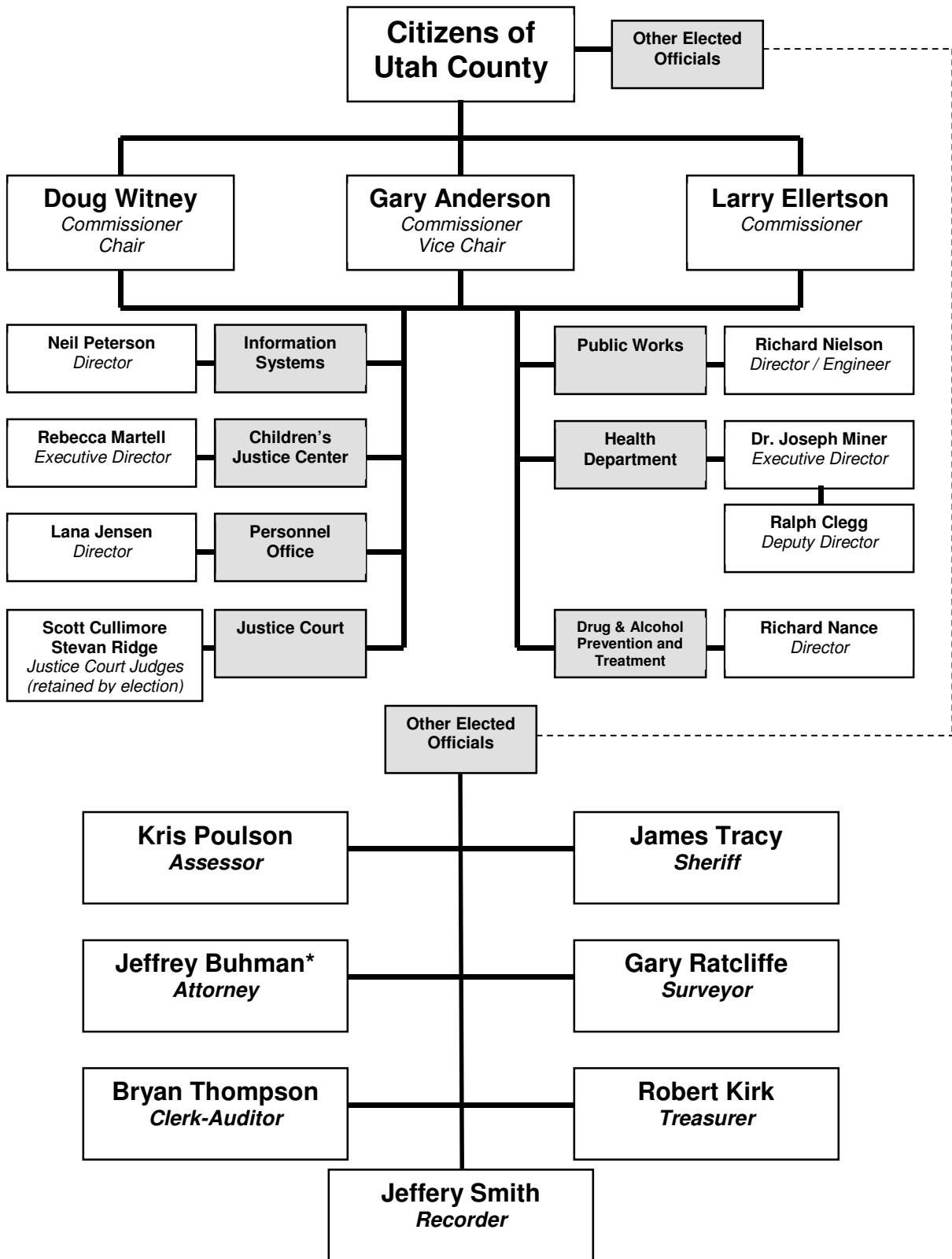
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FINANCIAL SECTION

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UTAH COUNTY ORGANIZATIONAL CHART

As of December 31, 2013



*Note: Position currently being filled by Timothy Taylor due to Mr. Buhman's military leave.

FINANCIAL SECTION



GILBERT & STEWART
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INDEPENDENT AUDITOR'S REPORT

To Honorable Board of County Commissioners
Utah County
Provo, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, (the County) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health or North Fork Special Service District, which represent 100 percent of the assets, 100 percent of the revenues, and 100 percent of the net position of the component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health, is based solely upon the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented

component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of December 31, 2013 and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-12 and 61-63, and the County's Road System Ratings and OPEB Schedule of Funding Progress on pages 59-60 and 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2014, on our consideration of the Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Utah County's internal control over financial reporting and compliance.

Gilbert & Stewart

GILBERT & STEWART, CPA, PC

Provo, Utah 8601
July 28, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

Utah County, Utah
Management's Discussion and Analysis
December 31, 2013

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, 2013.

Financial Highlights

- At the close of the most recent fiscal year, the assets and deferred outflows of the County exceeded its liabilities by \$301,852,623 (net position). Of this amount, \$43,953,425 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors. The County's total net position increased by \$14,732,816.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$120,059,856, an increase of \$7,631,607 in comparison with the prior year. Approximately 12 percent of this amount (\$13,821,978) is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$25,912,302, or approximately 40 percent of total general fund expenditures.
- The County's total outstanding long-term debt decreased by \$4,465,000 during the current fiscal year because:
 - Scheduled principal debt payments of \$8,265,000.
 - Issuance of \$3.8 million in Series 2013 Excise Tax Revenue Bonds for the purpose of financing the Museum of Natural Curiosity at Thanksgiving Point in Lehi.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

The County maintains 20 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Health Department fund, Transportation Projects fund, Capital Projects fund, and Debt Service fund, all of which are considered to be major funds. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

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

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

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

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the County's rating system for its roads.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities by \$301,852,623 at the close of the most recent fiscal year.

The largest portion of the County's net position (\$184,153,070 or 61 percent) reflects its investment in capital assets (e.g. land, rights of way, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$73,746,128 or 24 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$43,953,425 is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors.

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

The County's overall net position increased by \$14,732,816 (5 percent) from the prior fiscal year. The reasons for this overall increase are discussed in the following section.

Utah County's Net Position

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$148,964,007	\$141,130,488	\$ 0	\$ 0	\$148,964,007	\$141,130,488
Capital assets	412,419,674	413,759,444	0	0	412,419,674	413,759,444
Total assets	561,383,681	554,889,932	0	0	561,383,681	554,889,932
Long-term liabilities outstanding	240,358,589	245,142,088	0	0	240,358,589	245,142,088
Other liabilities	19,172,469	17,112,909	0	0	19,172,469	17,112,909
Total liabilities	259,531,058	262,254,997	0	0	259,531,058	262,254,997
Total deferred inflows of resources	0	5,515,129	0	0	0	5,515,129
Net position:						
Net investment in capital assets	184,153,070	180,012,571	0	0	184,153,070	180,012,571
Restricted	73,746,128	68,755,515	0	0	73,746,128	68,755,515
Unrestricted	43,953,425	38,351,720	0	0	43,953,425	38,351,720
Total net position	\$301,852,623	\$287,119,806	\$ 0	\$ 0	\$301,852,623	\$287,119,806

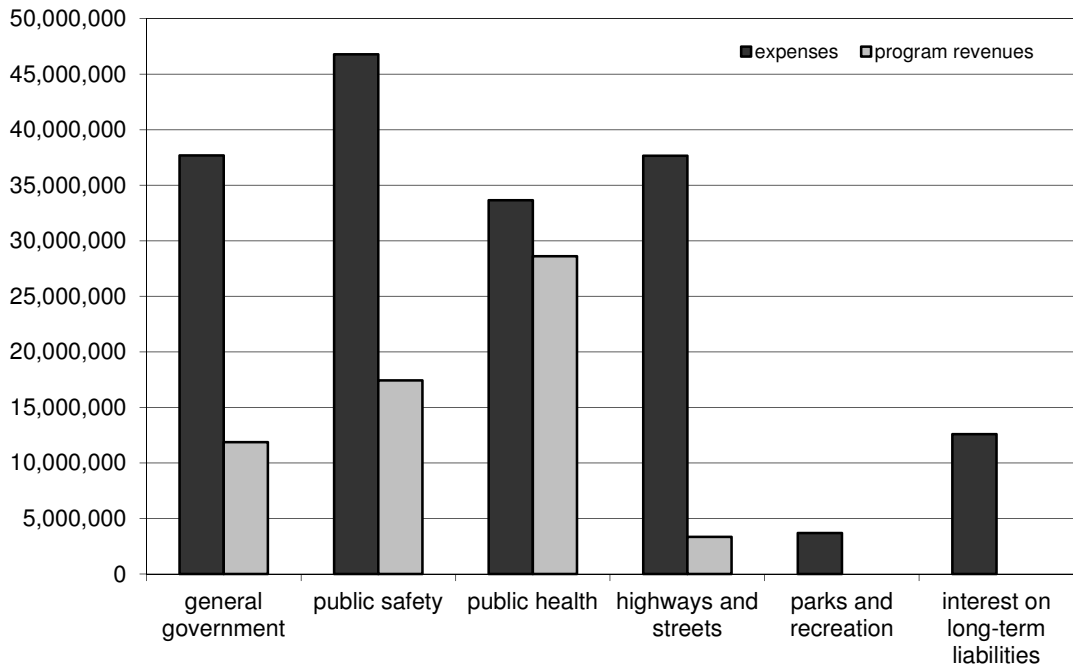
Governmental activities. As the County has no business-type activities, the overall increase of the County's net position by \$14,732,816 is solely attributed to governmental activities. Key elements of this increase are as follows:

- Sales tax revenues collected were more than what was budgeted. Because the additional sales tax revenues were unspent, which increased the County's net position. The County generally forecasts its revenue with minimal increases so additional revenue that may be generated remains unspent and is, therefore, available for future spending. This practice allows the County to be fiscally prepared in case of an economic downturn.
- Delinquent property taxes decreased from the prior fiscal year. The County's net position has increased because taxpayers are paying property taxes on a more timely basis.

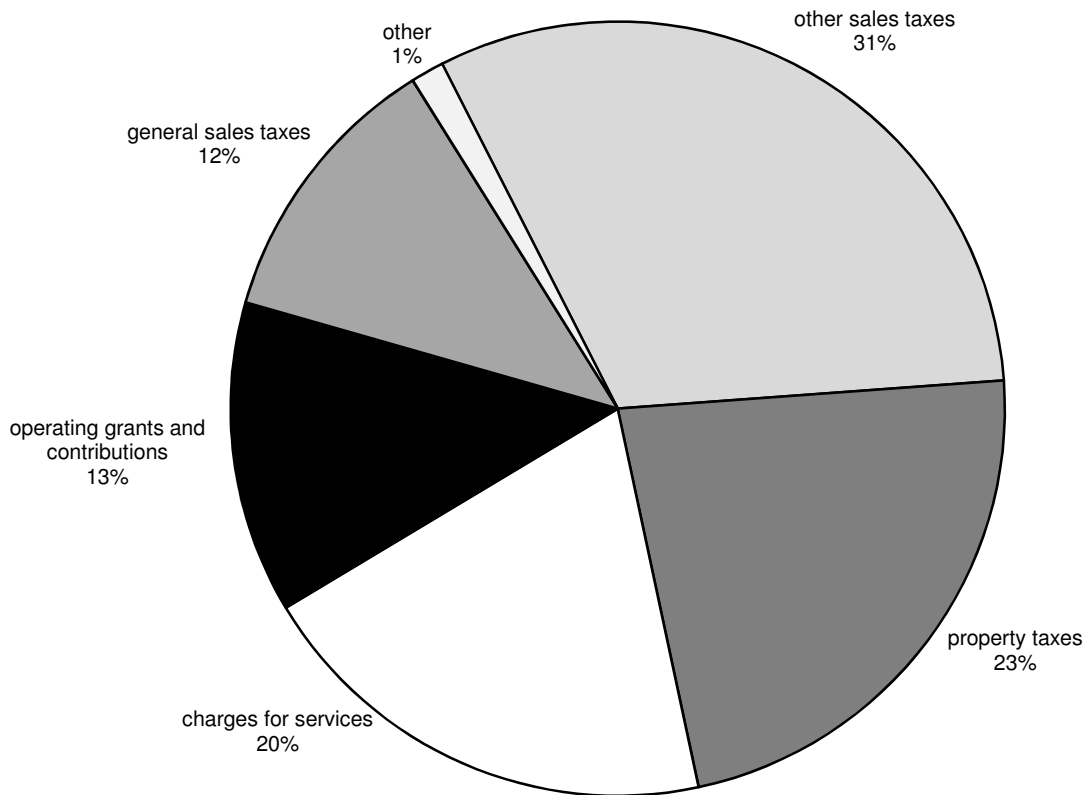
Utah County's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$36,920,269	\$ 34,304,626	\$ 0	\$ 0	\$36,920,269	\$ 34,304,626
Operating grants and contributions	24,325,550	26,923,158	0	0	24,325,550	26,923,158
Capital grants and contributions	0	0	0	0	0	0
General revenues:						
Property taxes	42,610,943	40,093,171	0	0	42,610,943	40,093,171
Other taxes	80,374,972	48,403,485	0	0	80,374,972	48,403,485
Other	2,592,841	1,993,640	0	0	2,592,841	1,993,640
Total revenues	186,824,575	151,718,080	0	0	186,824,575	151,718,080
Expenses:						
General government	\$37,695,407	\$ 31,836,022	0	0	\$37,695,407	\$ 31,836,022
Public safety	46,787,298	44,994,583	0	0	46,787,298	44,994,583
Public health	33,659,769	31,461,770	0	0	33,659,769	31,461,770
Highways and streets	37,657,107	59,278,177	0	0	37,657,107	59,278,177
Parks and recreation	3,699,243	5,156,608	0	0	3,699,243	5,156,608
Interest on long-term debt	12,592,935	12,661,900	0	0	12,592,935	12,661,900
Total expenses	172,091,759	185,389,060	0	0	172,091,759	185,389,060
Increase / (decrease) in net position	14,732,816	(33,670,980)	0	0	14,732,816	(33,670,980)
Net position – beginning	287,119,807	320,790,786	0	0	287,119,807	320,790,786
Net position – ending	\$301,852,623	\$287,119,806	\$ 0	\$ 0	\$301,852,623	\$287,119,806

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the County's Funds

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

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

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$120,059,856, an increase of \$7,631,607 in comparison with the prior year. Approximately 12 percent of this amount (\$13,821,978) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0), (2) legally required to be maintained intact (\$0), (3) restricted for particular purposes (\$73,742,043), (4) committed for particular purposes (\$23,908,375), or (5) assigned for particular purposes (\$8,587,459).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$13,821,978 while total fund balance reached \$25,912,302. 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 21 percent of total general fund expenditures while total fund balance represents approximately 40 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$3,649,321 during the current fiscal year. The primary reasons for this increase are (1) the shift in the property tax rate from restricted assessing and collecting property taxes to general property taxes (note: the overall tax rate of the County did not increase), (2) an increase in the general sales taxes distributed to the County, and (3) a slight increase in the property tax collection rate.

The Health fund, a major fund, had a \$552,298 increase in fund balance during the current fiscal year. The increase in fund balance was caused by good management practices that minimize the cost of personnel expenses. The minimum match provided by the County's general fund plus fees collected exceeded the amount of expenses during the current fiscal year.

The Transportation Projects fund, a major fund, had a \$4,724,171 increase in fund balance during the current fiscal year. The increase in fund balance was caused mainly by (1) expenditures for construction of North County Boulevard were less than anticipated and (2) estimated start dates for various construction projects were moved to 2014, the next fiscal year.

The Capital Projects fund, a major fund, had a \$618,064 decrease in fund balance during the current fiscal year. The decrease in fund balance was caused mainly by the spending of resources for construction projects, primarily the construction of the Utah County Mosquito Abatement building and the Eagle Mountain communications tower.

The Debt Service fund, the remaining major governmental fund, had a decrease in fund balance during the current year of \$1,601,908 to bring the year-end fund balance to \$9,579,453. Property tax collections from prior years exceeded the debt service payments due to penalties and interest earned. Consequently, no property taxes were collected for general obligation debt in the current fiscal year even though the County made debt service payments. The budget was developed with the expectation that fund balance would be utilized for the debt service payments rather than current year property taxes.

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

Unrestricted net position of the internal service funds at the end of the year amounted to \$6,295,230. The total increase in net position was \$151,145.

General Fund Budgetary Highlights

During the year there was a \$2,354,174 increase in appropriations between the original and final amended budgets. Appropriations for public safety increased by \$1,569,942 and appropriations for parks and recreation increased by \$117,267.

Capital Asset and Debt Administration

Capital assets. The County’s investment in capital assets for its governmental activities as of December 31, 2013 amounts to \$412,419,674 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total decrease in the County’s investment in capital assets for the current fiscal year was 0.3 percent.

Utah County’s Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 42,585,551	\$ 42,560,551	\$ 0	\$ 0	\$ 42,585,551	\$ 42,560,551
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	0	0	0	0	0	0
Buildings	120,122,947	121,633,252	0	0	120,122,947	121,633,252
Improvements other than buildings	4,395,331	4,701,803	0	0	4,395,331	4,701,803
Equipment	7,966,348	7,786,681	0	0	7,966,348	7,786,681
Infrastructure	237,137,757	236,865,417	0	0	237,137,757	236,865,417
Total	\$412,419,674	\$413,759,444	\$ 0	\$ 0	\$412,419,674	\$413,759,444

Major capital asset events occurring during the current fiscal year include completion of the Utah County Mosquito Abatement facility located in Spanish Fork

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

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$234,865,000. The full amount of the bonded debt, \$234,865,000, is debt that is secured solely by specific revenue sources; none of this debt is backed by the full faith and credit of the government.

The County's total debt decreased by \$6,145,000 (3 percent) during the current fiscal year. The key factor in this decrease was payment of the scheduled debt service amounts.

Utah County's Outstanding Debt General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 0	\$ 1,680,000	\$ 0	\$ 0	\$ 0	\$ 1,680,000
Revenue bonds	234,865,000	239,330,000	0	0	234,865,000	239,330,000
Total	\$234,865,000	\$241,010,000	\$ 0	\$ 0	\$234,865,000	\$241,010,000

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

On April 8, 2014, the Board of County Commissioners approved a resolution finalizing the terms and conditions of the issuance and sale of sales tax revenue refunding bonds not to exceed \$7.0 million for the purpose of refunding the Series 2005 Sales Tax and Refunding Bonds.

Economic Factors and Next Year's Budgets and Rates

- The annual average unemployment rate for the County during 2013 was 4.3 percent (seasonally adjusted). This compares favorably to both the State's unemployment rate of 4.4 percent (seasonally adjusted) and to the average seasonally adjusted national unemployment rate of 7.4 percent (Source: U.S. Department of Labor, Bureau of Labor Statistics and Utah Department of Workforce Services).
- Utah County's estimated population in 2013 was 551,891. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). New growth generates additional property tax and sales tax revenues.
- The County continues to build a foundation for stronger economic growth. For the fourth straight year, Utah ranks No. 1 for economic outlook among all 50 states (Source: The American Legislative Exchange Council). The Provo/Orem metro area, which includes most of Utah County, was ranked No. 1 in the nation for economic vitality (Source: On Numbers Economic Index). Xactware, a data analytics software company, broke ground on a new facility in Lehi in August 2012 that is expected to be completed in 2014. The Governor's Office of Economic Development estimates the company will spend \$130 million on the new facility and infrastructure and that, over the life of a 20-year tax incentive agreement the company made with the state, the company will create 859 new full-time positions with full benefits. doTerra, an essential oils company, broke ground on its headquarters in Pleasant Grove in 2013. The company will bring 330 new full-time jobs. It is estimated that, over the life of a 10-year incentive agreement, the company will pay roughly \$83 million in State tax revenues and will spend \$60 million in capital investment.

- The Murdock Canal Trail opened in 2013. The \$17 million trail was funded through a joint effort between Utah County, cities in the area, and the Provo River Waters Users Association. The trail extends from 800 North in Orem to state Route 92 in Lehi and passes through seven Utah County cities—American Fork, Cedar Hills, Highland, Lehi, Lindon, Orem, and Pleasant Grove.
- A decrease in property values does not affect the County’s projected property tax revenue. The Utah State Tax Commission uses a property tax formula that generally allows counties to generate the same amount of property tax each year. If property values increase, the property tax rate automatically decreases and vice versa. If the County wishes to adopt a rate in excess of the calculated or certified rate, it must be done through a truth-in-taxation process that involves holding public hearings prior to the adoption of the budget. The Board of Utah County Commissioners did not elect to raise the general property tax rates in either 2013 or 2014.

These factors were considered in preparing the County’s budget for 2014.

At the end of the current fiscal year, unassigned fund balance in the general fund amounted to \$13,821,978. The County has appropriated \$732,282 of this amount for spending in the 2014 budget. The use of available fund balance is a one-time funding source that will not be available in subsequent years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

UTAH COUNTY
Statement of Net Position
December 31, 2013

	Primary Governmental Activities	Component Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and Investments	\$ 119,645,831	\$ 69,879,166
Receivables:		
Taxes Receivable	19,019,145	49,484
Other	8,989,944	7,100,285
Inventories	535,761	10,901
Other Current Assets	773,326	989,233
Capital Assets (net of depreciation):		
Land	42,585,551	6,530,532
Rights of Way and Water Rights	211,740	437,671
Construction In Progress	-	343,920
Buildings	120,122,947	7,475,601
Improvements Other Than Buildings	4,395,331	-
Equipment	7,966,348	139,562,898
Infrastructure	237,137,757	-
Other Non Current Assets	-	8,451,344
Total Assets	<u>561,383,681</u>	<u>240,831,035</u>
Deferred Outflow of Resources	-	149,708
Total Assets and Deferred Outflow of Resources	<u>561,383,681</u>	<u>240,980,743</u>
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts Payable and Accruals	\$ 7,568,898	\$ 2,147,256
Accrued Interest	983,215	371,720
Unearned Revenues	1,788,490	-
Other Liabilities	-	3,464,153
Revenue Bonds - Due Within One Year	8,831,866	3,390,000
Noncurrent liabilities:		
Revenue Bonds - Due More Than One Year	228,280,088	79,726,886
Compensated Absences and Other Post Employment Benefits	12,078,501	1,410,957
Total Liabilities	<u>259,531,058</u>	<u>90,510,972</u>
Deferred Inflow of Resources	-	-
Total Liabilities and Deferred Inflow of Resources	<u>259,531,058</u>	<u>90,510,972</u>
Net Position:		
Net investment in capital assets	184,153,070	73,935,203
Restricted for:		
Debt Service	9,579,453	4,382,644
Assessing and Collecting Property Tax	3,675,865	-
Transient Room Tax	430,808	-
Public Transit Tax	54,349,105	-
Restaurant Tax	5,710,897	-
Unrestricted	43,953,425	72,151,924
Total Net Position	<u>\$ 301,852,623</u>	<u>\$ 150,469,771</u>

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

UTAH COUNTY
Statement of Activities
Year Ended December 31, 2013

Functions Primary Government	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total Governmental Activities	Total	
Governmental activities:							
General Government	\$ 37,695,407	\$ 11,876,489	\$ -	\$ -	\$ (25,818,918)	\$ (25,818,918)	\$ -
Public Safety	46,787,298	13,672,610	3,754,222	-	(29,360,466)	(29,360,466)	-
Public Health	33,659,769	11,371,170	17,228,740	-	(5,059,859)	(5,059,859)	-
Highways and Streets	37,657,107	-	3,342,588	-	(34,314,519)	(34,314,519)	-
Parks and Recreation	3,699,243	-	-	-	(3,699,243)	(3,699,243)	-
Interest on Long-term Liabilities	12,592,935	-	-	-	(12,592,935)	(12,592,935)	-
Total County	<u>\$ 172,091,759</u>	<u>\$ 36,920,269</u>	<u>\$ 24,325,550</u>	<u>\$ -</u>	<u>(110,845,940)</u>	<u>(110,845,940)</u>	<u>-</u>
Component Units							
Timpanogos Special Service District	\$ 12,432,765	\$ 13,285,316	\$ -	\$ -	\$ -	\$ -	\$ 852,551
North Pointe Solid Waste Special Service District	7,118,958	6,858,383	-	-	-	-	(260,575)
North Fork Special Service District	1,067,326	1,176,902	-	-	-	-	109,576
Utah Valley Convention and Visitors Bureau	1,387,550	1,310,788	-	-	-	-	(76,762)
Wasatch Mental Health	27,405,001	26,295,343	-	-	-	-	(1,109,658)
	<u>\$ 49,411,600</u>	<u>\$ 48,926,732</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ (484,868)</u>
General revenues:							
Property Taxes					42,610,943	42,610,943	-
Sales Taxes					71,543,120	71,543,120	-
Restaurant Tax					6,484,111	6,484,111	-
Transient Room Tax					2,347,741	2,347,741	-
Earnings on Investments					577,698	577,698	416,741
Impact Fees and Other							10,583,995
Miscellaneous					2,015,143	2,015,143	-
Total general revenues					<u>125,578,756</u>	<u>125,578,756</u>	<u>11,000,736</u>
Change in net position					14,732,816	14,732,816	10,515,868
Net position - beginning					<u>287,119,807</u>	<u>287,119,807</u>	<u>139,953,903</u>
Net position - ending					<u>\$ 301,852,623</u>	<u>\$ 301,852,623</u>	<u>\$ 150,469,771</u>

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

UTAH COUNTY
Balance Sheet
Governmental Funds
December 31, 2013

	Major Funds				Debt Service	Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects			
ASSETS							
Cash and investments	\$ 27,467,207	\$ 5,450,211	\$ 48,977,013	\$ 7,710,007	\$ 9,456,532	\$ 13,923,820	\$ 112,984,790
Receivables:							
Tax receivables	11,688,015	-	2,470,656	-	4,550	4,855,924	19,019,145
Other receivables	1,473,318	617,170	3,395,240	-	-	2,982,343	8,468,070
Due from other funds	1,339,500	-	-	-	-	-	1,339,500
Other assets	19,214	27,490	-	-	118,372	608,251	773,327
Total assets	<u>\$ 41,987,254</u>	<u>\$ 6,094,871</u>	<u>\$ 54,842,910</u>	<u>\$ 7,710,007</u>	<u>\$ 9,579,453</u>	<u>\$ 22,370,338</u>	<u>\$ 142,584,833</u>
LIABILITIES							
Accounts payable and accruals	\$ 2,519,010	\$ 396,742	\$ 493,804	\$ 95,536	\$ -	\$ 2,966,363	\$ 6,471,455
Unearned revenues	1,029,930	4,786	-	-	-	753,773	1,788,489
Due to other funds	-	-	-	-	-	1,013,500	1,013,500
Other liabilities	10,411,033	-	-	-	-	-	10,411,033
Total liabilities	<u>13,959,973</u>	<u>401,528</u>	<u>493,804</u>	<u>95,536</u>	<u>-</u>	<u>4,733,636</u>	<u>19,684,477</u>
DEFERRED INFLOWS OF RESOURCES	<u>2,114,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>725,521</u>	<u>2,840,500</u>
FUND BALANCES							
Restricted:							
Transient room tax	-	-	-	-	-	430,808	430,808
Assessing and collecting	-	-	-	-	-	3,675,865	3,675,865
Public transit taxes	-	-	44,520,540	-	-	-	44,520,540
TRCC tax	-	-	-	-	-	5,710,897	5,710,897
Special service areas/districts	-	-	-	-	-	5,853,721	5,853,721
Bond proceeds	-	-	9,828,565	218,782	-	-	10,047,347
Debt service	-	-	-	-	-	-	-
Statutory minimum balance	3,502,865	-	-	-	-	-	3,502,865
Committed:							
Public health and welfare	-	5,693,343	-	-	-	600,024	6,293,367
Public safety	-	-	-	-	-	639,866	639,866
Capital projects	-	-	-	7,395,689	-	-	7,395,689
Debt service	-	-	-	-	9,579,453	-	9,579,453
Assigned:							
Retiree health insurance	872,574	-	-	-	-	-	872,574
Medicaid reserve	600,000	-	-	-	-	-	600,000
Assessing and collecting	3,775,838	-	-	-	-	-	3,775,838
Equipment replacement	3,065,762	-	-	-	-	-	3,065,762
aDDAPT carryforward	273,285	-	-	-	-	-	273,285
Unassigned	13,821,978	-	-	-	-	-	13,821,978
Total fund balances	<u>25,912,302</u>	<u>5,693,343</u>	<u>54,349,105</u>	<u>7,614,471</u>	<u>9,579,453</u>	<u>16,911,181</u>	<u>120,059,856</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 41,987,254</u>	<u>\$ 6,094,871</u>	<u>\$ 54,842,910</u>	<u>\$ 7,710,007</u>	<u>\$ 9,579,453</u>	<u>\$ 22,370,338</u>	<u>\$ 142,584,833</u>

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

UTAH COUNTY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2013

Total fund balances for governmental funds \$ 120,059,857

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

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

Land	\$ 42,585,551	
Rights of Way	211,740	
Buildings net of accum. depreciation of \$24,262,104	120,122,947	
Improvements other than buildings net of accum. depreciation \$3,830,647	4,395,331	
Equipment net of accum. depreciation of \$14,225,323	7,966,348	
Infrastructure	<u>237,137,757</u>	412,419,674

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (983,215)

Unamortized bond premiums originally shown as revenue in the governmental funds (3,467,222)

Some of the County's property taxes will be collected after year-end but are not available soon enough to pay current period expenditures, and are therefore reported as deferred inflows of resources in the funds. 2,840,500

Unamortized bond discounts originally shown as expenditures the governmental funds 1,220,268

Internal service funds are used by management to provide a method of charging individual funds and departments for use of facilities, communication systems, fleet, information systems support, and other services. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds unrestricted net position at year-end are: 6,295,229

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

General obligation bonds	-	
Revenue bonds	(234,865,000)	
Compensated absences	<u>(1,667,468)</u>	<u>(236,532,468)</u>

Total net position of governmental activities \$ 301,852,623

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

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	Major Funds					Total Nonmajor Funds	Total Governmental Funds
	General	Health	Transportation Projects	Capital Projects	Debt Service		
REVENUES							
Property taxes	\$ 29,314,108	\$ -	\$ -	\$ -	\$ 106,220	\$ 12,476,106	\$ 41,896,434
Sales taxes	21,830,861	-	49,707,054	-	-	8,831,852	80,369,766
Franchise taxes	5,205	-	-	-	-	-	5,205
Licenses and permits	302,915	-	-	-	-	26,905	329,820
Intergovernmental	817,427	12,329,212	2,882,607	-	3,210,455	8,533,914	27,773,615
Charges for services	14,428,475	8,617,203	-	-	-	7,558,391	30,604,068
Fines and forfeitures	2,861,640	-	-	-	-	-	2,861,640
Interest	112,760	40,106	258,030	61,612	115	105,076	577,698
Miscellaneous	383,902	146,303	634,819	-	-	523,213	1,688,237
Total revenues	<u>70,057,292</u>	<u>21,132,824</u>	<u>53,482,510</u>	<u>61,612</u>	<u>3,316,789</u>	<u>38,055,457</u>	<u>186,106,483</u>
EXPENDITURES							
General government	21,284,912	-	-	-	-	20,305,905	41,590,817
Public safety	41,844,660	-	-	-	-	3,675,257	45,519,917
Public health and welfare	819,526	23,102,052	-	-	-	8,816,568	32,738,146
Roads and public improvements	-	-	37,883,989	-	-	1,960,015	39,844,004
Parks and recreation	1,408,163	-	-	-	-	-	1,408,163
Debt service:							
Principal	-	-	-	-	9,945,000	-	9,945,000
Interest	-	-	-	-	12,850,419	-	12,850,419
Fiscal charges	-	-	-	-	29,000	-	29,000
Capital outlay:							
General government	22,411	-	-	339,688	-	44,827	406,926
Public safety	1,215	-	-	107,093	-	13,445	121,753
Public health and welfare	-	6,000	-	512,189	-	11,712	529,901
Parks and recreation	24,598	-	-	-	-	-	24,598
Total expenditures	<u>65,405,484</u>	<u>23,108,052</u>	<u>37,883,989</u>	<u>958,970</u>	<u>22,824,419</u>	<u>34,827,729</u>	<u>185,008,644</u>
Excess (deficiency) of revenues over expenditures	<u>4,651,808</u>	<u>(1,975,229)</u>	<u>15,598,521</u>	<u>(897,358)</u>	<u>(19,507,630)</u>	<u>3,227,728</u>	<u>1,097,840</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	4,109,673	2,527,527	-	279,294	17,905,721	801,098	25,623,312
Transfers out	(5,112,159)	-	(10,874,350)	-	-	(7,056,937)	(23,043,446)
Issuance of bonds	-	-	-	-	-	3,800,000	3,800,000
Bond premiums (discounts)	-	-	-	-	-	153,901	153,901
Total other financing sources (uses)	<u>(1,002,486)</u>	<u>2,527,527</u>	<u>(10,874,350)</u>	<u>279,294</u>	<u>17,905,721</u>	<u>(2,301,938)</u>	<u>6,533,768</u>
Net change in fund balances	3,649,321	552,298	4,724,171	(618,064)	(1,601,908)	925,790	7,631,607
Fund balances - beginning	<u>22,262,981</u>	<u>5,141,045</u>	<u>49,624,935</u>	<u>8,232,535</u>	<u>11,181,362</u>	<u>15,985,391</u>	<u>112,428,248</u>
Fund balances - ending	<u>\$ 25,912,302</u>	<u>\$ 5,693,343</u>	<u>\$ 54,349,105</u>	<u>\$ 7,614,471</u>	<u>\$ 9,579,453</u>	<u>\$ 16,911,181</u>	<u>\$ 120,059,856</u>

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

UTAH COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2013

Net change in fund balances for governmental funds	\$ 7,631,608
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlays	\$ 3,738,946	
Depreciation expense	<u>(3,010,105)</u>	728,841

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	2,840,500
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The net effect of various miscellaneous transactions involving capital assets (i.e. trade ins, disposals, or annexations).	(2,447,359)
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The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Issuance of long term obligations	(3,800,000)	
Repayment of bond principal	9,945,000	
Net amortization of bond premiums and discounts	87,965	
Changes in compensated absences	(449,505)	
Interest expense - general obligation bonds	<u>44,619</u>	5,828,079

Internal service funds are used by management to charge the costs of information systems, fleet, building maintenance, communications, and other services to individual funds.	151,147
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Change in net position of governmental activities	<u><u>\$ 14,732,816</u></u>
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UTAH COUNTY
Statement of Net Position
Proprietary Funds
December 31, 2013

	Governmental Activities - Internal Service Funds
ASSETS	
Current assets:	
Cash and investments	\$ 6,661,040
Accounts receivable	521,873
Inventory	381,377
Prepaid expenses	154,384
Total current assets	7,718,673
Noncurrent assets:	
Capital assets:	
Equipment, vehicles, furniture	18,572,785
Accumulated depreciation	(11,655,113)
Total noncurrent assets	6,917,672
Total assets	14,636,345
LIABILITIES	
Current liabilities:	
Accounts payable and accruals	967,721
Unearned revenues	129,722
Due to other funds	326,000
Total liabilities	1,423,443
NET POSITION	
Net investment in capital assets	6,917,672
Unrestricted	6,295,230
Total net position	\$ 13,212,902

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

UTAH COUNTY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges to other funds	\$ 15,771,896
Charges to outside agencies	1,856,272
Other revenues	51,850
Total operating revenues	17,680,018
Operating expenses:	
Salaries, wages, and benefits	6,061,358
Materials, supplies, and services	7,112,208
Depreciation	1,837,107
Total operating expenses	15,010,672
Operating income (loss)	2,669,346
Non-operating revenues (expenses):	
Interest income	40,513
Intergovernmental income	18,350
Intergovernmental expenses	(18,350)
Gain (loss) on sale of fixed assets	21,150
Total non-operating income (loss)	61,663
Net income (loss) before operating transfers	2,731,009
Transfers:	
Transfers in	-
Transfers out	(2,579,866)
Total transfers	(2,579,866)
Net income (loss)	151,143
Net position - beginning	13,061,759
Net position - ending	\$ 13,212,902

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

UTAH COUNTY
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from customers and users	\$ 17,735,729
Payments to suppliers	(7,353,447)
Payments to employees	(6,023,922)
Net cash provided (used) by operating activities	4,358,360
Cash flows from non-capital financing activities:	
Transfers in	-
Transfers out	(2,579,866)
Net cash provided (used) by non-capital financing activities	(2,579,866)
Cash flows from capital and related financing activities:	
Payments for acquisitions of capital assets	(2,215,854)
Proceeds from sales of capital assets	21,150
Net cash provided (used) by capital and related financing activities	(2,194,705)
Cash flows from investing activities:	
Interest received	40,513
Net change in cash and cash equivalents	(375,698)
Cash and cash equivalents - beginning	7,036,738
Cash and cash equivalents - ending	\$ 6,661,040
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 2,669,346
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation expense	1,837,107
(Increase) decrease in accounts receivable	(113,389)
(Increase) decrease in prepaid expenses	(94,737)
(Increase) decrease in inventory	(7,212)
Increase (decrease) in accounts payable	(139,291)
Increase (decrease) in accrued payroll	37,436
Increase (decrease) in unearned revenue	61,100
Increase (decrease) in amounts due to other funds	108,000
Total adjustments	1,689,014
Net cash provided (used) by operating activities	\$ 4,358,360
Noncash investing, capital, and financing activities:	none

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

UTAH COUNTY
Statement of Fiduciary Net Position
Agency Funds
December 31, 2013

	Agency Funds
ASSETS	
Cash and investments	\$ 83,831,455
Taxes receivable	859,030
Accounts receivable	(104,293)
Other assets	2,681
Total assets	<u>\$ 84,588,873</u>
LIABILITIES	
Due to other taxing units or entities	\$ 84,144,515
Other liabilities	444,358
Total liabilities	<u>\$ 84,588,873</u>

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying basic financial statements present the financial position of various fund types and account groups and the results of operations of the various fund types. The basic financial statements are presented for the year ended December 31, 2013.

A. Reporting Entity

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

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

Blended Component Units

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

- Utah County Municipal Building Authority
- Soldier Summit Special Service District
- Utah County Special Service Area #6
- Utah County Special Service Area #7
- Utah County Special Service Area #8
- Utah County Special Service Area #9
- Utah Valley Roads Special Service District

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

NOTE 1 (Continued)

Discretely Presented Component Units

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

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

Administrative Office: 5050 West 6400 North, American Fork, UT 84003
Fiscal Year Ending: December 31, 2013
Report dated April 17, 2014

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

Administrative Office: 2008 West 200 South, Lindon, UT 84042
Fiscal Year Ending: December 31, 2013
Report dated March 19, 2014

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

Administrative Office: 750 North 200 West, Provo, UT 84604
Fiscal Year Ending: June 30, 2013
Report dated November 22, 2013

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

Administrative Office: RR3 Box B1, Provo, UT 84604
Fiscal Year Ending: December 31, 2013
Draft report dated June 30, 2014 / Final report still unpublished

NOTE 1 (Continued)

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

Administrative Office: 220 West Center Street, Suite 100, Provo, UT 84601
Fiscal Year Ending: December 31, 2013
Report dated March 24, 2014

Related Organizations

The 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.

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UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2013

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 (Continued)

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

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
ASSETS						
Current assets	\$ 57,018,010	\$ 6,226,618	\$ 1,238,011	\$ 149,759	\$ 13,396,671	\$ 78,029,069
Capital assets, net of accumulated depreciation	134,767,191	6,222,687	6,539,996	29,029	6,791,719	154,350,622
Other assets	7,778,374	124,648	-	166,001	382,321	8,451,344
Total assets	<u>199,563,575</u>	<u>12,573,953</u>	<u>7,778,007</u>	<u>344,789</u>	<u>20,570,711</u>	<u>240,831,035</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>149,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,708</u>
Total assets and deferred outflows of resources	<u>\$ 199,563,575</u>	<u>\$ 12,723,661</u>	<u>\$ 7,778,007</u>	<u>\$ 344,789</u>	<u>\$ 20,570,711</u>	<u>\$ 240,980,743</u>
LIABILITIES						
Current liabilities	\$ 5,673,644	\$ 615,723	\$ 46,386	\$ 116,037	\$ 2,921,339	\$ 9,373,129
Noncurrent liabilities	77,094,677	49,881	2,632,209	-	1,361,076	81,137,843
Total liabilities	<u>82,768,321</u>	<u>665,604</u>	<u>2,678,595</u>	<u>116,037</u>	<u>4,282,415</u>	<u>90,510,972</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION						
Net position	<u>116,795,254</u>	<u>12,058,057</u>	<u>5,099,412</u>	<u>228,752</u>	<u>16,288,296</u>	<u>150,469,771</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 199,563,575</u>	<u>\$ 12,723,661</u>	<u>\$ 7,778,007</u>	<u>\$ 344,789</u>	<u>\$ 20,570,711</u>	<u>\$ 240,980,743</u>

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Operating revenues	\$ 13,285,316	\$ 6,858,383	\$ 1,176,902	\$ 1,310,788	\$ 26,295,343	\$ 48,926,732
Operating expenses:						
Depreciation	2,306,036	481,239	248,430	8,307	449,806	3,493,818
Other operating expenses	5,846,698	6,637,719	731,990	1,360,335	26,955,195	41,531,937
Operating income (loss)	<u>5,132,582</u>	<u>(260,575)</u>	<u>196,482</u>	<u>(57,854)</u>	<u>(1,109,658)</u>	<u>3,900,977</u>
Non-operating revenues (expenses)	<u>6,090,990</u>	<u>59,421</u>	<u>82,210</u>	<u>(18,908)</u>	<u>401,178</u>	<u>6,614,891</u>
Change in net position	11,223,572	(201,154)	278,692	(76,762)	(708,480)	10,515,868
Net position - beginning	<u>105,571,682</u>	<u>12,259,211</u>	<u>4,820,720</u>	<u>305,514</u>	<u>16,996,776</u>	<u>139,953,903</u>
Net position - ending	<u>\$ 116,795,254</u>	<u>\$ 12,058,057</u>	<u>\$ 5,099,412</u>	<u>\$ 228,752</u>	<u>\$ 16,288,296</u>	<u>\$ 150,469,771</u>

NOTE 1 (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

NOTE 1 (Continued)

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

The County reports the following major governmental funds:

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

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

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

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

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

The County also reports the following nonmajor funds:

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

The County government includes internal service funds. All internal service fund assets, liabilities, and net position have been consolidated into the government-wide financial statements. Internal service funds of the County include:

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

Additionally the County reports the following fiduciary fund types:

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

NOTE 1 (Continued)

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

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

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Equity

Deposits and Investments:

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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

Investments for the government, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Capital Assets:

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

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

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

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

Buildings	50 Years
Improvements Other Than Buildings	20 Years
Equipment	5-10 Years

NOTE 1 (Continued)

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.

Inventory:

Inventory is valued at the lower of cost (first-in, first-out) or market. Food commodity inventory is valued at fair market value.

Compensated Absences:

At December 31, 2013, the County was liable for vacation pay and accrued compensatory time for all employees in addition to sick pay for retirement-eligible employees. The liability was computed according to the personnel policy and amounted to \$3,972,779.

Deferred Outflows/Inflows of Resources:

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

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The County reports property taxes as deferred inflow of resources since they are recognized as receivables before the period for which the taxes are levied.

Long-Term Obligations:

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

In the fund financial statement, 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 or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 (Continued)

Fund Equity:

Beginning with fiscal year 2011, the County implemented GASB Statement 54, Fund Balance Reporting in Governmental Fund Types Definitions. The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the district is bound to honor them. The County first determines and reports nonspendable balances, then restricted, then committed, and so forth. The County's governmental funds beginning balances have been restated to reflect the classifications described below. Fund balance classifications are summarized as follows:

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.

- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:
 - a) Unspent tax revenues for specific purposes (capital projects, debt service, special service areas, TRT and TRCC taxes,)
 - b) Unspent bond proceeds obtained for specific capital and other projects.
 - c) Statutorily required minimum fund balance in the general fund, which is currently 5 percent of total revenues.

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

NOTE 1 (Continued)

- **Assigned.** This category includes General Fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the Board of County Commissioners after advisement by the County Auditor and other finance officers. Assigned fund balances include retiree health care and a Medicaid reserve fund.
- **Unassigned.** Residual balances in the General Fund are classified as unassigned. When both restricted and unrestricted resources are available for use, it is the County's policy to use committed resources first, followed by assigned resources, then unassigned resources as they are needed.

E. Budgets and Budgetary Accounting

The governing body of the entity shall establish the time and place of the public hearing to consider the adoption of the budget and shall publish notice of the hearing at least seven days prior to the hearing in at least one issue of the newspaper of general circulation published within the County in which the entity is located. If no such newspaper is published, the required notice may be posted in three public places within the entity's jurisdiction. The tentative budget must be made available to the public for inspection for a number of days, as provided by law, prior to the budget hearing.

1. On or before the first regularly scheduled meeting of the County Commission in the month of November, the County Auditor prepares a tentative budget for the next budget year.
2. After a public notice has been published, a public hearing is then held on the adoption of the budget.
3. After the public hearing, the Board of County Commissioners makes final adjustments to the tentative budget.
4. On or before December 31, the Board of County Commissioners adopts the budget by resolution and sets the tax rate for taxes.
5. The budget officer may transfer unexpended budgeted amounts within departments.
6. The Board of County Commissioners may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund by resolution.
7. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and adopted by resolution of the Board of County Commissioners.
8. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).

NOTE 1 (Continued)

The appropriated budget is prepared by fund, function, and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the governing council. The legal level of budgetary control is the department level.

The Fiscal Procedures Act for Utah counties requires counties to restrict expenditures to authorized department budgets. The combined statement of revenues, expenditures and changes in fund balance—budget and actual identifies the departments and funds which have over expended budgeted amounts, if any, and therefore do not comply with appropriate fiscal procedures.

F. Property Tax Calendar

- | | |
|------------|---|
| January 1 | Lien Date – All property appraised based upon situs and status as of this date (real and personal). |
| March 1 | Taxing entities proposing tax increases are to inform the County auditor of the date, time and place of their public hearing. |
| June 22 | All taxing entities to adopt tentative budgets and proposed tax rates and report them to the County Auditor. |
| July 22 | County Auditor prepares and mails Notice of Valuation and Tax Changes to all real property owners, including centrally assessed property owners or in the event that Notices of Valuation and Tax changes are not required, the County Auditor is to compute taxes and the County Treasurer is to mail tax notices. |
| October 1 | Utah State Tax Commission approves tax rates. |
| November 1 | County Auditor delivers the equalized assessment roll to the County Treasurer with affidavit. |
| November 1 | County Auditor charges the County Treasurer to account for all taxes levied. |
| November 1 | County Treasurer mails tax notices. Tax notices for calendar year entities include notice of budget hearings. |
| December 1 | Taxes on real property become delinquent. |

NOTE 1 (Continued)

G. Use of Estimates

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

NOTE 2 – DEPOSITS AND INVESTMENTS

The County follows the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Title 51, Chapter 7) in handling its depository and temporary investment transactions. This law requires the depositing of County funds in a “qualified depository,” defined as any financial institution whose deposits are insured by an agency of the Federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. Each calendar quarter, the Council provides a list of qualified depositories to each public treasurer; the Council establishes the maximum amount of public funds that each qualified depository is eligible to hold.

The Act authorizes the County to invest in certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-trade commercial paper, banker’s acceptances, repurchase agreements, certain corporate bonds, State of Utah and local government obligations, and restricted mutual funds as defined by the Act and to invest in the Utah Public Treasurers’ Investment Fund (“PTIF”). The PTIF is not registered with the Securities and Exchange Commission as an investment company and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The operating income, gains, and losses of the PTIF are allocated to each participant based upon each participant’s average daily balance.

Deposits – The County’s carrying amount of bank deposits at December 31, 2013 is \$129,805 and the bank balance is \$6,356,112 (\$750,000 of which is covered by federal depository insurance). Uninsured deposits are not collateralized.

Investments – At December 31, 2013, the County had a balance of \$3,008,083 in investments.

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The County’s policy for limiting the credit risk of investments is to comply with the Utah Money Management Act.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County manages its exposure to declines in fair value by investing mainly in the PTIF and by adhering to the Utah Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

NOTE 2 (Continued)

For an investment, *custodial credit risk* is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investment policy is to follow the Utah Money Management Act and to invest mainly in the PTIF. The County's investment policy does not limit the amount that can be held by counterparties.

The County has the following investments at December 31, 2013:

Investments	Investment Maturities (in years)				Quality Ratings
	Less than 1	1-5	6-10	More than 10	
Money Market Accounts	\$ 6,356,112	\$ -	\$ -	\$ -	Unrated
Utah Public Treasurer's Investment Fund <i>(held by County)</i>	184,453,545	-	-	-	Unrated
Utah Public Treasurer's Investment Fund <i>(held by bond trustee)</i>	9,510,190	-	-	-	Unrated
Certificate of Deposit	1,008,083	-	-	-	Unrated
GE Capital Corp Note	1,000,000	-	-	-	A1, AA+
Hewlett-Packard Co Note	1,000,000	-	-	-	Baa1, BBB+, A-
Total Investments	<u>\$ 203,327,930</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

Total deposits and investments at December 31, 2013, as described above, are as follows:

Carrying amount of deposits:	\$ 129,805
Carrying amount of petty cash:	19,550
Carrying amount of investments:	<u>203,327,930</u>
Total cash and investments	<u>\$ 203,477,285</u>

(The balance of this page is intentionally left blank.)

NOTE 3 - INTERFUND LOANS, BALANCES, AND TRANSFERS

At December 31, 2013, the County had the following interfund balances:

	<u>Due To</u>	<u>Due From</u>
General Fund	\$1,339,500	\$ -
DDAPT Special Revenue Fund	-	403,000
Soldier Summit Special Revenue Fund	-	5,000
Grants/Outside Funding Special Revenue Fund	-	307,500
Contract Law Enforcement Special Revenue Fund	-	298,000
Radio Internal Service Fund	-	326,000
Totals	<u>\$1,339,500</u>	<u>\$1,339,500</u>

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

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

	<u>Transfers TO:</u>						Totals
	General Fund	Health Fund	Capital Projects Fund	Debt Service Fund	Other Governmental Funds	Internal Service Funds	
Transfers FROM:							
Major governmental funds:							
General fund	\$ -	\$ 2,527,527	\$ -	\$ 2,033,535	\$ 551,098	\$ -	\$ 5,112,159
Transportation projects fund	-	-	-	10,874,350	-	-	10,874,350
Other governmental funds	4,109,673	-	279,294	2,417,971	250,000	-	7,056,937
Internal service funds	-	-	-	2,579,866	-	-	2,579,866
Totals	<u>\$ 4,109,673</u>	<u>\$ 2,527,527</u>	<u>\$ 279,294</u>	<u>\$ 17,905,721</u>	<u>\$ 801,098</u>	<u>\$ -</u>	<u>\$25,623,312</u>

(The balance of this page is intentionally left blank.)

NOTE 4 – PROPERTY TAXES

The County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including cities, school districts, and special districts, in accordance with State law. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes becomes a lien against the property as of January 1 in the year in which due and are assessed in July through billing to the property owner. Payments are due in one installment on November 30. Tax collections are recorded as funds held in trust until disbursement.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
PRIMARY GOVERNMENT				
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 42,560,551	\$ 25,000	\$ -	\$ 42,585,551
Rights of way	211,740	-	-	211,740
Construction in progress	-	-	-	-
Infrastructure	236,865,417	272,340	-	237,137,757
Total capital assets not being depreciated	<u>279,637,708</u>	<u>297,340</u>	<u>-</u>	<u>279,935,048</u>
Capital assets being depreciated:				
Buildings	143,207,212	1,177,839	-	144,385,051
Improvements other than buildings	8,225,978	-	-	8,225,978
Machinery and equipment	21,696,030	2,561,107	(2,065,466)	22,191,671
Total capital assets being depreciated	<u>173,129,220</u>	<u>3,738,946</u>	<u>(2,065,466)</u>	<u>174,802,700</u>

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UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2013

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5 (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Less accumulated depreciation for:				
Buildings	21,573,960	2,688,144	-	24,262,104
Improvements other than buildings	3,524,175	306,472	-	3,830,647
Machinery and equipment	13,909,349	2,149,936	(1,833,962)	14,225,323
Total accumulated depreciation	<u>39,007,484</u>	<u>5,144,552</u>	<u>(1,833,962)</u>	<u>42,318,074</u>
Total capital assets, being depreciated, net	<u>134,121,736</u>	<u>(1,405,606)</u>	<u>(231,504)</u>	<u>132,484,626</u>
Governmental activities, capital assets, net	<u>\$ 413,759,444</u>	<u>\$ (1,108,266)</u>	<u>\$ (231,504)</u>	<u>\$ 412,419,674</u>

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

Governmental activities:

General government	\$ 1,465,527
Public health	365,546
Public safety	1,091,350
Highways and public improvements	78,550
Parks and recreation	306,472
Internal service funds (charged to individual funds based on usage)	1,837,107

Total depreciation expense, governmental activities	<u>\$ 5,144,552</u>
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NOTE 6 – LONG-TERM OBLIGATIONS

Bonds

2005 Sales Tax and Refunding Bonds

On December 27, 2001, the MBA of Utah County, Utah issued \$23.16 million in Series 2001 Lease Revenue bonds to finance the costs of constructing the Health & Justice building in Provo and the Animal Shelter in Spanish Fork.

On August 4, 2005, the County issued \$36.140 million of Utah County, Utah Series 2005 Sales Tax Revenue and Refunding Bonds. Of the total bonds issued, \$20.975 million was issued to defease the outstanding Series 2001 Lease Revenue Bonds and \$15.165 million was issued to finance the costs of expansion and improvements related to the Security Center. Maturities of the Series 2005 Sales Tax Revenue and Refunding Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
November 1 2014	\$ 2,945,000	5.000%
2015	3,090,000	4.838%
2016	3,235,000	5.000%
2017	3,395,000	5.000%
2018	1,255,000	4.250%
2019	1,305,000	5.000%
2020	1,370,000	5.000%
	\$ 16,595,000	

2006 Sales Tax Bonds

On August 1, 2006, the County issued \$7.615 million of Utah County, Utah Series 2006 Sales Tax Revenue Bonds to finance the costs of expansion and improvements related to the Security Center. Maturities of the Series 2006 Sales Tax Revenue Bonds are as follows:

Due Date	Principal	Interest Rate
November 1 2014	\$ 500,000	5.000%
2015	525,000	5.000%
2016	550,000	5.000%
2017	575,000	4.125%
2018	600,000	4.200%
2019	625,000	4.200%
2020	650,000	4.250%
2021	675,000	4.250%
	\$ 4,700,000	

2009A Transportation Sales Tax Revenue Bonds

On August 27, 2009, the County issued \$17.24 million of Series 2009A Transportation Sales Tax Revenue Bonds for use in construction of certain transportation projects in the County. Maturities of the Series 2009A Transportation Sales Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2014	\$ 2,535,000	3.00%
2015	2,615,000	4.00%
2016	2,710,000	3.25% to 4.00%
	\$ 7,860,000	

2009B Transportation Sales Tax Revenue Bonds

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

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

NOTE 6 (Continued)

2009A Vehicle Registration Fee Revenue Bonds

On September 3, 2009, the County issued \$3.94 million of Series 2009A Vehicle Registration Fee Revenue Bonds for use in construction of certain transportation projects in the County. Maturities of the Series 2009A Vehicle Registration Fee Revenue Bonds are as follows:

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 2014	\$ 685,000	2.75%
2015	700,000	4.00%
	<u>\$ 1,385,000</u>	

2009B Vehicle Registration Fee Revenue Bonds

On September 3, 2009, the County issued \$23.775 million of Series 2009B Vehicle Registration Fee Revenue Bonds for use in construction of certain transportation projects in the County. Principal payments are not due until the year 2016. The Series 2009B Vehicle Registration Fee Revenue Bonds were issued as Build America Bonds and are therefore eligible for a 35 percent interest subsidy from the U.S. Treasury. Maturities of the Series 2009B Vehicle Registration Fee Revenue Bonds are as follows:

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NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2016	\$ 750,000	4.31%
2017	780,000	4.45%
2018	815,000	4.60%
2019	850,000	4.80%
2020	890,000	5.10%
2021	940,000	5.35%
2022	990,000	5.50%
2023	1,045,000	5.70%
2024	1,100,000	5.80%
2025	1,165,000	6.29%
2026	1,240,000	6.29%
2027	1,320,000	6.29%
2028	1,400,000	6.29%
2029	1,490,000	6.29%
2030	1,580,000	6.44%
2031	1,685,000	6.44%
2032	1,795,000	6.44%
2033	1,910,000	6.44%
2034	2,030,000	6.44%
	\$ 23,775,000	

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NOTE 6 (Continued)

2010A Excise Tax Revenue Bonds

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

Due Date	Principal	Interest Rate
December 1 2014	\$ 725,000	2.750%
2015	775,000	3.000%
2016	780,000	5.125%
2017	825,000	5.125%
2018	860,000	5.125%
	\$ 3,965,000	

2010B Excise Tax Revenue Bonds

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

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

NOTE 6 (Continued)

2010C Excise Tax Revenue Bonds

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

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

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

On October 22, 2010, the County issued \$4.94 million in Taxable Sales Tax Revenue Bonds to finance the costs of energy improvements to County facilities. Principal payments are not due until the year 2012. 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 U.S. Treasury. Maturities of the Series 2010 Taxable Sales Tax Revenue Bonds are as follows:

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
February 1 2014	\$ 170,000	5.39%
2015	180,000	5.39%
2016	265,000	5.39%
2017	280,000	5.39%
2018	300,000	5.39%
2019	315,000	5.39%
2020	335,000	5.39%
2021	355,000	5.39%
2022	375,000	5.39%
2023	395,000	5.39%
2024	410,000	5.39%
2025	415,000	5.39%
2026	415,000	5.39%
2027	420,000	5.39%
	\$ 4,630,000	

2011 Refunding Bonds

On September 8, 1993, the County issued \$28 million in Utah County, Utah General Obligation Series 1993A Bonds. Of the total bonds issued, \$6 million was issued to finance the costs of the acquisition, construction, and improvements of a Special Events Center and \$22 million was issued to finance the costs of the acquisition, construction, and improvements of a new County Security Center and related facilities.

On February 1, 2001, the County issued \$14.485 million in Utah County, Utah General Obligation Series 2001 Refunding Bonds to defease portions of the outstanding Series 1993A Bonds.

On January 19, 2011, the County issued \$3.32 million in Utah County, Utah General Obligation Series 2011 Refunding Bonds to defease portions of the outstanding Series 2001 Bonds.

On February 15, 2013, the County made the final debt service payment for these bonds.

NOTE 6 (Continued)

2012 Sales Tax Revenue Bonds

On February 14, 2012, the County issued \$51.675 million in Series 2012 Sales Tax Revenue Bonds for the purpose of financing transportation projects within the County. Previous to the issuance of these bonds, the County had 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 5.00%. The issuance of these bonds not only reduced the interest payments due to UTA, but also provided immediate operational funding for FrontRunner South, which began service in Utah County in December 2012. Maturities of the Series 2012 Sales Tax Revenue Bonds are as follows:

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NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2014	\$ 900,000	2.00%
2015	930,000	3.00%
2016	960,000	3.00%
2017	930,000	4.00%
2018	945,000	4.00%
2019	945,000	4.00%
2020	950,000	4.00%
2021	945,000	5.00%
2022	950,000	5.00%
2023	950,000	3.00%
2024	925,000	3.00%
2025	890,000	3.00%
2026	850,000	3.00%
2027	800,000	3.00%
2028	755,000	4.00%
2029	675,000	4.00%
2030	640,000	4.00%
2031	585,000	4.00%
2032	430,000	4.00%
2033	410,000	4.00%
2034	315,000	4.00%
2035	6,070,000	4.00%
2036	6,315,000	4.00%
2037	6,570,000	4.00%
2038	6,830,000	4.00%
2039	7,100,000	4.00%
	\$ 49,565,000	

2013 Excise Tax Revenue Bonds

On September 4, 2013, the County issued \$3.8 million in Series 2013 Excise Tax Revenue Bonds for the purpose of financing all or a portion of the costs of acquiring, constructing, equipping, and furnishing a museum and related improvements and facilities to be located at Thanksgiving Point in

NOTE 6 (Continued)

Lehi. The Museum of Natural Curiosity had its grand opening in May 2014. The \$28.5 million project was funded largely through private donations, but also received \$2 million from the State of Utah, \$1 million from Lehi City, and \$4.1 million from the County. The County's portion was mainly funded by the issuance of these bonds. Maturities of the Series 2013 Excise Tax Revenue Bonds are as follows:

Due Date		Principal	Interest Rate
December 1	2014	\$ 130,000	2.00%
	2015	135,000	2.00%
	2016	135,000	3.00%
	2017	140,000	3.00%
	2018	145,000	3.00%
	2019	150,000	4.00%
	2020	155,000	4.00%
	2021	160,000	4.00%
	2022	165,000	4.00%
	2023	175,000	4.00%
	2024	180,000	4.00%
	2025	190,000	4.25%
	2026	195,000	4.25%
	2027	205,000	4.25%
	2028	215,000	4.50%
	2029	225,000	4.50%
	2030	235,000	4.50%
	2031	245,000	4.50%
	2032	255,000	5.00%
	2033	265,000	5.00%
		<u>\$ 3,700,000</u>	

UTAH COUNTY, UTAH
Financial Statements
Year Ended December 31, 2013

NOTES TO THE FINANCIAL STATEMENTS

NOTE 6 (Continued)

The following table summarizes the changes in long-term debt for 2013:

	January 1			December 31	Due in
	2013	Additions	Retirements	2013	One Year
Governmental Activities:					
<i>General Obligation Bonds</i>					
2011 GO Refunding Bonds	\$ 1,680,000	\$ -	\$ (1,680,000)	\$ -	\$ -
Total GO Bonds	<u>1,680,000</u>	<u>-</u>	<u>(1,680,000)</u>	<u>-</u>	<u>-</u>
<i>Revenue Bonds</i>					
2005 Sales Tax & Refunding Bonds	19,400,000	-	(2,805,000)	16,595,000	2,945,000
2006 Sales Tax Bonds	5,175,000	-	(475,000)	4,700,000	500,000
2009A Transportation Sales Tax Revenue Bonds	10,315,000	-	(2,455,000)	7,860,000	2,535,000
2009B Transportation Sales Tax Revenue Bonds	85,490,000	-	-	85,490,000	-
2009A Vehicle Registration Fee Revenue Bonds	2,060,000	-	(675,000)	1,385,000	685,000
2009B Vehicle Registration Fee Revenue Bonds	23,775,000	-	-	23,775,000	-
2010A Excise Tax Revenue Bonds	4,675,000	-	(710,000)	3,965,000	725,000
2010B Excise Tax Revenue Bonds	5,000,000	-	-	5,000,000	-
2010C Excise Tax Revenue Bonds	28,200,000	-	-	28,200,000	-
2010 Taxable Sales Tax Revenue Bonds (QECB)	4,790,000	-	(160,000)	4,630,000	170,000
2012 Sales Tax Revenue Bonds	50,450,000	-	(885,000)	49,565,000	900,000
2013 Excise Tax Revenue Bonds	-	3,800,000	(100,000)	3,700,000	130,000
Unamortized Bond Discounts	(1,279,143)	-	58,875	(1,220,268)	(58,875)
Unamortized Bond Premiums	3,614,062	153,901	(300,741)	3,467,222	300,741
Total Revenue Bonds	<u>241,664,919</u>	<u>3,953,901</u>	<u>(8,506,866)</u>	<u>237,111,954</u>	<u>8,831,866</u>
Total Bonds Payable	243,344,919	3,953,901	(10,186,866)	237,111,954	8,831,866
Compensated Absences	3,811,696	161,083	-	3,972,779	-
OPEB Liability	8,109,304	-	(3,582)	8,105,722	-
	<u>\$ 255,265,919</u>	<u>\$ 4,114,984</u>	<u>\$ (10,190,448)</u>	<u>\$ 249,190,455</u>	<u>\$ 8,831,866</u>

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NOTE 6 (Continued)

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

<u>Fiscal Year</u>	<u>All Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 8,590,000	\$ 12,749,460	\$ 21,339,460
2015	8,950,000	12,423,352	21,373,352
2016	9,385,000	12,049,159	21,434,159
2017	9,800,000	11,641,797	21,441,797
2018	7,920,000	11,181,481	19,101,481
2019-2023	39,095,000	50,016,019	89,111,019
2024-2028	42,645,000	39,135,302	81,780,302
2029-2033	52,235,000	24,966,548	77,201,548
2034-2038	46,600,000	9,038,250	55,638,250
2039	9,645,000	465,459	10,110,459
Totals	<u>\$ 234,865,000</u>	<u>\$ 183,666,827</u>	<u>\$ 418,531,827</u>

Compensated Absences and Other Postemployment Benefits

Employees are granted vacation and sick leave in amounts varying with tenure. An employee may accrue up to 240 hours of vacation and 720 hours of sick leave. Sick leave may be converted to vacation or cash under certain options available under the plan. As of December 31, 2013, accrued compensated absences amounted to \$3,972,779. As of December 31, 2012, the accrued liability for other postemployment benefits (“OPEB”) was \$8,105,722.

NOTE 7 - RETIREMENT PLANS

Utah Retirement Systems

Plan Description. Utah County contributes to the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers without Social Security coverage (“Systems”). These systems are cost-sharing, multiple-employer defined benefit pension plans administered by Utah Retirement Systems (“URS”). URS provides refunds, retirement benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of URS and plans under the direction of the Utah State Retirement Board (“Board”)

NOTE 7 (Continued)

whose members are appointed by the Governor. URS issues a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers without Social Security coverage. A copy of the report may be obtained by writing to Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102, or by calling 1-800-365-8772.

Funding Policy. The funding policy is as follows:

	<u>Employee Paid</u>	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rates</u>
<u>January 2013 - June 2013</u>			
Public Employees Contributory System:			
Local Government Tier 1	n/a	6.00%	12.03%
Local Government Tier 2	n/a	n/a	14.05%
Public Employees Noncontributory System:			
Local Government Tier 1	n/a	n/a	16.04%
Public Safety Contributory System:			
Other Div A Tier 2	n/a	n/a	20.59%
Other Div B With 2.5% COLA Tier 1	n/a	10.50%	22.29%
Public Safety Noncontributory System:			
Other Div B With 2.5% COLA Tier 1	n/a	n/a	32.20%
<u>July 2013 - December 2013</u>			
Public Employees Contributory System:			
Local Government Tier 1	n/a	6.00%	13.28%
Local Government Tier 2	n/a	n/a	13.99%
Public Employees Noncontributory System:			
Local Government Tier 1	n/a	n/a	17.29%
Public Safety Contributory System:			
Other Div A Tier 2	n/a	n/a	20.51%
Other Div B With 2.5% COLA Tier 1	n/a	10.50%	22.29%
Public Safety Noncontributory System:			
Other Div B With 2.5% COLA Tier 1	n/a	n/a	32.20%

NOTE 7 (Continued)

The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Utah County contributions to the Systems during 2013 were as follows:

	<u>Employer Paid for Employee Contributions</u>	<u>Employer Contributions</u>	<u>Salary Subject to Retirement Contributions</u>
Contributory System:			
Local Governmental Division Tier 1 and Tier 2			
2013	\$ 49,248	\$ 264,141	\$ 2,702,732
2012	56,672	194,934	2,054,177
2011	57,387	99,543	1,061,393
Noncontributory System:			
Local Governmental Division Tier 1			
2013	\$ -	\$ 4,628,189	\$ 27,217,345
2012	-	4,137,903	28,200,549
2011	-	3,733,182	28,442,419
Public Safety System:			
Other Division A Contributory			
2013	\$ -	\$ 37,928	\$ 343,040
2012	-	25,590	235,062
2011	-	4,457	41,885
Other Division B Contributory Tier 1			
2013	\$ 7,273	\$ 15,439	\$ 69,264
2012	7,183	14,298	68,410
2011	7,018	12,855	66,838
Other Division B Noncontributory Tier 1			
2013	\$ -	\$ 3,912,141	\$ 12,105,395
2012	-	3,590,365	11,751,181
2011	-	3,241,236	11,804,790

The contributions were equal to the required contributions for each year.

Matching contributions to the Defined Contribution 401(k) plan were \$72,987 for 2013 and \$27,717 for 2012.

NOTE 7 (Continued)

Deferred Compensation Plans

Utah County participates in a 401(k) plan administered by Prudential Financial, Inc. The County matches contributions to the plan, up to 6.2 percent of base wages. Contributions during the year were \$5,009,440, which is comprised of \$2,568,072 in employee deductions and \$2,441,368 in matching County contributions.

Utah County participates in a 457 Deferred Compensation Plan administered by Prudential Financial, Inc. Prudential Financial, Inc. has adopted Governmental Accounting Standards Board Statement 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.

Elected officials of Utah County are eligible to participate in a 401(a) plan administered by Prudential Financial, Inc. Utah County contributes 29.94 percent of compensation from January through June and 31.19 percent of compensation from July through December to the plan for elected officials who opt for this program. An elected official may opt to have the same percentage of compensation deposited in a plan administered by URS rather than the 401(a) plan.

NOTE 8 - CONTINGENT LIABILITIES - LITIGATION

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

NOTE 9 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, errors and omissions, violation of civil rights, theft of, damage to, and destruction of assets, and natural disasters. These risks are covered by the County's payment to Utah Local Government Trust for insurance coverage. Property physical damage is insured to replacement value, automobile physical damage is insured to actual value with a \$1,000 deductible, and other liability is insured up to \$1 million, or the statutory limit. The County also provides workers compensation coverage through Utah Local Government Trust. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

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NOTE 10 – JOINT VENTURE

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

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

As of June 30, 2013	
Total assets	\$ 12,692,771
Total liabilities	(92,295)
Total net position	<u>\$ 12,600,476</u>

For the year ended June 30, 2013	
Total operating revenues	\$ 830,600
Total operating expenses	(1,418,285)
Non-operating revenues (expenses)	393,253
Net income (loss)	<u>\$ (194,432)</u>

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NOTE 11 – OTHER POST-EMPLOYMENT BENEFITS

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

Eligibility

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

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

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

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

Explicit Subsidy

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

Tier 1 – Employees who have completed 100 percent of the required years of service for retiree healthcare coverage will receive the same subsidy as active employees. The monthly contribution requirement for active employees effective January 1, 2013 are as follows:

Plan	Full-Time		3/4-Time		1/2-Time	
	Employee Only	Employee + 1	Employee Only	Employee + 1	Employee Only	Employee + 1
SelectHealth HDHP	\$0.00	\$0.00	\$104.36	\$211.42	\$208.70	\$422.86
SelectHealth PPO	\$85.10	\$172.30	\$189.46	\$383.72	\$293.80	\$595.16

Tier 2 – For employees who have completed at least 80 percent but less than 100 percent of the required years of service for retiree healthcare coverage, the County will pay up to \$709.88 per month for healthcare coverage. The County subsidy will increase according to the premium increase, but not more than 8 percent.

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

NOTE 11 (Continued)

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

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

Retiree Cost Sharing

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

Spouse Benefit

Upon death of the employee, the surviving spouse coverage changes to provisions under the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”).

If active employees die prior to retirement (regardless of whether they are eligible for retirement), the surviving spouse is eligible for a post-employment income benefit. The plan will pay the employee’s surviving spouse 30 percent of the employee’s monthly income at the time of death to age 65 or re-marriage.

Medical Benefit

The same medical benefits are available to retirees as active employees. All health plans are fully-insured and experience-rated.

The 2013 monthly premiums by plan effective January 1, 2013 are as follows:

Plan	Employee Only	Employee + 1
SelectHealth HDHP	\$417.40	\$845.70
SelectHealth PPO	\$502.50	\$1,018.00

Retirees enrolled in the high-deductible plans (“HDHP”) receive annual health savings account (“HSA”) contributions of \$700 for single coverage and \$1,400 for non-single coverage. The HSA contribution is assumed to increase with HSA trend rates.

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NOTE 11 (Continued)

Annual OPEB Cost and Net OPEB Obligation

	2012	2013
Annual Required Contribution (“ARC”) as of the end of the year	\$948,637	\$948,637
Interest on Net OPEB Obligation (“NOO”) to end of the year	53,714	74,452
NOO amortization adjustment to the ARC	(73,280)	(101,571)
Annual OPEB cost	\$929,071	\$921,518
Total annual employer contribution for pay-as-you-go	(468,242)	(468,242)
Total annual employer contribution for pre-funding	0	0
Change in NOO	\$460,829	\$453,276
NOO as of beginning of year	1,193,653	1,654,482
NOO as of end of year	\$1,654,482	\$2,107,758

For purposes of determining whether the County has contributed the full amount of the ARC, contributions are limited to amounts paid to outside parties or placed in trust or an equivalent arrangement. Amounts that are simply “earmarked” by the County or otherwise set apart (e.g. designations, separate funds) do not qualify as contributions for accounting purposes. Therefore, while the County has earmarked \$9,506,951 for its OPEB obligations through fund balance designations and balance sheet accruals, because the County has not placed the funding in an outside trust arrangement, the County is considered to finance its OPEB obligations on a pay-as-you-go basis.

The annual covered payroll for the current year is \$44,922,930. The unfunded actuarial accrued liability (“UAAL”) of \$8,105,722 is equal to the actuarial accrued liability. The ratio of the UAAL to annual covered payroll is 18 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revisions and actual results are compared with past expectations and new estimates are made about the future. For the actuarial valuation for the year ending December 31, 2012, an interest rate of 4.5 percent was used and an amortization period of 30 years.

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NOTE 12 – SUBSEQUENT EVENTS

On April 8, 2014, the Board of County Commissioners approved a resolution finalizing the terms and conditions of the issuance and sale of sales tax revenue refunding bonds not to exceed \$7.0 million for the purpose of refunding the Series 2005 Sales Tax and Refunding Bonds.

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**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

UTAH COUNTY
Ratings for Utah County's Roads System
For the year ended December 31, 2013

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

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

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

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

The rating system includes the following variables:

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

On December 31, 2013 the County had 61.12 miles of dirt roads, 118.04 miles of gravel roads, 275.52 miles of chip-seal roads, and 77.57 miles of asphalt roads.

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

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

<u>YEAR</u>	<u>BUDGET</u>	<u>EXPENDITURES</u>
2009	\$2,800,000	\$2,030,933
2010	\$2,800,000	\$2,425,556
2011	\$2,800,000	\$3,435,148
2012	\$2,800,000	\$2,806,717
2013	\$4,000,000	\$3,726,948

Because of annexations, the total value of the County's roads system decreased from \$64,044,614 on December 31, 2012 to \$63,859,276 on December 31, 2013.

Report prepared by the Utah County Public Works Department.

UTAH COUNTY
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 30,000,000	\$ 28,900,000	\$ 29,314,108	\$ 414,108
Sales taxes	20,325,000	22,222,000	21,830,861	(391,139)
Franchise taxes	4,000	4,000	5,205	1,205
Licenses and permits	247,000	301,515	302,915	1,400
Intergovernmental	641,544	702,473	817,427	114,954
Charges for services	12,732,510	12,170,062	14,428,475	2,258,413
Fines and forfeitures	3,438,545	2,799,533	2,861,640	62,107
Miscellaneous revenue	253,110	271,807	496,662	224,855
Total revenues	<u>67,641,709</u>	<u>67,371,390</u>	<u>70,057,292</u>	<u>2,685,902</u>
Expenditures:				
Current:				
General government	23,042,248	22,603,277	21,307,323	1,295,954
Public safety:				
Sheriff enforcement	15,223,227	15,298,754	14,547,672	751,082
Wildland fire	2,300,161	2,479,725	2,274,946	204,779
Sheriff corrections	24,153,757	25,655,062	25,023,257	631,805
Public safety	41,677,145	43,433,541	41,845,875	1,587,666
Public health and welfare	796,346	908,770	819,526	89,244
Parks and recreation	1,569,741	1,730,900	1,432,761	298,139
Total expenditures	<u>67,085,480</u>	<u>68,676,488</u>	<u>65,405,484</u>	<u>3,271,004</u>
Excess (deficiency) of revenues over expenditures	<u>556,229</u>	<u>(1,305,098)</u>	<u>4,651,808</u>	<u>5,956,906</u>
Other financing sources (uses):				
Transfers in	4,145,621	4,975,043	4,109,673	(865,370)
Transfers out	(5,319,751)	(6,082,917)	(5,112,159)	970,758
Total other financing sources (uses)	<u>(1,174,130)</u>	<u>(1,107,874)</u>	<u>(1,002,486)</u>	<u>105,388</u>
Net change in fund balance	(617,901)	(2,412,972)	3,649,321	6,062,293
Fund balance - beginning	22,262,981	22,262,981	22,262,981	-
Fund balance - ending	<u>\$ 21,645,080</u>	<u>\$ 19,850,009</u>	<u>\$ 25,912,302</u>	<u>\$ 6,062,293</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Fund
Major Special Revenue Fund
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 13,086,871	\$ 13,144,293	\$ 12,329,212	\$ (815,081)
Charges for services	6,561,983	8,477,943	8,617,203	139,260
Miscellaneous revenue	157,442	153,102	186,409	33,307
Total revenues	<u>19,806,296</u>	<u>21,775,338</u>	<u>21,132,824</u>	<u>(642,514)</u>
Expenditures:				
Salaries, wages, and benefits	11,651,047	11,664,103	11,211,046	453,057
Materials, supplies, and services	12,918,221	13,775,496	11,891,006	1,884,490
Capital outlay	75,000	7,500	6,000	1,500
Total expenditures	<u>24,644,268</u>	<u>25,447,099</u>	<u>23,108,052</u>	<u>2,339,047</u>
Excess (deficiency) of revenues over expenditures	<u>(4,837,972)</u>	<u>(3,671,761)</u>	<u>(1,975,229)</u>	<u>1,696,532</u>
Other financing sources (uses):				
Transfers in	2,559,097	2,562,032	2,527,527	(34,505)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,559,097</u>	<u>2,562,032</u>	<u>2,527,527</u>	<u>(34,505)</u>
Net change in fund balance	(2,278,875)	(1,109,729)	552,298	1,662,027
Fund balance - beginning	5,141,045	5,141,045	5,141,045	-
Fund balance - ending	<u>\$ 2,862,170</u>	<u>\$ 4,031,316</u>	<u>\$ 5,693,343</u>	<u>\$ 1,662,027</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Projects Fund
Major Special Revenue Fund
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales taxes	\$ 16,793,672	\$ 19,242,689	\$ 49,707,054	\$ 30,464,365
Intergovernmental revenue	4,000,000	3,909,262	2,882,607	(1,026,655)
Charges for services	-	-	-	-
Miscellaneous revenue	130,000	318,049	892,849	574,800
Total revenues	<u>20,923,672</u>	<u>23,470,000</u>	<u>53,482,510</u>	<u>30,012,510</u>
Expenditures:				
Salaries, wages, and benefits	1,035,557	1,156,588	1,156,200	388
Materials, supplies, and services	2,080,904	2,908,945	2,011,590	897,355
Capital outlay	61,996,038	27,517,413	4,335,473	23,181,940
Contributions to other governmental agencies	-	30,380,800	30,380,727	73
Total expenditures	<u>65,112,499</u>	<u>61,963,746</u>	<u>37,883,989</u>	<u>24,079,757</u>
Excess (deficiency) of revenues over expenditures	<u>(44,188,827)</u>	<u>(38,493,746)</u>	<u>15,598,521</u>	<u>54,092,267</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(10,728,546)	(10,877,299)	(10,874,350)	2,949
Total other financing sources (uses)	<u>(10,728,546)</u>	<u>(10,877,299)</u>	<u>(10,874,350)</u>	<u>2,949</u>
Net change in fund balance	(54,917,373)	(49,371,045)	4,724,171	54,095,216
Fund balance - beginning	49,624,935	49,624,935	49,624,935	-
Fund balance - ending	<u>\$ (5,292,438)</u>	<u>\$ 253,890</u>	<u>\$ 54,349,105</u>	<u>\$ 54,095,216</u>

UTAH COUNTY
Required Supplementary Information
December 31, 2013

County Retiree Health Care Plan
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/2009	\$ -	\$ 7,999,689	\$ 7,999,689	0.00%	\$ 41,016,801	19.50%
1/1/2010	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2011	\$ -	\$ 7,590,055	\$ 7,590,055	0.00%	\$ 40,024,862	18.96%
1/1/2012	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%
1/1/2013	\$ -	\$ 8,105,722	\$ 8,105,722	0.00%	\$ 44,922,930	18.04%

**OTHER SUPPLEMENTARY
INFORMATION**

**Utah County Government
Legal Compliance Audit Guide
For the Year Ended December 31, 2013**

TRANSIENT ROOM TAX

Establishing and promoting:		
Recreation	\$	-
Tourism		1,193,698
Film production		-
Conventions		-
Acquiring, leasing, constructing, furnishing, or operating:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Acquiring or leasing land required for or related to:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Mitigation costs		
Payment of principal, interest, premiums, and reserves on bonds		1,167,456
Total expenditures	<u>\$</u>	<u>2,361,154</u>

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

Financing tourism promotion	\$	15,295
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		1,736,449
Cultural facilities		4,734,499
Convention facilities		2,429,633
Airport facilities		
Pledges as security for evidence of indebtedness		
Reserves and Pledges		
Reserves on bonds related to TRT funds		
Pledges as security for evidences of indebtedness related to TRCC		
Total expenditures	<u>\$</u>	<u>8,915,876</u>

**COMBINING FINANCIAL STATEMENTS
AND
SUPPLEMENTARY SCHEDULES**

UTAH COUNTY
Combining Balance Sheet
Non-Major Governmental Funds
December 31, 2013

Special Revenue Funds

	Drug/Alcohol Prevention & Treatment	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax	Assessing & Collecting	Total
Assets:																
Cash and investments	\$ 1,183	\$ -	\$ 1,519,147	\$ 830,357	\$ 1,866,127	\$ 668,961	\$ 943,450	\$ 5	\$ 3,665	\$ 2,800	\$ 610,035	\$ 42	\$ 122,737	\$ 5,349,057	\$ 2,006,253	\$ 13,923,820
Receivables:																
Tax receivables	-	-	664,494	196,288	157,552	35,438	-	8,871	-	-	-	-	305,578	1,094,373	2,393,329	4,855,824
Other receivables	1,511,291	-	-	1,778	-	-	326,783	9,362	506,073	185,966	58,057	355,344	2,492	17,200	7,997	2,982,343
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	213,040	-	-	115,704	-	-	-	-	-	-	-	-	-	277,829	1,678	608,251
Total assets	<u>\$ 1,725,514</u>	<u>\$ -</u>	<u>\$ 2,183,640</u>	<u>\$ 1,144,127</u>	<u>\$ 2,023,680</u>	<u>\$ 704,399</u>	<u>\$ 1,270,233</u>	<u>\$ 18,239</u>	<u>\$ 509,737</u>	<u>\$ 188,767</u>	<u>\$ 668,092</u>	<u>\$ 355,386</u>	<u>\$ 430,808</u>	<u>\$ 6,738,459</u>	<u>\$ 4,409,257</u>	<u>\$ 22,370,338</u>
Liabilities and fund balances:																
Accounts payable and accruals	\$ 871,895	\$ -	\$ -	\$ 5,097	\$ -	\$ -	\$ 563,453	\$ 11,512	\$ 111,554	\$ 29,317	\$ 28,226	\$ 57,386	\$ -	\$ 1,027,563	\$ 260,361	\$ 2,966,363
Unearned revenues	10,045	-	133	78	30	0	651,699	1	90,683	-	-	-	-	-	1,103	753,773
Due to other funds	403,000	-	-	-	-	-	-	5,000	307,500	-	-	298,000	-	-	-	1,013,500
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>1,284,940</u>	<u>-</u>	<u>133</u>	<u>5,175</u>	<u>30</u>	<u>0</u>	<u>1,215,152</u>	<u>16,513</u>	<u>509,737</u>	<u>29,317</u>	<u>28,226</u>	<u>355,386</u>	<u>-</u>	<u>1,027,563</u>	<u>261,464</u>	<u>4,733,636</u>
Deferred inflows of resources	-	-	148,392	60,147	39,530	5,253	-	271	-	-	-	-	-	-	471,928	725,521
Fund balances:																
Restricted for:																
Transient room tax	-	-	-	-	-	-	-	-	-	-	-	-	430,808	-	-	430,808
Assessing and collecting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,675,865	3,675,865
Public transit taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRCC tax	-	-	-	-	-	-	-	-	-	-	-	-	-	5,710,897	-	5,710,897
Special service areas/districts	-	-	2,035,115	1,078,805	1,984,120	699,146	55,081	1,454	-	-	-	-	-	-	-	5,853,721
Bond proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Committed for:																
Public health and welfare	440,574	-	-	-	-	-	-	-	-	159,450	-	-	-	-	-	600,024
Public safety	-	-	-	-	-	-	-	-	-	-	639,866	-	-	-	-	639,866
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assigned for:																
Retiree health insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>440,574</u>	<u>-</u>	<u>2,035,115</u>	<u>1,078,805</u>	<u>1,984,120</u>	<u>699,146</u>	<u>55,081</u>	<u>1,454</u>	<u>-</u>	<u>159,450</u>	<u>639,866</u>	<u>-</u>	<u>430,808</u>	<u>5,710,897</u>	<u>3,675,865</u>	<u>16,911,181</u>
Total liabilities and fund balance	<u>\$ 1,725,514</u>	<u>\$ -</u>	<u>\$ 2,183,640</u>	<u>\$ 1,144,127</u>	<u>\$ 2,023,680</u>	<u>\$ 704,399</u>	<u>\$ 1,270,233</u>	<u>\$ 18,239</u>	<u>\$ 509,737</u>	<u>\$ 188,767</u>	<u>\$ 668,092</u>	<u>\$ 355,386</u>	<u>\$ 430,808</u>	<u>\$ 6,738,459</u>	<u>\$ 4,409,257</u>	<u>\$ 22,370,338</u>

UTAH COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2013

	Special Revenue Funds														Total	
	Substance Abuse	Municipal Bldg Authority	Service Area 6	Service Area 7	Service Area 8	Service Area 9	Utah Valley Road SSD	Soldier Summit SSD	Grants / Outside Funding	Children's Justice	Jail Inmate Benefit	Contract Law Enforcement	Transient Room Tax	TRCC Tax		Assessing & Collecting
Revenues:																
Property taxes	\$ -	\$ -	\$ 1,938,931	\$ 602,193	\$ 451,108	\$ 98,866	\$ -	\$ 9,693	\$ 2,125,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,249,325	\$ 12,476,106
Sales taxes	-	-	-	-	-	-	-	-	-	-	-	-	2,347,741	6,484,111	-	8,831,852
Licenses and permits	-	-	-	26,905	-	-	-	-	-	-	-	-	-	-	-	26,905
Intergovernmental	4,899,528	-	729,452	-	163,037	73,342	(314,573)	-	2,169,999	686,624	-	1,131	-	-	125,374	8,533,914
Charges for services	2,753,967	-	-	31,170	-	-	-	11,472	110,246	79,190	501,392	2,069,086	-	17,200	1,984,667	7,558,391
Fines and forfeitures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	14,353	4,652	14,517	6,213	11,708	85	243	-	4,358	-	-	37,375	11,572	105,076
Miscellaneous revenue	17,665	335,831	-	4,895	3,135	-	-	7,265	468	100,767	0	20,368	-	12,551	20,268	523,213
Total revenues	7,671,160	335,831	2,682,736	669,815	631,797	178,421	(302,865)	28,515	4,406,948	866,580	505,750	2,090,586	2,347,741	6,551,236	9,391,206	38,055,457
Expenditures:																
Current:																
General government	-	335,874	-	-	38	-	-	-	3,360,970	-	-	-	1,193,698	6,316,624	9,098,702	20,305,905
Public safety	-	-	39	627,709	-	38	-	-	409,447	-	391,351	2,246,674	-	-	-	3,675,257
Public health and welfare	7,839,653	-	-	-	-	-	-	-	2,000	974,915	-	-	-	-	-	8,816,568
Roads and public improvements	-	-	-	-	-	-	1,269,770	60,714	629,531	-	-	-	-	-	-	1,960,015
Parks and recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service:																
Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fiscal charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital outlay:																
General government	-	-	-	-	-	-	-	-	-	-	-	-	-	44,827	-	44,827
Public safety	-	-	-	-	-	-	-	-	5,000	-	8,445	-	-	-	-	13,445
Public health and welfare	11,712	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,712
Total expenditures	7,851,365	335,874	39	627,709	38	38	1,269,770	60,714	4,406,948	974,915	399,796	2,246,674	1,193,698	6,361,451	9,098,702	34,827,729
Excess/(deficiency) of revenues over/(under) expenditures	(180,205)	(43)	2,682,697	42,106	631,759	178,384	(1,572,635)	(32,199)	-	(108,334)	105,954	(156,088)	1,154,043	189,785	292,504	3,227,728
Other financing sources/(uses):																
Transfers in	284,432	43	-	250,000	-	-	-	-	-	110,535	-	156,088	-	-	-	801,098
Transfers out	(50,358)	-	(2,590,117)	-	(444,582)	(250,000)	-	-	-	-	-	-	(1,167,456)	(2,554,425)	-	(7,056,937)
Issuance of bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	3,800,000	-	3,800,000
Bond premiums (discounts)	-	-	-	-	-	-	-	-	-	-	-	-	-	153,901	-	153,901
Total other financing sources/(uses)	234,075	43	(2,590,117)	250,000	(444,582)	(250,000)	-	-	-	110,535	-	156,088	(1,167,456)	1,399,476	-	(2,301,938)
Net change in fund balance	53,870	-	92,580	292,106	187,178	(71,616)	(1,572,635)	(32,199)	-	2,200	105,954	-	(13,413)	1,589,261	292,504	925,790
Fund balances - beginning	386,705	-	1,942,535	786,699	1,796,942	770,762	1,627,716	33,653	-	157,250	533,912	-	444,220	4,121,635	3,383,361	15,985,391
Fund balances - ending	\$ 440,574	\$ -	\$ 2,035,115	\$ 1,078,805	\$ 1,984,120	\$ 699,146	\$ 55,081	\$ 1,454	\$ -	\$ 159,450	\$ 639,866	\$ -	\$ 430,808	\$ 5,710,897	\$ 3,675,865	\$ 16,911,181

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Soldier Summit Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 16,000	\$ 9,693	\$ (6,307)	\$ 15,833
Intergovernmental revenue	-	-	-	-
Charges for services	11,500	11,472	(28)	9,480
Miscellaneous revenue	7,415	7,350	(65)	280
Total revenues	<u>34,915</u>	<u>28,515</u>	<u>(6,400)</u>	<u>25,593</u>
Expenditures:				
Salaries, wages, and benefits	34,659	34,657	2	15,761
Materials, supplies, and services	30,141	26,057	4,084	14,947
Capital outlay	-	-	-	-
Total expenditures	<u>64,800</u>	<u>60,714</u>	<u>4,086</u>	<u>30,707</u>
Excess (deficiency) of revenues over expenditures	(29,885)	(32,199)	(2,314)	(5,114)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(29,885)	(32,199)	(2,314)	(5,114)
Fund balance - January 1	<u>33,653</u>	<u>33,653</u>	<u>-</u>	<u>38,767</u>
Fund balance - December 31	<u>\$ 3,768</u>	<u>\$ 1,454</u>	<u>\$ (2,314)</u>	<u>\$ 33,653</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Transient Room Tax (TRT) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 2,344,000	\$ 2,347,741	\$ 3,741	\$ 2,124,962
Miscellaneous revenue	1,000	-	(1,000)	9,708
Total revenues	<u>2,345,000</u>	<u>2,347,741</u>	<u>2,741</u>	<u>2,134,670</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	1,577,543	1,193,698	383,845	1,369,790
Capital outlay	-	-	-	-
Total expenditures	<u>1,577,543</u>	<u>1,193,698</u>	<u>383,845</u>	<u>1,369,790</u>
Excess (deficiency) of revenues over expenditures	767,457	1,154,043	386,586	764,880
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(1,167,457)	(11,674,456)	(10,506,999)	(2,207,459)
Total other financing sources (uses)	<u>(1,167,457)</u>	<u>(11,674,456)</u>	<u>(10,506,999)</u>	<u>(2,207,459)</u>
Net change in fund balance	(400,000)	(10,520,413)	(10,120,413)	(1,442,579)
Fund balance - January 1	444,220	444,220	-	1,886,799
Fund balance - December 31	<u>\$ 44,220</u>	<u>\$ (10,076,192)</u>	<u>\$ (10,120,413)</u>	<u>\$ 444,220</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Municipal Building Authority Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Miscellaneous revenue	\$ 335,832	\$ 335,831	\$ (1)	\$ 335,831
Total revenues	<u>335,832</u>	<u>335,831</u>	<u>(1)</u>	<u>335,831</u>
Expenditures:				
Materials, supplies, and services	336,332	335,874	458	335,831
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>336,332</u>	<u>335,874</u>	<u>458</u>	<u>335,831</u>
Excess (deficiency) of revenues over expenditures	(500)	(43)	457	-
Other financing sources (uses):				
Transfers in	500	43	(457)	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>500</u>	<u>43</u>	<u>(457)</u>	<u>-</u>
Net change in fund balance	-	-	0	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Assessing and Collecting Property Tax Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 6,603,357	\$ 7,249,325	\$ 645,968	\$ 5,499,765
Intergovernmental revenue	125,374	125,374	-	97,050
Charges for services	2,099,939	1,984,667	(115,272)	1,934,334
Miscellaneous revenue	20,000	31,840	11,840	30,510
Total revenues	<u>8,848,670</u>	<u>9,391,206</u>	<u>542,536</u>	<u>7,561,659</u>
Expenditures:				
Salaries, wages, and benefits	5,997,045	5,573,874	423,171	5,212,253
Materials, supplies, and services	4,294,045	3,524,828	769,217	4,237,059
Capital outlay	-	-	-	-
Total expenditures	<u>10,291,090</u>	<u>9,098,702</u>	<u>1,192,388</u>	<u>9,449,312</u>
Excess (deficiency) of revenues over expenditures	(1,442,420)	292,504	1,734,924	(1,887,653)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,442,420)	292,504	1,734,924	(1,887,653)
Fund balance - January 1	<u>3,383,361</u>	<u>3,383,361</u>	<u>-</u>	<u>5,271,014</u>
Fund balance - December 31	<u>\$ 1,940,941</u>	<u>\$ 3,675,865</u>	<u>\$ 1,734,924</u>	<u>\$ 3,383,361</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 6 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 1,815,000	\$ 1,938,931	\$ 123,931	\$ 1,782,078
Intergovernmental revenue	729,452	729,452	-	710,355
Miscellaneous revenue	15,000	14,353	(647)	21,233
Total revenues	<u>2,559,452</u>	<u>2,682,736</u>	<u>123,284</u>	<u>2,513,666</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	500	39	461	38
Capital outlay	-	-	-	-
Total expenditures	<u>500</u>	<u>39</u>	<u>461</u>	<u>38</u>
Excess (deficiency) of revenues over expenditures	2,558,952	2,682,697	123,745	2,513,628
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,590,117)	(2,590,117)	-	(2,709,000)
Total other financing sources (uses)	<u>(2,590,117)</u>	<u>(2,590,117)</u>	<u>-</u>	<u>(2,709,000)</u>
Net change in fund balance	(31,165)	92,580	123,745	(195,372)
Fund balance - January 1	<u>1,942,535</u>	<u>1,942,535</u>	<u>-</u>	<u>2,137,907</u>
Fund balance - December 31	<u>\$ 1,911,370</u>	<u>\$ 2,035,115</u>	<u>\$ 123,745</u>	<u>\$ 1,942,535</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 7 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 596,000	\$ 602,193	\$ 6,193	\$ 560,915
Licenses and permits	24,980	26,905	1,925	21,615
Charges for services	31,295	31,170	(125)	25,745
Miscellaneous revenue	9,855	9,547	(308)	13,334
Total revenues	<u>662,130</u>	<u>669,815</u>	<u>7,685</u>	<u>621,608</u>
Expenditures:				
Salaries, wages, and benefits	151,421	137,466	13,955	137,368
Materials, supplies, and services	889,504	490,243	399,261	680,050
Capital outlay	-	-	-	-
Total expenditures	<u>1,040,925</u>	<u>627,709</u>	<u>413,216</u>	<u>817,418</u>
Excess (deficiency) of revenues over expenditures	(378,795)	42,106	420,901	(195,810)
Other financing sources (uses):				
Transfers in	250,000	250,000	-	250,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Net change in fund balance	(128,795)	292,106	420,901	54,190
Fund balance - January 1	<u>786,699</u>	<u>786,699</u>	<u>-</u>	<u>732,509</u>
Fund balance - December 31	<u>\$ 657,904</u>	<u>\$ 1,078,805</u>	<u>\$ 420,901</u>	<u>\$ 786,699</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 8 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 423,595	\$ 451,108	\$ 27,513	\$ 476,248
Intergovernmental revenue	163,037	163,037	-	184,248
Miscellaneous revenue	10,000	17,652	7,652	14,809
Total revenues	<u>596,632</u>	<u>631,797</u>	<u>35,165</u>	<u>675,305</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	171,550	38	171,512	38
Capital outlay	-	-	-	-
Total expenditures	<u>171,550</u>	<u>38</u>	<u>171,512</u>	<u>38</u>
Excess (deficiency) of revenues over expenditures	425,082	631,759	206,677	675,268
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(478,450)	(444,582)	33,868	(624,815)
Total other financing sources (uses)	<u>(478,450)</u>	<u>(444,582)</u>	<u>33,868</u>	<u>(624,815)</u>
Net change in fund balance	(53,368)	187,178	240,546	50,453
Fund balance - January 1	<u>1,796,942</u>	<u>1,796,942</u>	<u>-</u>	<u>1,746,489</u>
Fund balance - December 31	<u>\$ 1,743,574</u>	<u>\$ 1,984,120</u>	<u>\$ 240,546</u>	<u>\$ 1,796,942</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 9 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 93,000	\$ 98,866	\$ 5,866	\$ 93,363
Intergovernmental revenue	73,342	73,342	-	76,355
Miscellaneous revenue	4,500	6,213	1,713	7,346
Total revenues	<u>170,842</u>	<u>178,421</u>	<u>7,579</u>	<u>177,063</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	5,500	38	5,462	38
Capital outlay	-	-	-	-
Total expenditures	<u>5,500</u>	<u>38</u>	<u>5,462</u>	<u>38</u>
Excess (deficiency) of revenues over expenditures	165,342	178,384	13,042	177,026
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(250,000)	(250,000)	-	(250,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(250,000)</u>
Net change in fund balance	(84,658)	(71,616)	13,042	(72,974)
Fund balance - January 1	<u>770,762</u>	<u>770,762</u>	<u>-</u>	<u>843,736</u>
Fund balance - December 31	<u>\$ 686,104</u>	<u>\$ 699,146</u>	<u>\$ 13,042</u>	<u>\$ 770,762</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah Valley Road Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 350,000	\$ (314,573)	\$ (664,573)	\$ 405,162
Miscellaneous revenue	15,000	11,708	(3,292)	19,819
Total revenues	<u>365,000</u>	<u>(302,865)</u>	<u>(667,865)</u>	<u>424,980</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	2,165,000	1,269,770	895,230	1,171,956
Capital outlay	-	-	-	-
Total expenditures	<u>2,165,000</u>	<u>1,269,770</u>	<u>895,230</u>	<u>1,171,956</u>
Excess (deficiency) of revenues over expenditures	(1,800,000)	(1,572,635)	227,365	(746,976)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,800,000)	(1,572,635)	227,365	(746,976)
Fund balance - January 1	<u>1,627,716</u>	<u>1,627,716</u>	<u>-</u>	<u>2,374,692</u>
Fund balance - December 31	<u>\$ (172,284)</u>	<u>\$ 55,081</u>	<u>\$ 227,365</u>	<u>\$ 1,627,716</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Tourism, Recreation, Cultural and Convention Facilities Tax (TRCC) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 6,497,000	\$ 6,484,111	\$ (12,889)	\$ 6,048,235
Intergovernmental revenue	-	-	-	153
Charges for services	3,000	17,200	14,200	18,209
Miscellaneous revenue	23,000	49,925	26,925	73,200
Total revenues	<u>6,523,000</u>	<u>6,551,236</u>	<u>28,236</u>	<u>6,139,797</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	5,810,401	6,316,624	(506,223)	3,061,083
Capital outlay	44,828	44,827	1	303,879
Total expenditures	<u>5,855,229</u>	<u>6,361,451</u>	<u>(506,222)</u>	<u>3,364,962</u>
Excess (deficiency) of revenues over expenditures	667,771	189,785	(477,986)	2,774,834
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(3,770,619)	(2,554,425)	1,216,194	(7,045,131)
Issuance of bonds	-	3,800,000	3,800,000	-
Bond premiums (discounts)	-	153,901	153,901	-
Total other financing sources (uses)	<u>(3,770,619)</u>	<u>1,399,476</u>	<u>5,170,095</u>	<u>(7,045,131)</u>
Net change in fund balance	(3,102,848)	1,589,261	4,692,109	(4,270,297)
Fund balance - January 1	<u>4,121,635</u>	<u>4,121,635</u>	<u>-</u>	<u>8,391,932</u>
Fund balance - December 31	<u>\$ 1,018,787</u>	<u>\$ 5,710,897</u>	<u>\$ 4,692,109</u>	<u>\$ 4,121,635</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Children's Justice Center Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intragovernmental revenue	\$ 823,501	\$ 686,624	\$ (136,877)	\$ 772,888
Charges for services	74,910	79,190	4,280	77,810
Miscellaneous revenue	147,229	100,767	(46,462)	80,600
Total revenues	<u>1,045,640</u>	<u>866,580</u>	<u>(179,060)</u>	<u>931,299</u>
Expenditures:				
Salaries, wages, and benefits	1,013,122	870,888	142,234	896,433
Materials, supplies, and services	219,810	104,026	115,784	106,432
Capital outlay	-	-	-	7,408
Total expenditures	<u>1,232,932</u>	<u>974,915</u>	<u>258,017</u>	<u>1,010,273</u>
Excess (deficiency) of revenues over expenditures	(187,292)	(108,334)	78,958	(78,975)
Other financing sources (uses):				
Transfers in	167,731	110,535	(57,196)	78,206
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>167,731</u>	<u>110,535</u>	<u>(57,196)</u>	<u>78,206</u>
Net change in fund balance	(19,561)	2,200	21,761	(768)
Fund balance - January 1	<u>157,250</u>	<u>157,250</u>	<u>-</u>	<u>158,018</u>
Fund balance - December 31	<u>\$ 137,689</u>	<u>\$ 159,450</u>	<u>\$ 21,761</u>	<u>\$ 157,250</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Grants / Outside Projects Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ -	\$ 2,125,991	\$ 2,125,991	\$ -
Intergovernmental revenue	6,780,127	2,173,580	(4,606,547)	1,640,026
Charges for services	462,272	110,246	(352,026)	123,543
Fines and forfeitures	9,985	243	(9,742)	-
Miscellaneous revenue	14,031	468	(13,563)	2,011
Total revenues	<u>7,266,415</u>	<u>4,410,528</u>	<u>(2,855,887)</u>	<u>1,765,580</u>
Expenditures:				
Salaries, wages, and benefits	432,212	364,946	67,266	393,370
Materials, supplies, and services	4,619,203	1,914,591	2,704,612	1,362,855
Capital outlay	89,000	5,000	84,000	9,355
Contributions to other governmental agencies	2,126,000	2,125,991	9	-
Total expenditures	<u>7,266,415</u>	<u>4,410,528</u>	<u>2,855,887</u>	<u>1,765,580</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Contract Law Enforcement Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 1,131	\$ 1,131	\$ (0)	\$ -
Charges for services	2,252,009	2,069,086	(182,923)	2,025,252
Miscellaneous revenue	-	20,368	20,368	15,942
Total revenues	<u>2,253,140</u>	<u>2,090,586</u>	<u>(162,554)</u>	<u>2,041,194</u>
Expenditures:				
Salaries, wages, and benefits	1,709,528	1,668,026	41,502	1,642,864
Materials, supplies, and services	779,509	578,647	200,862	538,632
Capital outlay	-	-	-	-
Total expenditures	<u>2,489,037</u>	<u>2,246,674</u>	<u>242,363</u>	<u>2,181,496</u>
Excess (deficiency) of revenues over expenditures	(235,897)	(156,088)	79,809	(140,302)
Other financing sources (uses):				
Transfers in	235,897	156,088	(79,809)	140,302
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>235,897</u>	<u>156,088</u>	<u>(79,809)</u>	<u>140,302</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Inmate Benefit Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Charges for services	\$ 338,608	\$ 368,392	\$ 29,784	\$ 333,008
Miscellaneous revenue	202,000	137,358	(64,642)	144,004
Total revenues	<u>540,608</u>	<u>505,750</u>	<u>(34,858)</u>	<u>477,011</u>
Expenditures:				
Salaries, wages, and benefits	251,831	153,620	98,211	157,842
Materials, supplies, and services	349,228	246,176	103,052	218,269
Capital outlay	-	-	-	-
Total expenditures	<u>601,059</u>	<u>399,796</u>	<u>201,263</u>	<u>376,111</u>
Excess (deficiency) of revenues over expenditures	(60,451)	105,954	166,405	100,900
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(60,451)	105,954	166,405	100,900
Fund balance - January 1	<u>533,912</u>	<u>533,912</u>	<u>-</u>	<u>433,012</u>
Fund balance - December 31	<u>\$ 473,461</u>	<u>\$ 639,866</u>	<u>\$ 166,405</u>	<u>\$ 533,912</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Department of Drug & Alcohol Prevention and Treatment ("DDAPT") Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 5,597,107	\$ 4,899,528	\$ (697,579)	\$ 5,294,842
Charges for services	2,761,649	2,753,967	(7,682)	1,553,657
Miscellaneous revenue	174,354	17,665	(156,690)	15,910
Total revenues	<u>8,533,110</u>	<u>7,671,160</u>	<u>(861,950)</u>	<u>6,864,409</u>
Expenditures:				
Salaries, wages, and benefits	4,692,700	4,361,589	331,111	4,196,669
Materials, supplies, and services	4,281,452	3,478,065	803,387	3,083,161
Capital outlay	11,716	11,712	4	11,712
Total expenditures	<u>8,985,868</u>	<u>7,851,365</u>	<u>1,134,503</u>	<u>7,291,542</u>
Excess (deficiency) of revenues over expenditures	(452,758)	(180,205)	272,553	(427,132)
Other financing sources (uses):				
Transfers in	410,871	284,432	(126,439)	353,829
Transfers out	(149,254)	(50,358)	98,897	-
Total other financing sources (uses)	<u>261,617</u>	<u>234,075</u>	<u>(27,542)</u>	<u>353,829</u>
Net change in fund balance	(191,141)	53,870	245,011	(73,303)
Fund balance - January 1	<u>386,705</u>	<u>386,705</u>	<u>-</u>	<u>460,008</u>
Fund balance - December 31	<u>\$ 195,564</u>	<u>\$ 440,574</u>	<u>\$ 245,011</u>	<u>\$ 386,705</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund
Major Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 101,456	\$ 106,220	\$ 4,764	\$ 483,396
Intergovernmental revenue	3,481,122	3,210,455	(270,667)	3,491,991
Miscellaneous revenue	115	115	(0)	40
Total revenues	<u>3,582,693</u>	<u>3,316,789</u>	<u>(265,904)</u>	<u>3,975,428</u>
Expenditures:				
Principal	9,949,167	9,945,000	4,167	10,809,167
Interest	12,973,232	12,850,419	122,813	12,868,954
Fiscal charges	386,367	29,000	357,367	26,750
Total expenditures	<u>23,308,766</u>	<u>22,824,419</u>	<u>484,347</u>	<u>23,704,871</u>
Excess (deficiency) of revenues over expenditures	(19,726,073)	(19,507,630)	218,443	(19,729,443)
Other financing sources (uses):				
Transfers in	18,038,006	17,905,721	(132,285)	17,601,898
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>18,038,006</u>	<u>17,905,721</u>	<u>(132,285)</u>	<u>17,601,898</u>
Net change in fund balance	(1,688,067)	(1,601,908)	86,159	(2,127,545)
Fund balance - January 1	<u>11,181,362</u>	<u>11,181,362</u>	<u>-</u>	<u>13,308,907</u>
Fund balance - December 31	<u>\$ 9,493,295</u>	<u>\$ 9,579,453</u>	<u>\$ 86,159</u>	<u>\$ 11,181,362</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
Major Fund
For the Year Ended December 31, 2013
With Comparative Totals for 2012

	2013			2012 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ -	\$ -	\$ 2,680,000
Miscellaneous revenue	40,000	61,612	\$ 21,612	103,728
Total revenues	<u>40,000</u>	<u>61,612</u>	<u>21,612</u>	<u>2,783,728</u>
Expenditures:				
Capital outlay	8,037,245	958,970	7,078,275	20,759,161
Total expenditures	<u>8,037,245</u>	<u>958,970</u>	<u>7,078,275</u>	<u>20,759,161</u>
Excess (deficiency) of revenues over expenditures	(7,997,245)	(897,358)	7,099,887	(17,975,433)
Other financing sources (uses):				
Transfers in	4,426,666	279,294	(4,147,372)	6,329,393
Total other financing sources (uses)	<u>4,426,666</u>	<u>279,294</u>	<u>(4,147,372)</u>	<u>6,329,393</u>
Net change in fund balance	(3,570,579)	(618,064)	2,952,515	(11,646,040)
Fund balance - January 1	8,232,535	8,232,535	-	19,878,575
Fund balance - December 31	<u>\$ 4,661,956</u>	<u>\$ 7,614,471</u>	<u>\$ 2,952,515</u>	<u>\$ 8,232,535</u>

UTAH COUNTY
Combining Statement of Net Position
Internal Service Funds
December 31, 2013

	Internal Service Funds					Information Systems	Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance		
ASSETS							
Current assets:							
Cash and investments	\$ 2,431,099	\$ 1,201,551	\$ 462,707	\$ 22	\$ 970,904	\$ 1,594,758	\$ 6,661,040
Accounts receivable	52,618	90,932	23,449	123,024	180,885	50,965	521,873
Inventory	151,204	194,626	1,607	22,333	-	11,606	381,377
Prepaid expenses	121,160	-	2,027	4,376	5,816	21,004	154,384
Total current assets	<u>2,756,082</u>	<u>1,487,109</u>	<u>489,791</u>	<u>149,755</u>	<u>1,157,604</u>	<u>1,678,332</u>	<u>7,718,673</u>
Capital assets:							
Equipment, vehicles, furniture	13,217,791	119,278	1,036,153	2,542,174	606,470	1,050,919	18,572,785
Accumulated depreciation	(7,785,233)	(118,268)	(657,075)	(1,994,789)	(187,190)	(912,558)	(11,655,113)
Total capital assets	<u>5,432,558</u>	<u>1,010</u>	<u>379,078</u>	<u>547,385</u>	<u>419,280</u>	<u>138,361</u>	<u>6,917,672</u>
Total assets	<u>8,188,640</u>	<u>1,488,119</u>	<u>868,869</u>	<u>697,140</u>	<u>1,576,884</u>	<u>1,816,694</u>	<u>14,636,345</u>
LIABILITIES							
Accounts payable and accruals	176,157	108,440	25,855	90,598	394,672	171,999	967,721
Unearned revenues	121,100	-	-	-	8,622	-	129,722
Due to other funds	-	-	-	326,000	-	-	326,000
Total liabilities	<u>297,257</u>	<u>108,440</u>	<u>25,855</u>	<u>416,598</u>	<u>403,294</u>	<u>171,999</u>	<u>1,423,443</u>
NET POSITION							
Net investment in capital assets	5,432,558	1,010	379,078	547,385	419,280	138,361	6,917,672
Unrestricted	2,458,825	1,378,670	463,935	(266,843)	754,311	1,506,333	6,295,230
Total net position	<u>7,891,383</u>	<u>1,379,680</u>	<u>843,013</u>	<u>280,541</u>	<u>1,173,590</u>	<u>1,644,695</u>	<u>13,212,902</u>
Total liabilities and net position	<u>\$ 8,188,640</u>	<u>\$ 1,488,119</u>	<u>\$ 868,869</u>	<u>\$ 697,140</u>	<u>\$ 1,576,884</u>	<u>\$ 1,816,694</u>	<u>\$ 14,636,345</u>

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

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2013

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Operating revenues:							
Charges to other funds	\$ 3,756,694	\$ 1,859,041	\$ 515,251	\$ 385,945	\$ 6,136,912	\$ 3,118,052	\$ 15,771,896
Charges to outside agencies	90,063	598,908	58,476	345,357	652,883	110,584	1,856,272
Other revenues	11,055	3,298	1,105	316	28,562	7,515	51,850
Total operating revenues	<u>3,857,812</u>	<u>2,461,247</u>	<u>574,832</u>	<u>731,618</u>	<u>6,818,358</u>	<u>3,236,151</u>	<u>17,680,018</u>
Operating expenses:							
Salaries, wages, and benefits	843,963	718,135	151,346	143,535	2,025,501	2,178,877	6,061,358
Materials, supplies, and services	1,715,714	1,707,493	319,213	482,713	2,195,892	691,181	7,112,208
Depreciation	1,466,812	3,333	104,173	106,184	65,183	91,423	1,837,107
Total operating expenses	<u>4,026,489</u>	<u>2,428,961</u>	<u>574,733</u>	<u>732,432</u>	<u>4,286,576</u>	<u>2,961,481</u>	<u>15,010,672</u>
Operating income (loss)	<u>(168,677)</u>	<u>32,286</u>	<u>100</u>	<u>(814)</u>	<u>2,531,782</u>	<u>274,670</u>	<u>2,669,346</u>
Non-operating revenues (expenses):							
Interest income	9,953	7,985	3,034	-	9,632	9,909	40,513
Intergovernmental income	18,350	-	-	-	-	-	18,350
Intergovernmental expenses	(18,350)	-	-	-	-	-	(18,350)
Gain (loss) on sale of fixed assets	1,626	-	-	-	9,388	10,136	21,150
Total non-operating income (loss)	<u>11,579</u>	<u>7,985</u>	<u>3,034</u>	<u>-</u>	<u>19,020</u>	<u>20,045</u>	<u>61,663</u>
Net income (loss) before operating transfers	<u>(157,098)</u>	<u>40,271</u>	<u>3,134</u>	<u>(814)</u>	<u>2,550,801</u>	<u>294,715</u>	<u>2,731,009</u>
Transfers:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(2,579,866)	-	(2,579,866)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,579,866)</u>	<u>-</u>	<u>(2,579,866)</u>
Net income (loss)	<u>(157,098)</u>	<u>40,271</u>	<u>3,134</u>	<u>(814)</u>	<u>(29,065)</u>	<u>294,715</u>	<u>151,143</u>
Net position - beginning	<u>8,048,481</u>	<u>1,339,408</u>	<u>839,879</u>	<u>281,356</u>	<u>1,202,655</u>	<u>1,349,980</u>	<u>13,061,759</u>
Net position - ending	<u>\$ 7,891,383</u>	<u>\$ 1,379,680</u>	<u>\$ 843,013</u>	<u>\$ 280,541</u>	<u>\$ 1,173,590</u>	<u>\$ 1,644,695</u>	<u>\$ 13,212,902</u>

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

UTAH COUNTY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013

	Internal Service Funds						Total
	Motor Pool	Jail Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Cash flows from operating activities:							
Receipts from customers and users	\$ 3,966,025	\$ 2,515,534	\$ 556,520	\$ 782,520	\$ 6,682,700	\$ 3,232,429	\$ 17,735,729
Payments to suppliers	(1,821,537)	(1,698,534)	(554,654)	(453,466)	(2,157,325)	(667,929)	(7,353,447)
Payments to employees	(839,057)	(713,978)	(155,089)	(139,880)	(2,010,665)	(2,165,252)	(6,023,922)
Net cash provided (used) by operating activities	<u>1,305,430</u>	<u>103,021</u>	<u>(153,223)</u>	<u>189,174</u>	<u>2,514,710</u>	<u>399,248</u>	<u>4,358,360</u>
Cash flows from non-capital financing activities:							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	(2,579,866)	-	(2,579,866)
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,579,866)</u>	<u>-</u>	<u>(2,579,866)</u>
Cash flows from capital and related financing activities:							
Payments for acquisitions of capital assets	(1,848,145)	-	-	(189,537)	(143,940)	(34,232)	(2,215,854)
Proceeds from sales of capital assets	1,626	-	-	-	9,388	10,136	21,150
Net cash provided (used) by capital and related financing activities	<u>(1,846,519)</u>	<u>-</u>	<u>-</u>	<u>(189,537)</u>	<u>(134,553)</u>	<u>(24,096)</u>	<u>(2,194,705)</u>
Cash flows from investing activities:							
Interest received	9,953	7,985	3,034	-	9,632	9,909	40,513
Net change in cash and cash equivalents	(531,135)	111,007	(150,189)	(363)	(190,077)	385,061	(375,698)
Cash and cash equivalents - beginning	2,962,234	1,090,544	612,897	385	1,160,981	1,209,697	7,036,738
Cash and cash equivalents - ending	<u>\$ 2,431,099</u>	<u>\$ 1,201,551</u>	<u>\$ 462,707</u>	<u>\$ 22</u>	<u>\$ 970,904</u>	<u>\$ 1,594,758</u>	<u>\$ 6,661,040</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ (168,677)	\$ 32,286	\$ 100	\$ (814)	\$ 2,531,782	\$ 274,670	\$ 2,669,346
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation expense	1,466,812	3,333	104,173	106,184	65,183	91,423	1,837,107
(Increase) decrease in accounts receivable	(12,887)	54,287	(18,313)	(57,097)	(75,657)	(3,723)	(113,389)
(Increase) decrease in prepaid expenses	(121,160)	-	42,110	(4,376)	(5,420)	(5,891)	(94,737)
(Increase) decrease in inventory	(19,065)	(1,345)	-	-	-	13,198	(7,212)
Increase (decrease) in accounts payable	34,402	10,304	(277,551)	33,623	43,986	15,945	(139,291)
Increase (decrease) in accrued payroll	4,906	4,157	(3,743)	3,655	14,836	13,626	37,436
Increase (decrease) in unearned revenue	121,100	-	-	-	(60,000)	-	61,100
Increase (decrease) in amounts due to other funds	-	-	-	108,000	-	-	108,000
Total adjustments	<u>1,474,107</u>	<u>70,735</u>	<u>(153,323)</u>	<u>189,988</u>	<u>(17,071)</u>	<u>124,578</u>	<u>1,689,014</u>
Net cash provided (used) by operating activities	<u>\$ 1,305,430</u>	<u>\$ 103,021</u>	<u>\$ (153,223)</u>	<u>\$ 189,174</u>	<u>\$ 2,514,710</u>	<u>\$ 399,248</u>	<u>\$ 4,358,360</u>
Noncash investing, capital, and financing activities:	none	none	none	none	none	none	none

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

UTAH COUNTY
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2013

	Balance January 1 2013	Additions	Deductions	Balance December 31 2013
<u>Auditor's Trusts</u>				
Assets				
Cash	\$ 3,485,866	\$ 99,371,262	\$ 98,512,440	\$ 4,344,688
Accounts Receivable	34,056	2,534,087	2,668,228	(100,085)
Prepays	5,488	89,149	91,956	2,681
Total	<u>\$ 3,525,410</u>	<u>\$101,994,498</u>	<u>\$101,272,624</u>	<u>\$ 4,247,284</u>
Liabilities				
Accounts Payable	\$ 366,438	\$ 3,299,568	\$ 3,123,091	\$ 542,915
Due Other Governments	3,158,972	49,824,835	49,279,438	3,704,369
	<u>\$ 3,525,410</u>	<u>\$ 53,124,403</u>	<u>\$ 52,402,529</u>	<u>\$ 4,247,284</u>
<u>Treasurer's Trust</u>				
Assets				
Cash	\$ 51,746,247	\$401,492,468	\$373,756,156	\$ 79,482,559
Taxes Receivable	880,435	859,030	880,435	859,030
Total Assets	<u>\$ 52,626,682</u>	<u>\$402,351,498</u>	<u>\$374,636,591</u>	<u>\$ 80,341,589</u>
Liabilities				
Due Other Governments	<u>\$ 52,626,682</u>	<u>\$402,351,498</u>	<u>\$374,636,591</u>	<u>\$ 80,341,589</u>
<u>Totals - All Agency Funds</u>				
Assets				
Cash	\$ 55,232,113	\$500,863,730	\$472,268,596	\$ 83,827,247
Taxes Receivable	880,435	859,030	880,435	859,030
Accounts Receivable	34,056	2,534,087	2,668,228	(100,085)
Prepays	5,488	89,149	91,956	2,681
Total Assets	<u>\$ 56,152,092</u>	<u>\$504,345,996</u>	<u>\$475,909,215</u>	<u>\$ 84,588,873</u>
Liabilities				
Due to Other Governments	\$ 55,785,654	\$452,176,333	\$423,916,029	\$ 84,045,958
Accounts Payable	366,438	3,299,568	3,123,091	542,915
Total Liabilities	<u>\$ 56,152,092</u>	<u>\$455,475,901</u>	<u>\$427,039,120</u>	<u>\$ 84,588,873</u>

UTAH COUNTY
Combining Statement of Net Assets
Discretely Presented Component Units
December 31, 2013

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets:						
Cash and investments	\$ 54,626,173	\$ 5,666,786	\$ 804,826	\$ 102,755	\$ 8,678,626	\$ 69,879,166
Accounts receivable	2,290,075	531,129	383,701	35,139	3,860,241	7,100,285
Taxes receivable	-	-	49,484	-	-	49,484
Inventory	1,152	-	-	9,749	-	10,901
Other current assets	100,610	28,703	-	2,116	857,804	989,233
Total current assets	<u>57,018,010</u>	<u>6,226,618</u>	<u>1,238,011</u>	<u>149,759</u>	<u>13,396,671</u>	<u>78,029,069</u>
Capital assets:						
Land and easements	2,673,916	2,207,049	95,583	-	1,553,984	6,530,532
Construction in progress	170,857	-	56,654	-	116,409	343,920
Water rights	-	-	437,671	-	-	437,671
Depreciable assets, net of accumulated depreciation	131,922,418	4,015,638	5,950,088	29,029	5,121,326	147,038,499
Total capital assets	<u>134,767,191</u>	<u>6,222,687</u>	<u>6,539,996</u>	<u>29,029</u>	<u>6,791,719</u>	<u>154,350,622</u>
Other assets	<u>7,778,374</u>	<u>124,648</u>	<u>-</u>	<u>166,001</u>	<u>382,321</u>	<u>8,451,344</u>
Total assets	<u>199,563,575</u>	<u>12,573,953</u>	<u>7,778,007</u>	<u>344,789</u>	<u>20,570,711</u>	<u>240,831,035</u>
Deferred outflows of resources	<u>-</u>	<u>149,708</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,708</u>
Total assets and deferred outflows of resources	<u>199,563,575</u>	<u>12,723,661</u>	<u>7,778,007</u>	<u>344,789</u>	<u>20,570,711</u>	<u>240,980,743</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS						
Current liabilities:						
Accounts payable	867,742	522,665	18,540	46,463	316,921	1,772,331
Accrued interest payable	371,720	-	-	-	-	371,720
Accrued expenses	224,331	64,558	27,846	58,190	-	374,925
Other current liabilities	819,851	28,500	-	11,384	2,604,418	3,464,153
Current portion of long-term debt	3,390,000	-	-	-	-	3,390,000
Total current liabilities	<u>5,673,644</u>	<u>615,723</u>	<u>46,386</u>	<u>116,037</u>	<u>2,921,339</u>	<u>9,373,129</u>
Long-term liabilities:						
Bonds payable	77,094,677	-	2,632,209	-	-	79,726,886
Other long-term liabilities	-	49,881	-	-	-	49,881
Compensated absences and OPEB	-	-	-	-	1,361,076	1,361,076
Total long-term liabilities	<u>77,094,677</u>	<u>49,881</u>	<u>2,632,209</u>	<u>-</u>	<u>1,361,076</u>	<u>81,137,843</u>
Total liabilities	<u>82,768,321</u>	<u>665,604</u>	<u>2,678,595</u>	<u>116,037</u>	<u>4,282,415</u>	<u>90,510,972</u>
Deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>82,768,321</u>	<u>665,604</u>	<u>2,678,595</u>	<u>116,037</u>	<u>4,282,415</u>	<u>90,510,972</u>
Net position:						
Net investment in capital assets	57,013,010	6,222,687	3,907,787	-	6,791,719	73,935,203
Restricted	4,228,027	-	-	154,617	-	4,382,644
Unrestricted	55,554,217	5,835,370	1,191,625	74,135	9,496,577	72,151,924
Total net position	<u>\$ 116,795,254</u>	<u>\$ 12,058,057</u>	<u>\$ 5,099,412</u>	<u>\$ 228,752</u>	<u>\$ 16,288,296</u>	<u>\$ 150,469,771</u>

UTAH COUNTY
Combining Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Units
Year Ended December 31, 2013

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total Component Units
Operating revenues	\$ 13,285,316	\$ 6,858,383	\$ 1,176,902	\$ 1,310,788	\$ 26,295,343	\$ 48,926,732
Operating expenses:						
Cost of services	5,846,698	6,637,719	731,990	1,360,335	26,955,195	41,531,937
Depreciation	2,306,036	481,239	248,430	8,307	449,806	3,493,818
Total operating expenses	<u>8,152,734</u>	<u>7,118,958</u>	<u>980,420</u>	<u>1,368,642</u>	<u>27,405,001</u>	<u>45,025,755</u>
Operating income (loss)	<u>5,132,582</u>	<u>(260,575)</u>	<u>196,482</u>	<u>(57,854)</u>	<u>(1,109,658)</u>	<u>3,900,977</u>
Nonoperating revenues (expenses):						
Interest revenue	291,258	36,114	234	-	89,135	416,741
Interest expense and fiscal charges	(4,280,031)	-	(86,906)	-	-	(4,366,937)
Other revenues (expenses)	10,079,763	23,307	168,882	(18,908)	312,043	10,565,087
Total nonoperating revenues (expenses)	<u>6,090,990</u>	<u>59,421</u>	<u>82,210</u>	<u>(18,908)</u>	<u>401,178</u>	<u>6,614,891</u>
Net income (loss)	11,223,572	(201,154)	278,692	(76,762)	(708,480)	10,515,868
Net position - beginning	<u>105,571,682</u>	<u>12,259,211</u>	<u>4,820,720</u>	<u>305,514</u>	<u>16,996,776</u>	<u>139,953,903</u>
Net position - ending	<u>\$ 116,795,254</u>	<u>\$ 12,058,057</u>	<u>\$ 5,099,412</u>	<u>\$ 228,752</u>	<u>\$ 16,288,296</u>	<u>\$ 150,469,771</u>

UTAH COUNTY
Combining Statement of Cash Flows
Discretely Presented Component Units
For the Year Ended December 31, 2013

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
Cash flows from operating activities:						
Receipts from customers and users and others	\$ 13,998,231	\$ 7,180,784	\$ 1,168,821	\$ 1,249,894	\$ 25,405,567	\$ 49,003,297
Payments to suppliers and others	(2,285,256)	(5,438,690)	(486,997)	(563,121)	(5,789,819)	(14,563,883)
Payments to employees	(3,515,841)	(1,539,716)	(344,816)	(774,551)	(20,950,906)	(27,125,830)
Net cash provided (used) by operating activities	<u>8,197,134</u>	<u>202,378</u>	<u>337,008</u>	<u>(87,778)</u>	<u>(1,335,158)</u>	<u>7,313,584</u>
Cash flows from non-capital financing activities:						
Property taxes collected and other	-	-	172,650	-	87,197	259,847
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>-</u>	<u>172,650</u>	<u>-</u>	<u>87,197</u>	<u>259,847</u>
Cash flows from capital and related financing activities:						
Purchases of capital assets	(4,320,928)	(726,339)	(108,782)	-	(893,125)	(6,049,174)
Proceeds from sales of capital assets	5,601	45,000	-	-	-	50,601
Proceeds from issuance of debt	-	-	-	-	-	-
Interest paid on long-term debt	(4,536,214)	-	(137,165)	-	-	(4,673,379)
Principal paid on long-term debt	(3,235,000)	-	(376,978)	-	-	(3,611,978)
Impact fees, capital facility fees, and other	10,126,554	-	-	(2,293)	(189,390)	9,934,871
Net cash provided (used) by capital and related financing activities	<u>(1,959,987)</u>	<u>(681,339)</u>	<u>(622,925)</u>	<u>(2,293)</u>	<u>(1,082,515)</u>	<u>(4,349,059)</u>
Cash flows from investing activities:						
Receipt (payment) of note receivable	-	-	-	-	15,170	15,170
Land lease receipts and other	996,075	28,010	-	(4,192)	224,846	1,244,739
Net sales (purchases) of investments	-	-	-	41,465	29,129	70,594
Interest received	291,258	36,114	234	-	89,135	416,741
Net cash provided (used) by investing activities	<u>1,287,333</u>	<u>64,124</u>	<u>234</u>	<u>37,273</u>	<u>358,280</u>	<u>1,747,244</u>
Net change in cash and cash equivalents	7,524,480	(414,837)	(113,033)	(52,798)	(1,972,196)	4,971,616
Cash and cash equivalents - beginning	<u>54,880,067</u>	<u>1,090,544</u>	<u>917,859</u>	<u>116,996</u>	<u>10,646,995</u>	<u>67,652,461</u>
Cash and cash equivalents - ending	<u>\$ 62,404,547</u>	<u>\$ 675,707</u>	<u>\$ 804,826</u>	<u>\$ 64,198</u>	<u>\$ 8,674,799</u>	<u>\$ 72,624,077</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 5,132,582	\$ (260,575)	\$ 196,482	\$ (76,762)	\$ (1,109,658)	\$ 3,882,069
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	2,306,036	481,239	248,430	8,307	449,806	3,493,818
Net (gain) loss on investments	-	-	-	3,706	-	3,706
Other noncash expenses	-	(46,644)	-	-	-	(46,644)
(Increase) decrease in accounts receivable	705,440	(147,386)	(8,081)	33,079	(659,410)	(76,358)
(Increase) decrease in prepaid expenses	7,475	-	-	16,917	-	24,392
(Increase) decrease in inventory	-	-	-	894	-	894
(Increase) decrease in other assets	-	(1,145)	-	-	(230,642)	(231,787)
Increase (decrease) in accounts payable	128,304	168,143	(3,437)	9,359	41,331	343,700
Increase (decrease) in accrued expenses	(82,703)	8,646	(96,386)	3,800	-	(166,643)
Increase (decrease) in unearned revenue	-	-	-	(95,175)	-	(95,175)
Increase (decrease) in other liabilities	-	100	-	8,097	173,415	181,612
Total adjustments	<u>3,064,552</u>	<u>462,953</u>	<u>140,526</u>	<u>(11,016)</u>	<u>(225,500)</u>	<u>3,431,515</u>
Net cash provided (used) by operating activities	<u>\$ 8,197,134</u>	<u>\$ 202,378</u>	<u>\$ 337,008</u>	<u>\$ (87,778)</u>	<u>\$ (1,335,158)</u>	<u>\$ 7,313,584</u>

UTAH COUNTY
STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
FOR THE YEAR ENDED DECEMBER 31, 2013

Taxing Unit	Year-End Real Property Value	Year-End Centrally Assessed Value	Total Real & Centrally Assessed Value	Total Personal Property Value	Less: Real & Centrally Assessed RDA Value	Less: Personal Property RDA Value	RDA Adjusted Real Property Value	RDA Adjusted Personal Property Value	RDA Adjusted Taxable Value	Current Year Real Property Tax Rate	Prior Year Personal Property Tax Rate	Real & Cent. Assessed Taxes Charged	Personal Property Taxes Charged	Total Taxes Charged
Alpine City	648,928,262	7,824,682	656,752,944	5,739,462			656,752,944	5,739,462	662,492,406	0.001773	0.001916	1,164,423	10,997	1,175,420
Alpine School District	14,239,836,880	824,240,407	15,064,077,287	1,184,394,822	(1,034,750,834)	(534,360,519)	14,029,326,453	650,034,303	14,679,360,756	0.008699	0.008828	122,041,111	5,738,503	127,779,614
American Fork	1,409,928,064	38,528,272	1,448,456,336	81,701,350	(98,285,090)	(16,394,267)	1,350,171,246	65,307,083	1,415,478,329	0.002750	0.002812	3,712,971	183,644	3,896,614
Benjamin Cemetery	51,771,431	8,709,097	60,480,528	696,309			60,480,528	696,309	61,176,837	0.000170	0.000168	10,282	117	10,399
Bluffdale	0	15,327	15,327	708,562			15,327	708,562	16,035,399	0.001523	0.001618	23	1,146	1,169
Cedar Fort	15,486,901	766,871	16,253,772	581,034			16,253,772	581,034	16,834,806	0.001279	0.001268	20,789	737	21,525
Cedar Hills	356,317,498	3,986,434	360,303,932	5,571,484			360,303,932	5,571,484	365,875,416	0.002873	0.003183	1,035,153	17,734	1,052,887
Central Utah Water	23,195,271,297	1,316,761,860	24,512,033,157	1,874,635,671	(1,460,575,058)	(638,325,942)	23,051,458,099	1,236,309,729	24,287,767,828	0.000446	0.000455	10,280,950	562,521	10,843,471
Draper	131,240,022	521,171	131,761,193	11,864			131,761,193	11,864	131,773,057	0.001887	0.002009	248,633	24	248,657
Eagle Mountain	664,087,326	33,929,671	698,016,997	5,684,024			698,016,997	5,684,024	703,701,021	0.001380	0.001668	963,263	9,481	972,744
Elk Ridge	110,698,290	1,558,569	112,256,859	808,392			112,256,859	808,392	113,065,251	0.002526	0.002715	283,561	2,195	285,756
Fairfield	7,353,389	475,881	7,829,270	955			7,829,270	955	7,830,225	0.001634	0.001665	12,793	2	12,795
Genola	45,950,578	5,295,868	51,246,446	458,956			51,246,446	458,956	51,705,402	0.001045	0.001024	53,553	470	54,023
Goshen	20,011,967	1,294,774	21,306,741	323,394			21,306,741	323,394	21,630,135	0.000922	0.000936	19,645	303	19,948
Highland	896,346,518	23,293,955	919,640,473	9,292,552			919,640,473	9,292,552	928,933,025	0.001886	0.002005	1,734,442	18,632	1,753,073
Jordan Valley Water	122,603,198	505,188	123,108,386	11,864			123,108,386	11,864	123,120,250	0.000424	0.000443	52,198	5	52,203
Lehi	2,781,443,616	42,469,000	2,823,912,616	556,753,859	(307,445,254)	(470,472,291)	2,516,467,362	86,281,568	2,602,748,930	0.000242	0.002585	6,120,049	223,038	6,343,086
Lehi Metro Water	2,781,443,616	42,469,000	2,823,912,616	556,753,859	(307,445,254)	(470,472,291)	2,516,467,362	86,281,568	2,602,748,930	0.000012	0.000013	30,198	1,122	31,319
Lindon	859,076,865	15,448,999	874,525,864	114,695,259	(84,441,244)	(6,791,966)	790,084,620	107,903,273	897,987,893	0.002043	0.002107	1,614,143	227,352	1,841,495
Mapleton	440,676,318	7,103,828	447,780,146	4,254,772			447,780,146	4,254,772	452,034,918	0.003466	0.003639	1,552,006	15,483	1,567,489
Nebo School District	4,904,703,638	396,827,240	5,301,530,878	399,275,746	(77,779,427)	(56,924,560)	5,223,751,451	342,351,186	5,566,102,637	0.009526	0.009615	49,761,456	3,291,707	53,053,163
North Fork Fire SSD	185,084,915	1,971,745	187,056,660	5,006,282			187,056,660	5,006,282	192,062,942	0.000844	0.000862	157,876	4,315	162,191
North Utah County Water	7,781,570,989	617,716,463	8,399,287,452	694,223,017	(416,162,881)	(486,866,559)	7,983,124,571	207,356,458	8,190,481,029	0.000028	0.000029	223,527	6,013	229,541
Orem	3,957,676,922	97,785,704	4,055,462,626	331,464,408	(388,400,492)	(63,978,246)	3,667,062,134	267,486,162	3,934,548,296	0.001871	0.001921	6,861,073	513,841	7,374,914
Orem Metro Water	3,957,676,922	97,785,704	4,055,462,626	331,464,408	(388,400,492)	(63,978,246)	3,667,062,134	267,486,162	3,934,548,296	0.000039	0.000040	143,015	10,699	153,715
Payson	625,914,281	9,631,684	635,545,965	64,023,683	(28,967,677)	(17,156,372)	606,578,288	46,867,311	653,445,599	0.001353	0.001380	820,700	64,677	885,377
Pleasant Grove	1,275,439,644	26,055,131	1,301,494,775	31,162,206	(10,432,537)		1,291,062,238	31,162,206	1,322,224,444	0.002237	0.002315	2,888,106	72,141	2,960,247
Provo City	4,050,730,779	95,712,602	4,146,443,381	290,965,103	(195,007,830)	(21,449,565)	3,951,435,551	269,515,538	4,220,951,089	0.002956	0.003032	11,680,443	819,171	12,497,615
Provo School District	4,050,730,779	95,694,213	4,146,424,992	290,965,103	(137,588,204)	(15,097,646)	4,008,836,788	275,867,457	4,284,704,245	0.007094	0.007319	28,438,688	2,017,074	30,457,762
Pole Canyon Local Dist	528,899	614,386	1,143,285	9,295			1,143,285	9,295	1,152,580	0.000975	0.000607	1,115	6	1,120
Salem	291,185,367	4,772,541	295,957,908	9,166,113			295,957,908	9,166,113	305,124,021	0.002020	0.002106	597,835	19,304	617,139
Santaquin	278,045,747	9,041,573	287,087,320	6,339,310			287,087,320	6,339,310	293,426,630	0.002408	0.001817	691,306	11,519	702,825
Saratoga Springs	802,870,123	15,374,773	818,244,896	13,684,998			818,244,896	13,684,998	831,929,894	0.002761	0.003054	2,259,174	41,794	2,300,968
Service Area #6	796,542,904	407,746,399	1,204,289,303	40,468,786			1,204,289,303	40,468,786	1,244,758,089	0.001472	0.001442	58,356	1,831,070	1,890,426
Service Area #7	551,606,568	42,532,184	594,138,752	27,720,881			594,138,752	27,720,881	621,859,633	0.000877	0.000875	521,060	24,256	545,315
Service Area #8	796,542,904	407,746,399	1,204,289,303	40,468,786			1,204,289,303	40,468,786	1,244,758,089	0.000329	0.000374	396,211	15,135	411,347
Service Area #9	243,764,909	364,890,281	608,655,190	12,741,627			608,655,190	12,741,627	621,396,817	0.000148	0.000155	90,081	1,975	92,056
Soldier Summit Water SSD	1,171,427	323,934	1,495,361	6,278			1,495,361	6,278	1,501,639	0.003317	0.003657	4,960	23	4,983
South Valley Sewer Dist	137,000,512	520,127	137,520,639	709,683			137,520,639	709,683	138,230,322	0.000396	0.000407	54,458	289	54,747
Spanish Fork	1,291,921,602	17,460,798	1,309,382,400	135,884,384	(40,625,230)	(39,768,188)	1,268,757,170	96,116,196	1,364,873,366	0.001221	0.001221	1,549,153	117,358	1,666,510
Springville	1,259,550,234	30,435,338	1,289,985,572	150,284,255	(8,186,520)		1,281,799,052	150,284,255	1,432,083,307	0.002159	0.002190	2,767,404	329,123	3,096,527
Springville Drainage	336,252,715	1,285,763	337,538,478	18,275,636	(3,774,569)		333,763,909	18,275,636	352,039,545	0.000449	0.000442	149,860	8,078	157,938
Traverse Ridge	122,603,198	505,188	123,108,386	11,864			123,108,386	11,864	123,120,250	0.003360	0.003773	413,644	45	413,689
Unified Fire District	664,087,326	33,929,671	698,016,997	5,684,024			698,016,997	5,684,024	703,701,021	0.002192	0.001668	1,530,053	9,481	1,539,534
State Assessing & Collecting	23,195,271,297	1,316,761,860	24,512,033,157	1,874,635,671			24,512,033,157	1,874,635,671	26,386,668,828	0.000158	0.000168	3,872,901	314,939	4,187,840
Local Assessing & Collecting	23,195,271,297	1,316,761,860	24,512,033,157	1,874,635,671			24,512,033,157	1,874,635,671	26,386,668,828	0.000095	0.000029	2,328,643	54,364	2,383,008
Utah County	23,195,271,297	1,316,761,860	24,512,033,157	1,874,635,671	(1,460,575,058)	(638,325,942)	23,051,458,099	1,236,309,729	24,287,767,828	0.001006	0.001116	23,189,767	1,379,722	24,569,489
Utah County Jail Bond	23,195,271,297	1,316,761,860	24,512,033,157	1,874,635,671	(1,460,575,058)	(638,325,942)	23,051,458,099	1,236,309,729	24,287,767,828	-	0.000011	-	13,599	13,599
Vineyard	90,546,454	419,433,403	509,979,857	14,089,599	(298,783,184)	(2,315,047)	211,196,673	11,774,552	222,971,225	0.002740	0.002758	578,679	32,474	611,153
Woodland Hills	87,301,626	798,612	88,100,238	516,927			88,100,238	516,927	88,617,165	0.006272	0.005519	552,565	2,853	555,418
American Fork RDA				98,285,090	16,394,267		98,285,090	16,394,267	114,679,357	0.012725	0.013251	1,250,678	208,617	1,459,295
Lehi RDA				307,445,254	470,472,291		307,445,254	470,472,291	777,917,545	0.012419	0.013037	3,818,163	5,842,795	9,660,958
Lindon RDA				84,441,244	6,791,966		84,441,244	6,791,966	91,233,210	0.011990	0.012517	1,012,451	81,436	1,093,886
Orem RDA				235,363,525	38,386,948		235,363,525	38,386,948	273,750,473	0.011857	0.012371	2,790,705	455,154	3,245,859
Orem RDA (Additional)				153,036,967	25,591,298		153,036,967	25,591,298	178,628,265	0.003362	0.003543	514,510	68,038	600,548
Payson RDA				28,967,677	17,156,372		28,967,677	17,156,372	46,124,049	0.012331	0.012577	357,200	211,555	568,756
Pleasant Grove EDA				10,432,537			10,432,537		10,432,537	0.012212	0.012754	127,402	-	127,402
Provo RDA				137,588,204	15,097,646		137,588,204	15,097,646	152,685,850	0.011502	0.011933	1,582,540	173,653	1,756,193
Provo RDA (Additional)				57,419,626	6,351,919		57,419,626	6,351,919	63,771,545	0.004408	0.004614	253,106	27,999	281,105
Spanish Fork RDA				40,625,230	39,768,188		40,625,230	39,768,188	80,393,418	0.012182	0.012418	494,897	484,456	979,353
Springville RDA				8,186,520			8,186,520		8,186,520	0.013586	-	111,222	-	111,222
Vineyard (95) RDA				(4,498,151)	2,315,047		(4,498,151)	2,315,047	(2,183,104)	0.012687	0.013168	(57,068)	29,371	(27,697)
Vineyard (96) RDA				303,281,334										

UTAH COUNTY

STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF

FOR THE YEAR ENDED DECEMBER 31, 2013

Taxing Unit	Treasurer's Relief			Total Relief	Current Year Taxes Collected	Collection Rate	Other Collections		Delinquent Collections		Total All Collections
	Unpaid Taxes	Abatements	Other				Motor Vehicles	Misc. Collections	Tax	Interest / Penalty	
Alpine City	94,694	2,616	2,208	99,518	1,075,902	91.53%	109,534	29,136	110,563	4,181	1,329,316
Alpine School District	7,891,848	565,162	(434,129)	8,022,881	119,756,732	93.72%	10,770,154	1,465,003	11,718,964	552,178	144,263,030
American Fork	222,530	21,625	(10,929)	233,226	3,663,388	94.01%	312,095	12,278	344,897	15,493	4,348,151
Benjamin Cemetery	862	126	137	1,125	9,274	89.18%	501	(34)	1,407	28	11,175
Bluffdale	-	-	5	5	1,165	99.59%	-	0	-	5	1,170
Cedar Fort	1,305	87	33	1,425	20,100	93.38%	3,094	316	1,196	203	24,910
Cedar Hills	41,786	5,904	3,164	50,854	1,002,033	95.17%	112,454	2,334	44,625	1,286	1,162,732
Central Utah Water	688,296	47,854	27,071	763,220	10,080,251	92.96%	915,956	93,818	945,607	42,624	12,078,256
Draper	17,560	1,633	465	19,659	228,998	92.09%	6,519	548	26,364	1,458	263,887
Eagle Mountain	54,184	6,103	2,257	62,544	910,201	93.57%	135,174	26,273	151,447	9,216	1,232,310
Elk Ridge	20,978	2,548	2,021	25,546	260,209	91.06%	31,408	632	23,258	1,029	316,537
Fairfield	950	205	95	1,250	11,544	90.23%	348	32	372	25	12,322
Genola	3,113	294	1,083	4,490	49,533	91.69%	6,070	747	2,283	85	58,718
Goshen	1,988	330	99	2,417	17,530	87.88%	4,178	820	1,185	41	23,755
Highland	111,911	6,726	2,576	121,212	1,631,861	93.09%	168,830	14,182	123,309	4,331	1,942,513
Jordan Valley Water	3,454	367	101	3,922	48,281	92.49%	1,259	115	4,988	274	54,917
Lehi	327,889	27,156	(32,811)	322,234	6,020,853	94.92%	558,689	46,472	503,757	20,425	7,150,197
Lehi Metro Water	1,618	134	(233)	1,519	29,800	95.15%	2,915	229	2,522	101	35,568
Lindon	142,033	4,302	25,976	172,311	1,669,184	90.64%	125,025	19,496	259,754	13,643	2,087,103
Mapleton	112,131	3,476	3,407	119,014	1,448,475	92.41%	140,792	14,744	239,557	12,360	1,855,928
Nebo School District	3,453,039	281,376	446,456	4,180,871	48,872,292	92.12%	4,744,775	315,437	4,738,978	209,798	58,881,279
North Fork Fire SSD	9,901	144	194	10,239	151,952	93.69%	660	360	27,147	1,342	181,460
North Utah County Water	13,491	965	7,773	22,230	207,311	90.32%	18,742	3,358	20,070	885	250,366
Orem	490,510	33,169	36,104	559,783	6,815,131	92.41%	672,212	23,096	610,598	30,271	8,151,308
Orem Metro Water	10,224	691	736	11,652	142,063	92.42%	14,116	481	12,709	631	170,001
Payson	55,710	5,738	1,927	63,375	822,003	92.84%	109,811	6,959	52,579	2,083	993,435
Pleasant Grove	226,239	15,558	(18,420)	223,377	2,736,869	92.45%	303,985	77,914	351,072	17,107	3,486,948
Provo City	808,662	37,804	20,126	866,592	11,631,023	93.07%	914,625	27,888	884,231	37,429	13,495,195
Provo School District	1,940,679	90,724	50,891	2,082,294	28,375,468	93.16%	2,204,627	66,513	2,263,237	97,346	33,007,190
Pole Canyon Local Dist	3	-	(9)	(6)	1,126	100.52%	1,836	3	-	2	2,967
Salem	51,744	5,283	2,288	59,315	557,824	90.39%	66,924	2,727	50,562	1,850	679,888
Santaquin	60,905	5,846	(33)	66,718	636,107	90.51%	65,504	16,604	54,690	2,665	775,569
Saratoga Springs	132,433	16,122	3,057	151,612	2,149,356	93.41%	227,046	22,677	216,417	10,563	2,626,059
Service Area #6	105,729	4,198	54,437	164,364	1,666,706	91.02%	13,174	45,142	205,403	7,018	1,937,442
Service Area #7	37,510	2,351	6,293	46,154	499,161	91.54%	7,225	35,201	58,154	1,697	601,439
Service Area #8	23,631	938	11,079	35,649	375,698	91.33%	3,242	6,116	62,975	2,482	450,513
Service Area #9	4,299	25	2,735	7,059	84,997	92.33%	246	(3,297)	16,172	722	98,839
Soldier Summit Water SSD	28	-	250	278	4,705	94.42%	-	(233)	136	20	4,628
South Valley Sewer Dist	3,390	343	86	3,819	50,928	93.02%	1,217	121	4,820	253	57,339
Spanish Fork	75,842	8,819	6,598	91,259	1,575,251	94.52%	189,944	5,284	102,701	5,018	1,878,198
Springville	242,863	16,571	9,118	268,552	2,827,975	91.33%	261,130	25,120	289,502	11,891	3,415,619
Springville Drainage	8,811	463	2,462	11,736	146,202	92.57%	1,080	3,851	16,050	619	167,802
Traverse Ridge	27,374	2,908	836	31,118	382,571	92.48%	9,665	910	38,501	1,921	433,568
Unified Fire District	82,717	9,694	1,424	93,835	1,445,699	93.90%	38,399	41,550	18,569	384	1,544,601
State Assessing & Collecting	243,836	16,953	2,682	263,470	3,924,370	93.71%	265,187	33,466	316,853	15,949	4,555,825
Local Assessing & Collecting	146,610	10,193	(82,811)	73,992	2,309,016	96.90%	159,448	23,100	190,513	9,590	2,691,666
Utah County	1,552,525	107,939	167,695	1,828,159	22,741,330	92.56%	2,222,452	270,775	2,328,575	1,655,723	29,218,855
Utah County Jail Bond	-	-	13,599	13,599	-	0.00%	-	-	-	-	-
Vineyard	15,100	-	6,402	21,502	589,651	96.48%	6,565	8,518	14,870	506	620,109
Woodland Hills	36,938	3,670	(156)	40,453	514,965	92.72%	32,004	1,293	131,816	7,489	687,567
American Fork RDA	291,050	-	(195,710)	95,341	1,363,954	93.47%	-	-	104,625	-	1,468,579
Lehi RDA	16,149	-	339,450	355,599	9,305,359	96.32%	-	-	105,600	-	9,410,959
Lindon RDA	116,025	-	(39,944)	76,081	1,017,805	93.04%	-	-	139,833	-	1,157,638
Orem RDA	317,873	-	(135,753)	182,120	3,063,740	94.39%	-	-	154,343	-	3,218,083
Orem RDA (Additional)	-	-	33,146	33,146	567,402	94.48%	-	-	27,908	-	595,310
Payson RDA	23,409	-	(5,651)	17,759	550,997	96.88%	-	-	60,343	-	611,340
Pleasant Grove EDA	-	-	(178)	(178)	127,580	100.14%	-	-	-	-	127,580
Provo RDA	191,844	-	(75,637)	116,207	1,639,986	93.38%	-	-	234,268	-	1,874,254
Provo RDA (Additional)	-	-	21,961	21,961	259,144	92.19%	-	-	37,541	-	296,685
Spanish Fork RDA	55,527	-	(12,660)	42,867	936,485	95.62%	-	-	43,041	-	979,526
Springville RDA	-	-	2,126	2,126	109,096	98.09%	-	-	-	-	109,096
Vineyard (95) RDA	62,159	-	(89,856)	(27,697)	-	0.00%	-	-	-	-	-
Vineyard (96) RDA	-	-	101,444	101,444	3,754,778	97.37%	-	-	8,728	-	3,763,506
TOTAL	20,673,909	1,375,135	289,155	22,338,198	312,869,391		25,960,835	2,788,075	28,500,183	2,812,242	372,930,727

**SUPPLEMENTAL STATISTICAL
INFORMATION**

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 93,970	\$ 82,939	\$ 90,253	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153
Restricted	12,065	19,426	19,558	41,738	57,779	65,996	59,731	89,872	68,756	73,746
Unrestricted	56,792	70,162	74,919	55,411	42,505	39,507	44,299	23,636	38,352	43,953
Total governmental activities net position	<u>\$ 162,827</u>	<u>\$ 172,527</u>	<u>\$ 184,730</u>	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>
Business-type activities										
None										
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government										
Invested in capital assets, net of related debt	\$ 93,970	\$ 82,939	\$ 90,253	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013	\$ 184,153
Restricted	12,065	19,426	19,558	41,738	57,779	65,996	59,731	89,872	68,756	73,746
Unrestricted	56,792	70,162	74,919	55,411	42,505	39,507	44,299	23,636	38,352	43,953
Total primary government net position	<u>\$ 162,827</u>	<u>\$ 172,527</u>	<u>\$ 184,730</u>	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>	<u>\$ 301,852</u>

Source: Utah County Statements of Net Position at December 31, 2004 through 2013.

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses										
Governmental activities:										
General government	\$ 17,625	\$ 27,603	\$ 22,530	\$ 28,738	\$ 34,435	\$ 32,490	\$ 26,063	\$ 22,277	\$ 31,836	\$ 37,695
Public safety	23,858	27,948	30,316	34,002	36,630	39,441	40,388	43,146	44,994	46,787
Public health	21,359	22,756	23,305	25,128	26,836	26,904	28,268	30,297	31,462	33,660
Highways and streets	4,330	4,859	5,134	5,566	6,158	5,942	4,738	10,168	59,278	37,657
Parks and recreation	3,544	3,860	4,763	7,240	6,048	5,690	5,319	3,185	5,157	3,699
Interest on long-term liabilities	2,775	2,197	3,009	2,314	1,960	4,435	11,379	11,398	12,662	12,593
Total governmental activities expenses	<u>73,491</u>	<u>89,223</u>	<u>89,057</u>	<u>102,988</u>	<u>112,067</u>	<u>114,902</u>	<u>116,155</u>	<u>120,471</u>	<u>185,389</u>	<u>172,091</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 73,491</u>	<u>\$ 89,223</u>	<u>\$ 89,057</u>	<u>\$ 102,988</u>	<u>\$ 112,067</u>	<u>\$ 114,902</u>	<u>\$ 116,155</u>	<u>\$ 120,471</u>	<u>\$ 185,389</u>	<u>\$ 172,091</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 10,306	\$ 13,846	\$ 13,958	\$ 16,065	\$ 20,346	\$ 20,275	\$ 10,791	\$ 15,887	\$ 14,152	\$ 11,876
Public safety	5,383	5,651	6,968	7,170	7,773	8,922	9,606	9,657	12,461	13,673
Public health	3,369	3,912	2,652	2,652	6,055	6,431	6,309	6,415	7,692	11,371
Highways and streets	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term liabilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	20,570	19,786	19,573	20,990	14,332	16,209	22,439	23,575	26,923	24,326
Capital grants and contributions	-	3,487	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>39,628</u>	<u>46,682</u>	<u>43,151</u>	<u>46,877</u>	<u>48,506</u>	<u>51,837</u>	<u>49,145</u>	<u>55,534</u>	<u>61,228</u>	<u>61,246</u>
Total primary government program revenues	<u>\$ 39,628</u>	<u>\$ 46,682</u>	<u>\$ 43,151</u>	<u>\$ 46,877</u>	<u>\$ 48,506</u>	<u>\$ 51,837</u>	<u>\$ 49,145</u>	<u>\$ 55,534</u>	<u>\$ 61,228</u>	<u>\$ 61,246</u>

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Net (expense)/revenue										
Governmental activities	\$ (33,863)	\$ (42,541)	\$ (45,906)	\$ (56,111)	\$ (63,561)	\$ (63,065)	\$ (67,010)	\$ (64,937)	\$ (124,161)	\$ (110,845)
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	<u>\$ (33,863)</u>	<u>\$ (42,541)</u>	<u>\$ (45,906)</u>	<u>\$ (56,111)</u>	<u>\$ (63,561)</u>	<u>\$ (63,065)</u>	<u>\$ (67,010)</u>	<u>\$ (64,937)</u>	<u>\$ (124,161)</u>	<u>\$ (110,845)</u>
General Revenues and Other Changes in Net position										
Governmental activities:										
Taxes										
Property taxes	\$ 27,672	\$ 29,075	\$ 30,782	\$ 30,327	\$ 34,782	\$ 38,404	\$ 38,872	\$ 40,167	\$ 40,093	\$ 42,611
Sales taxes ¹	18,804	21,096	23,887	39,532	42,187	50,591	55,366	59,556	48,403	80,375
Investment earnings	688	1,650	3,307	3,567	2,492	1,228	1,810	765	935	578
Capital charges	-	-	-	-	-	-	-	-	-	-
(Loss)/Gain on Disposal or Impairment of Capit	(980)	300	-	-	-	-	-	-	-	-
Miscellaneous ¹	148	122	135	337	1,434	667	4,488	4,171	1,059	2,015
Total governmental activities	<u>46,332</u>	<u>52,243</u>	<u>58,111</u>	<u>73,763</u>	<u>80,895</u>	<u>90,890</u>	<u>100,536</u>	<u>104,659</u>	<u>90,490</u>	<u>125,579</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 46,332</u>	<u>\$ 52,243</u>	<u>\$ 58,111</u>	<u>\$ 73,763</u>	<u>\$ 80,895</u>	<u>\$ 90,890</u>	<u>\$ 100,536</u>	<u>\$ 104,659</u>	<u>\$ 90,490</u>	<u>\$ 125,579</u>
Change in Net position										
Governmental activities	\$ 12,469	\$ 9,702	\$ 12,205	\$ 17,652	\$ 17,334	\$ 27,825	\$ 33,526	\$ 39,722	\$ (33,671)	\$ 14,734
Business-type activities ²	-	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ 12,469</u>	<u>\$ 9,702</u>	<u>\$ 12,205</u>	<u>\$ 17,652</u>	<u>\$ 17,334</u>	<u>\$ 27,825</u>	<u>\$ 33,526</u>	<u>\$ 39,722</u>	<u>\$ (33,671)</u>	<u>\$ 14,734</u>

Source: Utah County Statements of Activities for years ended December 31, 2004 through 2013.

Notes:

¹From 2004-2007, the short-term motor vehicle leasing sales tax was included in miscellaneous revenue on the Statement of Activities. This schedule has been updated to reflect the short-term motor vehicle sales tax in the sales tax category rather than the miscellaneous category.

²The County has no business-type activities.

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

Year	Property Tax ^a	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax (Public Transit) ³	Section 2218 Sales Tax (Roads) ²	Total
2004	\$ 27,727	\$ 13,224	\$ 1,147	\$ 919	\$ 3,183	\$ 331 ¹			\$46,531
2005	29,075	15,011	1,220	1,016	3,302	547			50,171
2006	30,934	17,796	1,280	1,191	2,962	657			54,820
2007	30,437	19,256	1,286	1,488	3,993	691	\$ 1,026 ¹		58,177
2008	34,790	18,108	897	2,143	4,381	640	1,281		62,240
2009	37,808	16,539	1,311	1,719	4,397	601	1,145	\$ 11,724 ¹	75,244
2010	38,868	17,027	1,766	1,705	4,515	649	1,174	\$ 11,361	77,065
2011	40,162	17,906	1,724	1,902	4,928	729	1,284	\$ 13,365	82,000
2012	39,381	19,282	1,607	2,125	5,269	780	1,395	\$ 14,505	84,344
2013	39,770	20,183	1,648	2,348	5,661	823	1,456	\$ 14,272	86,161

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

¹ First year of tax

² Per statute, 40% of the Part 19 sales tax collected is transferred to UDOT for deposit into the County of the Second Class State Highway Projects Fund and 20% of the Part 19 sales tax collected is transferred to UDOT for deposit into the Local Corridor Preservation Fund. The remaining 40% of the tax collected is transferred directly to Utah County. Even though only 40% of the tax collected is directly due to Utah County, the full amount of tax is included on this schedule.

³ The County receives 8% of the Section 2216 sales tax while Utah Transit Authority ("UTA") receives the remaining 92%. The amounts in this column represent just the 8% of the tax due to the County.

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

Year	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax	Section 2218 Sales Tax
2004	0.25%	1.00%	3.00%	1.00%	7.00%	na	na
2005	0.25%	1.00%	3.00%	0.90%	7.00%	na	na
2006	0.25%	1.00%	3.00%	0.70%	7.00%	na	na
2007	0.25%	1.00%	4.25%	1.00%	7.00%	0.25%	na
2008	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	na
2009	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2010	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2011	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2012	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2013	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%

³ Tax enacted April 1, 2004.

⁴ Tax change enacted January 1, 2005.

⁵ Tax change enacted January 1, 2006.

⁶ Supplemental tax of 1.25% enacted April 1, 2007.

⁷ Tax change enacted January 1, 2007 to 0.65%. Tax change enacted April 1, 2007 to 1.00%.

⁸ Tax enacted April 1, 2007. The results of an opinion question included on the ballot during the 2006 general election indicated that voters approved of this tax (69 percent for the tax and 31 percent against the tax).

⁹ Tax change enacted January 1, 2008.

¹⁰ Tax enacted January 1, 2009.

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General fund										
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,503
Assigned	6,489	3,569	-	-	1,925	373	2,723	1,472	8,315	8,587
Unassigned	6,587	7,003	16,460	17,125	13,334	11,430	11,831	15,861	13,949	13,822
Total general fund	<u>\$ 13,076</u>	<u>\$ 10,572</u>	<u>\$ 16,460</u>	<u>\$ 17,125</u>	<u>\$ 15,259</u>	<u>\$ 11,803</u>	<u>\$ 14,554</u>	<u>\$ 17,333</u>	<u>\$ 22,264</u>	<u>\$ 25,912</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 1,766	\$ 1,824	\$ 1,764	\$ 1,754	\$ 2,108	\$ 1,947	\$ 1,825	\$ 1,887	\$ 444	\$ 431
Assessing and collecting	-	6,489	5,002	2,946	3,668	7,152	6,509	5,271	3,384	3,676
Public transit tax	-	-	-	12,941	28,907	162,395	144,203	37,013	39,582	44,521
TRCC tax	5,726	7,132	7,529	7,362	3,906	5,043	7,435	8,392	4,122	5,711
Special service areas	2,373	2,495	2,610	3,002	3,547	5,459	7,260	7,874	6,958	5,854
Bond proceeds	1,851	-	-	-	-	-	38,789	35,316	10,262	10,047
Debt service	4,546	5,753	6,976	7,489	8,000	7,931	5,006	3,729	1,588	-
Other purposes	1,247	1,386	1,768	2,229	878	-	-	-	-	-
Committed for:										
Public health and welfare	10,043	11,023	10,830	10,560	7,051	5,284	4,960	5,455	5,685	6,293
Public safety	-	-	-	-	-	-	-	433	534	640
Capital projects	16,204	29,628	25,231	13,478	9,526	7,569	6,014	8,563	8,014	7,396
Debt service	-	2,585	6,551	9,246	9,265	9,258	9,585	9,580	9,593	9,579
Assigned	1,721	1,886	1,529	930	112	110	97	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 45,477</u>	<u>\$ 70,201</u>	<u>\$ 69,790</u>	<u>\$ 71,937</u>	<u>\$ 76,968</u>	<u>\$ 212,148</u>	<u>\$ 231,683</u>	<u>\$ 123,513</u>	<u>\$ 90,166</u>	<u>\$ 94,148</u>

Source: Utah County Balance Sheets for Governmental Funds at December 31, 2004 through 2013.

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

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues										
Taxes	\$ 46,145	\$ 49,623	\$ 54,012	\$ 69,168	\$ 76,969	\$ 88,996	\$ 97,280	\$ 99,723	\$ 88,497	\$ 122,271
Licenses and permits	97	101	101	99	101	293	346	296	267	330
Intergovernmental	22,480	24,243	23,703	24,714	25,861	29,587	26,190	30,565	32,609	27,774
Charges for services	15,689	16,776	16,740	19,114	19,137	19,104	19,579	21,747	25,349	30,604
Fines and forfeitures	1,377	2,076	2,606	2,937	3,056	2,853	3,030	3,230	3,002	2,862
Interest	688	1,650	3,307	3,580	2,499	1,228	1,786	767	935	578
Miscellaneous	465	669	792	1,028	1,778	666	1,469	3,865	1,059	1,688
Total revenues	<u>86,941</u>	<u>95,138</u>	<u>101,261</u>	<u>120,640</u>	<u>129,401</u>	<u>142,727</u>	<u>149,680</u>	<u>160,193</u>	<u>151,718</u>	<u>186,107</u>
Expenditures										
General government	23,486	25,918	36,946	41,938	41,482	59,364	81,985	57,133	55,754	41,998
Public safety	23,653	27,394	29,672	33,346	36,243	38,227	39,152	42,077	43,840	45,642
Public health	21,332	22,570	22,974	19,366	26,662	26,518	27,744	30,083	31,061	33,318
Highways and public improvements	4,447	4,863	4,997	11,232	6,205	5,741	4,410	115,119	78,012	39,844
Parks and recreation	3,627	3,609	4,481	6,972	10,615	5,382	5,012	2,879	4,850	1,433
Debt service:										
Principal	3,219	3,329	4,372	4,957	5,108	5,280	9,277	9,327	10,805	9,945
Interest and fiscal charges	1,982	2,285	2,557	2,500	2,362	4,079	11,365	11,682	12,900	12,879
Total expenditures	<u>81,746</u>	<u>89,968</u>	<u>105,999</u>	<u>120,311</u>	<u>128,677</u>	<u>144,591</u>	<u>178,945</u>	<u>268,300</u>	<u>237,222</u>	<u>185,059</u>
Excess of revenues over (under) expenditures	5,195	5,170	(4,738)	329	724	(1,864)	(29,265)	(108,107)	(85,504)	1,048

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Other financing sources (uses)										
Transfers in	14,312	18,842	18,155	15,668	19,999	18,823	29,086	25,549	31,783	25,623
Transfers out	(14,568)	(18,529)	(15,677)	(13,308)	(17,557)	(15,221)	(22,831)	(22,886)	(28,698)	(22,993)
Bonds issued	-	16,182	7,737	-	-	129,986	45,291	3,320	51,675	3,800
Refunding bonds issued	-	23,872	-	-	-	-	-	-	-	-
Payments for bond redemption	-	(23,615)	-	-	-	-	-	(3,370)	-	-
Bond premiums and discounts	-	-	-	-	-	-	-	106	2,326	154
Capital leases	-	-	-	123	-	-	-	-	-	-
Sale of capital assets	-	300	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(256)</u>	<u>17,052</u>	<u>10,215</u>	<u>2,483</u>	<u>2,442</u>	<u>133,588</u>	<u>51,546</u>	<u>2,719</u>	<u>57,086</u>	<u>6,584</u>
Net change in fund balances	<u>\$ 4,939</u>	<u>\$ 22,222</u>	<u>\$ 5,477</u>	<u>\$ 2,812</u>	<u>\$ 3,166</u>	<u>\$ 131,724</u>	<u>\$ 22,281</u>	<u>\$ (105,388)</u>	<u>\$ (28,418)</u>	<u>\$ 7,632</u>

Source: Utah County Statements of Revenues, Expenditures, and Changes in Fund Balances for Governmental Funds for years ending December 31, 2004 through 2013.

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

Year	Real Property	Centrally Assessed Property	Personal Property	Less: Real & Centrally Assessed RDA Value	Less: Personal Property RDA Value	RDA Adjusted Taxable Value	Tax Rate	Total Taxes Charged	Total Taxes Collected	Collection Rate
2004	\$ 15,362,730	¹ na	1,099,699	\$ (698,070)	(162,047)	\$ 15,602,312	0.000878	\$ 13,684	\$ 12,563	91.81%
2005	16,327,963	¹ na	1,077,036	(724,142)	(129,650)	16,551,207	0.000866	14,345	13,124	91.49%
2006	18,898,271	¹ na	1,119,024	(742,083)	(129,199)	19,146,013	0.000924	17,634	16,204	91.90%
2007	24,468,903	¹ na	1,276,153	(994,764)	(135,278)	24,615,014	0.000745	18,542	16,586	89.45%
2008	25,679,425	\$ 892,257	2,443,057	(1,201,477)	(1,194,682)	26,618,580	0.000727	19,352	16,956	87.52%
2009	24,645,814	939,209	2,123,419	(1,244,046)	(826,096)	25,638,300	0.000785	20,126	17,748	88.51%
2010	23,454,923	974,728	1,963,760	(1,135,109)	(721,133)	24,537,169	0.001036	25,421	22,790	89.65%
2011	22,293,795	980,261	1,767,953	(1,172,968)	(582,425)	23,286,616	0.001098	25,569	23,486	91.85%
2012	22,130,044	1,133,164	1,760,005	(1,244,359)	(534,917)	23,243,937	0.001116	25,918	23,868	92.09%
2013	23,195,271	1,316,762	1,874,636	(1,460,575)	(638,326)	24,287,768	0.001006	24,569	22,741	92.56%

¹Amount includes both real property and centrally assessed property.

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

Year Ended Dec. 31,	Real Property		Agricultural Property	Mobile and Personal Property	Centrally Assessed Property	Total Taxable Assessed Value	Total Tax Rate	Estimated Total Market Value	Ratio of Taxable Assessed Value to Estimated Market Value
	Primary Residential Property ¹	Secondary or Non-Residential Property							
2003	9,481,534	4,202,952	151,825	1,142,746	703,035	15,682,092	0.001411	29,430,317	53.3%
2004	10,090,637	4,460,753	163,644	1,099,699	647,696	16,462,429	0.001425	31,093,852	52.9%
2005	11,034,328	4,495,935	158,335	1,077,036	639,364	17,404,998	0.001391	33,404,774	52.1%
2006	13,259,643	4,743,536	170,885	1,119,024	724,205	20,017,293	0.001262	39,205,685	51.1%
2007	17,825,474	5,660,962	154,314	1,276,153	828,154	25,745,057	0.001000	51,591,993	49.9%
2008	18,928,051	6,607,865	143,508	2,443,057	892,257	29,014,738	0.001105	56,397,412	51.4%
2009	15,419,124	8,869,273	357,417	2,123,419	939,209	27,708,442	0.001203	50,066,172	55.3%
2010	14,839,270	8,325,710	289,943	1,963,760	974,727	26,393,410	0.001294	47,910,350	55.1%
2011	14,214,233	7,769,102	310,459	1,767,953	980,595	25,042,342	0.001342	45,652,982	54.9%
2012	14,065,087	7,811,216	253,741	1,760,005	1,133,164	25,023,213	0.001324	45,403,264	55.1%
2013	14,922,435	8,172,832	100,005	1,859,319	1,287,724	26,342,315	0.001259	49,252,148	53.5%

Source: Tax Division - Utah County Auditor's Office

Notes:

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

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

	2013	2012	2011	2010	2009
County-wide rates¹:					
General Fund	0.001006	0.001116	0.001098	0.001036	0.000785
Bond Debt Service Fund	0.000000	0.000011	0.000045	0.000072	0.000093
State Assessing & Collecting	0.000158	0.000168	0.000172	0.000162	0.000142
Local Assessing & Collecting	0.000095	0.000029	0.000027	0.000024	0.000183
Discharge of Judgment	N/A	N/A	N/A	N/A	N/A
Total Direct Rate ²	0.001259	0.001324	0.001342	0.001294	0.001203
Other County rates³:					
Law Enforcement - Service Area 6	0.001472	0.001442	0.001372	0.001378	0.001400
Urban Structure Fire - Service Area 7	0.000877	0.000875	0.000761	0.000670	0.000661
Planning - Service Area 8	0.000329	0.000374	0.000548	0.000573	0.000559
Rural Structure Fire - Service Area 9	0.000148	0.000155	0.000293	0.000300	0.000283
Soldier Summit Special Service District	0.003317	0.003657	0.003876	0.004476	0.003233
School district rates:					
Alpine School District	0.008699	0.008828	0.008812	0.008220	0.007541
Nebo School District	0.009526	0.009615	0.009370	0.009173	0.008701
Provo City School District	0.007094	0.007319	0.007153	0.006706	0.006639
City and town rates:					
Alpine	0.001773	0.001916	0.001870	0.001226	0.001121
American Fork	0.002750	0.002812	0.002794	0.002630	0.002423
Cedar Fort	0.001279	0.001268	0.001244	0.001311	0.001280
Cedar Hills	0.002873	0.003183	0.003153	0.002994	0.002768
Draper	0.001887	0.002009	0.001996	0.001896	0.001818
Eagle Mountain	0.001380	0.001668	0.001636	0.001510	0.001400
Elk Ridge	0.002526	0.002715	0.002621	0.002494	0.002343
Fairfield ⁴	0.001634	0.001665	0.001808	0.001921	0.001895
Genola	0.001045	0.001024	0.000957	0.000953	0.000993
Goshen	0.000922	0.000936	0.000981	0.000980	0.000978
Highland	0.001886	0.002005	0.002004	0.001948	0.001804
Lehi	0.002432	0.002585	0.002519	0.002370	0.001789
Lindon	0.002043	0.002107	0.002080	0.001873	0.001686
Mapleton	0.003466	0.003639	0.003570	0.003416	0.003085
Orem	0.001871	0.001921	0.001879	0.001739	0.001676
Payson	0.001353	0.001380	0.001323	0.001272	0.001213
Pleasant Grove	0.002237	0.002315	0.002256	0.002085	0.001943
Provo	0.002956	0.003032	0.002843	0.002394	0.002307
Salem	0.002020	0.002106	0.002003	0.001336	0.001228
Santaquin	0.002408	0.001817	0.001830	0.001677	0.001571
Saratoga Springs	0.002761	0.003054	0.003120	0.002744	0.002436
Spanish Fork	0.001221	0.001221	0.001186	0.001134	0.001076
Springville	0.002159	0.002190	0.002103	0.002213	0.001538
Vineyard	0.002740	0.002758	0.002249	0.001815	0.001695
Woodland Hills	0.006272	0.005519	0.005469	0.005213	0.004530
Other taxing district rates:	0.000012-0.002192	0.000013-0.003773	0.000013-0.003803	0.000012-0.003171	0.000009-0.002635

Source: Utah State Tax Commission - http://propertytax.utah.gov/library/pdf/taxrate_pdfs/budgetratesbyentity2013.pdf

Notes:

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

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

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

⁴ Fairfield incorporated on December 20, 2004.

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

	2008	2007	2006	2005	2004
County-wide rates¹:					
General Fund	0.000727	0.000745	0.000913	0.000866	0.000878
Bond Debt Service Fund	0.000082	0.000098	0.000155	0.000174	0.000187
State Assessing & Collecting	0.000121	0.000121	0.000139	0.000173	0.000180
Local Assessing & Collecting	0.000175	0.000036	0.000044	0.000178	0.000180
Discharge of Judgment	N/A	N/A	0.000011	N/A	N/A
Total Direct Rate ²	0.001105	0.001000	0.001262	0.001391	0.001425
Other County rates³:					
Law Enforcement - Service Area 6	0.000982	0.000962	0.001072	0.001091	0.001078
Urban Structure Fire - Service Area 7	0.000529	0.000524	0.000600	0.000614	0.000604
Planning - Service Area 8	0.000508	0.000504	0.000577	0.000591	0.000581
Rural Structure Fire - Service Area 9	0.000202	0.000188	0.000194	0.000195	0.000196
Soldier Summit Special Service District	0.002356	0.001913	0.001888	0.001846	0.001809
School district rates:					
Alpine School District	0.007057	0.006937	0.006883	0.008082	0.008119
Nebo School District	0.008150	0.008150	0.008696	0.009203	0.009247
Provo City School District	0.006214	0.005239	0.006147	0.006124	0.006234
City and town rates:					
Alpine	0.001029	0.001051	0.001091	0.001091	0.001298
American Fork	0.002426	0.002213	0.002731	0.002276	0.002298
Cedar Fort	0.001320	0.000954	0.000553	0.000559	0.000860
Cedar Hills	0.002596	0.002616	0.002857	0.001690	0.001700
Draper	0.001528	0.001616	0.001274	0.001469	0.001327
Eagle Mountain	0.001230	0.001163	0.001747	0.001789	0.001861
Elk Ridge	0.001768	0.001655	0.002156	0.002209	0.002209
Fairfield ⁴	0.002053	0.001914	0.002296	N/A	N/A
Genola	0.000988	0.000984	0.001041	0.001061	0.001071
Goshen	0.000326	0.000341	0.000368	0.000370	0.000371
Highland	0.001565	0.001420	0.001390	0.001459	0.001445
Lehi	0.001901	0.001834	0.002604	0.002663	0.002462
Lindon	0.001296	0.001390	0.001702	0.001862	0.001837
Mapleton	0.002655	0.001960	0.002031	0.002587	0.002574
Orem	0.001578	0.001670	0.002045	0.002036	0.001800
Payson	0.001172	0.001174	0.001492	0.001575	0.001579
Pleasant Grove	0.001806	0.001608	0.002033	0.002349	0.002477
Provo	0.002122	0.002236	0.002722	0.002891	0.002873
Salem	0.001070	0.001167	0.001516	0.001593	0.001595
Santaquin	0.001434	0.001436	0.001883	0.001959	0.001961
Saratoga Springs	0.002019	0.000933	0.001331	0.001358	0.001559
Spanish Fork	0.001033	0.001144	0.001164	0.001333	0.001320
Springville	0.001413	0.001405	0.001827	0.001905	0.001846
Vineyard	0.001802	0.001485	0.001931	0.002037	0.004736
Woodland Hills	0.003600	0.002850	0.001718	0.001718	0.001801
Other taxing district rates:	0.000008-0.002073	0.000008-0.001997	0.000011-0.002389	0.000011-0.003181	0.000010-0.003507

Source: Utah State Tax Commission - http://propertytax.utah.gov/library/pdf/taxrate_pdfs/budgetratesbyentity2013.pdf

Notes:

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

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

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

⁴ Fairfield incorporated on December 20, 2004.

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

Taxpayers	Type of Business	2013			2003		
		Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ¹	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ²
PacifiCorp	Electricity	\$ 642,529	1	2.44%	\$ 483,762	1	3.08%
IM Flash Technologies LLC	Semiconductor	228,763	2	0.87%	223,228	2	1.42%
Questar Gas	Natural Gas	155,926	3	0.59%	176,760	3	1.13%
Kern River Gas	Natural Gas	96,668	4	0.37%	99,446	4	0.63%
Nu Skin Enterprises	Personal care	78,649	5	0.30%	---	---	---
Qwest Corp	Telecommunications	77,358	6	0.29%	80,855	8	0.52%
Union Pacific Railroad	Transportation	73,193	7	0.28%	90,826	5	0.58%
Adobe Systems	Computer software	70,260	8	0.27%	---	---	---
Walmart	Retail	67,592	9	0.26%	68,848	9	0.44%
TCU-Canyon Park LLC	Real estate	57,268	10	0.22%	---	---	---
University Mall	Retail	---	---	---	88,840	6	0.57%
Novell Inc.	Computer software	---	---	---	88,576	7	0.56%
Intermountain Healthcare	Healthcare	---	---	---	53,268	10	0.34%
Totals		<u>\$ 1,548,206</u>		<u>5.88%</u>	<u>\$ 1,454,409</u>		<u>9.27%</u>

Source: Utah County Treasurer

Notes:

¹ Percentage of total taxable values equals the taxable value divided by the total taxable value of \$26,342,315.

² Percentage of total taxable values equals the taxable value divided by the total taxable value of \$15,682,092.

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

Year	Governmental Activities			Business-Type Activities ¹	Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Revenue Bonds	Lease Obligations				
2004	\$ 19,235	\$ 21,940	\$ 1,602		\$ 42,777	0.48%	\$ 99
2005	17,440	36,140	1,337		54,917	0.55%	121
2006	15,455	41,630	1,075		58,160	0.53%	121
2007	13,390	39,065	899		53,354	0.44%	104
2008	11,250	36,385	931		48,566	0.37%	92
2009	9,020	164,055	629		173,704	1.39%	319
2010	6,695	202,515	307		209,517	1.62%	406
2011	4,220	195,920	-		200,140	1.46%	377
2012	1,680	239,330	-		241,010	1.61%	446
2013	-	234,865	-		234,865	N/A	426

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

Notes:

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

² See the Schedule of Demographic and Economic Statistics on page 109 for personal income and population data.

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

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property¹	Population²	Per Capita
2004	\$ 19,235	\$ 4,546	\$ 14,689	0.09%	416,220	\$ 35
2005	17,440	5,753	11,687	0.07%	430,697	27
2006	15,455	6,976	8,479	0.04%	448,296	19
2007	13,390	7,489	5,901	0.02%	469,574	13
2008	11,250	8,000	3,250	0.01%	487,615	7
2009	9,020	7,931	1,089	0.00%	504,801	2
2010	6,695	5,006	1,689	0.01%	519,832	3
2011	4,220	3,729	491	0.00%	530,104	1
2012	1,680	1,588	92	0.00%	540,504	-
2013	-	-	-	0.00%	551,891	-

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

Notes:

¹ See the Assessed Value and Actual Value Tax Information on page 102 for property value data.

² See the Schedule of Demographic and Economic Statistics on page 109 for personal income and population data.

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Debt limit (2%) ¹	\$ 472,000	\$ 540,000	\$ 620,000	\$ 817,000	\$ 896,204	\$ 851,335	\$ 819,641	\$ 779,312	\$ 730,620	\$ 771,032
Total net debt applicable to limit	14,689	11,687	8,479	5,901	3,250	1,089	1,689	491	92	-
Legal debt margin	<u>\$ 457,311</u>	<u>\$ 528,313</u>	<u>\$ 611,521</u>	<u>\$ 811,099</u>	<u>\$ 892,954</u>	<u>\$ 850,246</u>	<u>\$ 817,952</u>	<u>\$ 778,821</u>	<u>\$ 730,528</u>	<u>\$ 771,032</u>
Total net debt applicable to the limit as a percentage of debt limit	3.11%	2.16%	1.37%	0.72%	0.36%	0.13%	0.21%	0.06%	0.01%	0.00%

Source: Utah County Auditor's Office

Notes:

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

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

³ **Legal debt margin calculation for 2013:**

	<u>Taxable Value²</u>	<u>Adjusted Fair Market Value¹</u>
Residential values	\$ 14,922,435	\$ 27,131,700
Non-residential values	11,419,880	11,419,880
Totals	<u>\$ 26,342,315</u>	<u>\$ 38,551,580</u>
Debt limit (adjusted fair market value x 0.02)		\$ 771,032
Debt applicable to limit:		
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		<u>-</u>
Legal debt margin		<u>\$ 771,032</u>

UTAH COUNTY
Demographic and Economic Statistics
Last Ten Years

Year	Population	Personal Income (amounts expressed in thousands)²	Per Capita Personal Income²	Median Age¹	School Enrollment³	Unemployment Rate⁴
2004	416,220 ²	\$9,160,802	\$22,010	25.4	91,071	4.8%
2005	430,697 ²	\$10,138,749	\$23,540	25.1	92,788	4.0%
2006	448,296 ²	\$11,356,453	\$25,332	24.2	94,938	2.9%
2007	469,574 ²	\$12,655,300	\$26,951	24.3	98,336	2.5%
2008	487,615 ²	\$13,336,671	\$27,351	24.5	102,103	3.3%
2009	504,801 ²	\$12,823,780	\$25,404	24.6	105,874	7.4%
2010	519,832 ²	\$13,068,917	\$25,141	24.6	108,556	8.0%
2011	530,104 ²	\$14,045,077	\$26,495	24.5	111,736	6.6%
2012	540,504 ²	\$14,930,878	\$27,624	24.4	115,507	5.2%
2013	551,891 ¹	N/A	N/A	24.2	118,448	4.3%

Sources:

¹U.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, 2013. Release Date: June 2014

² U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA1-3, Nov. 2012. Estimates are in current dollars (not adjusted for inflation). Per Capita estimates reflect population estimates available as of Nov. 2012. Last updated May 30, 2014. Retrieved June 2014. 2013 statistics for personal income and per capita income are not yet available.

³ Utah State Office of Education, School Finance & Statistics (as of fall enrollment for each year). District enrollment only for Kindergarten-Grade 12 for Alpine, Nebo, and Provo School Districts. Retrieved June 2014.

⁴ Utah Department of Workforce Services. Annual average unemployment rate, seasonally adjusted. Retrieved June 2014.

UTAH COUNTY
Principal Employers
Most Current Year and Five Years Ago

Employer	Industry	2013 ¹			2008 ²		
		Employees	Rank	Percentage of Total County Employment ³	Employees	Rank	Percentage of Total County Employment ³
Brigham Young University	Higher Education (Private)	15,000-19,999	1	6.49% - 8.65%	10,000-14,999	1	4.61% - 6.92%
Alpine School District	Public Education	5,000-6,999	2	2.16% - 3.03%	5,000-6,999	2	2.31% - 3.23%
Utah Valley University	Higher Education (Public)	4,000-4,999	3	1.73% - 2.16%	2,000-2,999	7	0.92% - 1.38%
Utah Valley Regional Medical Center	Healthcare	4,000-4,999	4	1.73% - 2.16%	4,000-4,999	3	1.85% - 2.31%
Nebo School District	Public Education	3,000-3,999	5	1.30% - 1.73%	3,000-3,999	4	1.38% - 1.85%
State of Utah	State Government	2,000-2,999	6	0.87% - 1.30%	3,000-3,999	5	1.38% - 1.85%
Vivint	Electrical Contractors	2,000-2,999	7	0.87% - 1.30%	---	---	---
Walmart	Retail	2,000-2,999	8	0.87% - 1.30%	2,000-2,999	8	0.92% - 1.38%
Bluefin Office Group	Office Supplies	2,000-2,999	9	0.87% - 1.30%	2,000-2,999	6	0.92% - 1.38%
Provo School District	Public Education	1,000-1,999	10	0.43% - 0.86%	1,000-1,999	9	0.46% - 0.92%
Novell, Inc.	Software	---	---	---	1,000-1,999	10	0.46% - 0.92%

Notes:

¹ Source: Utah Department of Workforce Services.

² 2008 table originally presented in Utah County's 2008 Financial Statements.

³ Employed labor force for 2013 was 231,132 and for 2008 was 216,731. Source: Utah Department of Workforce Services.

UTAH COUNTY

**SINGLE AUDIT AND STATE OF UTAH
LEGAL COMPLIANCE REPORTS**

YEAR ENDED DECEMBER 31, 2013

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UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Thru Grantor's Number	Expenditures
<u>Corporation for National and Community Service</u>			
Cluster			
Foster Grandparent Program	94.011		\$ 249,234
Senior Companion Program	94.016		204,295
Total Corporation for National and Community Service			<u>453,529</u>
<u>U.S. Department of Agriculture</u>			
Passed through State of Utah			
Schools and Roads-Grants to States	10.665		1,259,427
Passed Through Utah Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	13-1363	743,672
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	14-1225	231,723
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	14-1225	54,911
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	13-1363	188,654
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	13-1363	221,846
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	14-1225	65,557
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Commodities)	10.557		7,212,301
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	13-1363	210,954
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	14-1225	42,002
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	13-1363	96,081
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	14-1225	27,799
Special Supplemental Nutrition Program for Women, Infants and Children - Technology Services	10.557	14-1225	7,256
Summer Food Service Program for Children	10.559	14-0888	600
Passed Through Utah Department of Agriculture & Food			
Program on Research on the Economic of Invasive Species Management - Squorrose	10.254	13-1269	49,294
Program on Research on the Economic of Invasive Species Management - Squorrose	10.254	14-1061	86,302
Program on Research on the Economic of Invasive Species Management - North Shore	10.254	13-1268	78,243
Passed Through Utah Dept of Natural Resources			
Program on Research on the Economic of Invasive Species Management - Watershed Restoration	10.254	13-0884	32,106
Program on Research on the Economic of Invasive Species Management - Watershed Restoration	10.254		10,614
Program on Research on the Economic of Invasive Species Management - FFSL Phragmite	10.254		100,000
Program on Research on the Economic of Invasive Species Management - Pelican Point	10.254	14-1059	10,539
Total U.S. Department of Agriculture			<u>10,729,881</u>

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Thru Grantor's Number	Expenditures
<u>U.S. Department of Transportation</u>			
Passed Through State Department of Public Safety			
State & Community Highway Safety - Motorcycles	20.600		18,350
State & Community Highway Safety	20.600	CP13-02-07	24,161
State & Community Highway Safety	20.600	CP14-02-07	1,449
Interagency Hazardous Materials - HMEP	20.703	HMEP-USA-2013	2,471
Total U.S. Department of Transportation			46,431
<u>U.S. Department of Health and Human Services</u>			
Drug-Free Communities and Support	93.276		102,445
Passed Through NAMI of Utah			
Mental Health - Prevention by Design	93.958		8,515
Passed Through Utah Department of Human Services			
Block Grants for Prevention & Treatment of Substance Abuse - CTC	93.959	12-2201	23,294
Block Grants for Prevention & Treatment of Substance Abuse	93.959	12-2419	1,836,461
Substance Abuse and Mental Health Services - Access to Recovery	93.275	11-2120	254,265
Child Abuse & Neglect State Grants	93.669	12-1254	48,497
Substance Abuse - Significant Projects	93.243	10-1321	32,000
Mental Health Block Grant	93.958	12-2419	42,592
Passed Through Utah Department of Health			
Affordable Care Act Abstinence Education Program	93.235	13-1225	17,657
Affordable Care Act Abstinence Education Program	93.235	14-1217	7,206
Centers for Disease Control & Prevention - Investigations and Technical Assistance	93.283	13-2503	40,115
Centers for Disease Control & Prevention - Investigations and Technical Assistance	93.283	13-2502	69,652
Centers for Disease Control & Prevention - Investigations and Technical Assistance	93.283	13-0970	224,481
Maternal and Child Health Services Block Grants to States	93.994	13-2475	27,960
Maternal and Child Health Services Block Grants to States	93.994	13-0970	5,075
Maternal and Child Health Services Block Grants to States	93.994	13-1225	73,733
Maternal and Child Health Services Block Grants to States	93.994	13-1217	73,732
Preventive Health & Health Services Block Grant	93.991	13-2475	11,281
Preventive Health & Health Services Block Grant	93.991	13-0970	10,034
Immunization Grant	93.268	13-1750	147,390
Bioterrorism Hospital Preparedness	93.889	13-0760	61,249
Bioterrorism Hospital Preparedness	93.889	14-0331	53,301
Medical Assistance Program	93.778	13-1171	13,950
Medical Assistance Program	93.778	14-0936	35,475
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	13-1750	4,400
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	13-1750	14,127
Project Grants & Cooperative Agreements for HIV Prevention Activities - Health Department Based	93.940	13-1750	10,500
Public Health Emergency Preparedness - MRC-Coordinator	93.069	13-0760	10,000
Public Health Emergency Preparedness	93.069	13-0760	205,701
Injury Prevention and Control Research	93.136	13-0970	2,927
Strengthen Public Health Immunization	93.539	13-1226	2,182
Strengthen Public Health Immunization	93.539	13-1315	422,921

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Thru Grantor's Number	Expenditures
<u>U.S. Dept. of Health and Human Services (Continued)</u>			
Passed Through Utah Department of Health (Continued)			
Hospital Emergency Preparedness	93.074	14.0331	263,580
Well-Integrated Screening and Evaluation	93.094	13-2502	50,000
Empowering Adults - Asthma	93.734	13-2475	6,492
Assistance for Chronic Disease	93.945	13-0970	1,752
Assistance for Chronic Disease	93.945	13-2475	8,000
FDA Tobacco Retail Inspections	93.XXX	HHSF223201110108C	13,821
Affordable Care Act: Building Epidemiology Laboratory, Etc Cooperative Agreements	93.521	13-1483	15,099
Public Health Emergency Response -Asthma	93.070	13-2475	2,500
Public Health Emergency Response -Asthma	93.070	13-2475	10,634
Passed Through Mountainland Assoc. of Government			
Social Services Block Grant	93.667		20,024
Special Programs for the Aging	93.044		5,000
MAG Stepping On	93.043		9,517
Passed Through Department of Workforce Services			
Temporary Assistance for Needy Families	93.558	13-0536	66,296
Passed through National Association of County and City Health Officials			
Medical Reserve Corp. Small Grant	93.008	MRC-13 200	4,000
Passed Through Utah State University			
Temporary Assistance for Needy Families	93.558		3,816
Passed Through Utah Poison Control Center			
Poison Control	93.253		2,500
Passed Through Utah Association of Local Health Departments			
Public Health Improvement	93.507		10,000
Total US Dept. of Health & Human Services			<u>4,386,149</u>
<u>U.S. Department of Justice</u>			
Coverdell Forensics Sciences	16.742		60,231
State Criminal Alien Assistance	16.606		71,404
Cluster - Byrne Memorial Justice Assistance			
Direct			
ARRA-Byrne Memorial Justice Assistance	16.804		16,348
Passed Through Utah Chapter of National Children's Alliance			
ARRA-Byrne Memorial Justice Assistance	16.803	9AR86	31,662
Passed Through State Common Criminal and Juv. Justice Byrne Memorial Justice Assistance			
	16.738	12A186	5,000
Passed Through State Comm. on Criminal & Juv. Justice			
Sexual Assault Services Formula Program	16.017	12-Voca-70	49,235
Sexual Assault Services Formula Program	16.017	12-Voca-71	27,445
Sexual Assault Services Formula Program	16.017	12-Voca-72	19,522
Sexual Assault Services Formula Program	16.017	12-Voca-69	22,550
Crime Victim Assistance - VOCA	16.575	13-Voca-75	47,772
Crime Victim Assistance - VOCA	16.575	13-Voca-73	22,293
Crime Victim Assistance - Child Abuse Treatment	16.575	13-Voca-70	39,719
Crime Victim Assistance - Victim/Witness Coordinator	16.575	13-Voca-71	13,006
Residential Substance Abuse Treatment For State Prisoners	16.593	11R04	121,964
Residential Substance Abuse Treatment For State Prisoners	16.593		41,102
ARRA - Violence Against Women Formula Grant	16.588	11-VAWA-38	28,347
Passed Through Utah Chapter of the National Children's Alliance			
National Children's Alliance Missing Children's Assistance	16.758	7-Prov-UT-SA13	9,000
Total U.S. Department of Justice			<u>626,600</u>
<u>Environmental Protection Agency</u>			
Passed Through Utah Dept. of Environmental Quality			
Capitalization Grants for Drinking Water State Revolving Funds	66.468	13-0376	6,290
Performance Partnership Grants	66.605	13-0376	11,240
Total Environmental Protection Agency			<u>17,530</u>

UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Grantor's Number	Expenditures
<u>U.S. Department of Homeland Security</u>			
Disaster Grants- Public Assistance	97.036		39,458
Passed Through State Division of Homeland Security			
Emergency Management Performance Grants	97.042		65,000
Homeland Security Grant Program	97.067	AES-2011-5H5P-002	115,272
Total U.S. Department of Homeland Security			<u>219,730</u>
<u>U.S. Department of Housing & Urban Development</u>			
Community Development Block Grant	14.218		1,083,424
Passed Through Mountainland Association of Governments			
16 Bed Residential	14.218		50,357
Pre-Trial Services	14.218		8,155
Total U.S. Department of Housing & Urban Development			<u>1,141,936</u>
<u>U.S. Department of Interior</u>			
Mineral Leasing Act	15.437		<u>10,343</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 17,632,129</u></u>

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

NOTE A - 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.

NOTE B - 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 yearend and not yet reimbursed.

NOTE C – SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, Utah County provided federal awards to subrecipients as follows:

<u>CFDA #</u>	<u>Program Name</u>	<u>Amount Provided to Subrecipients</u>
10.254	Research on the Economic of Invasive Species Management	\$ 38,782
14.218	Community Development Block Grants/Entitlement Grants	1,057,952
93.958	Block Grants for Prevention and Treatment of Substance Abuse	188,095
93.959	Block Grants for Community Mental Health Services	32,715
93.558	Temporary Assistance for Needy Families	8,522
	Total	<u>\$ 1,326,066</u>



**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***

Utah County
Provo, Utah

July 28, 2014

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, 2013, and the related notes to the financial statements, which collectively comprise Utah County's, basic financial statements, and have issued our report thereon dated July 28, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

Utah County
Provo, Utah

July 28, 2014

Report on Compliance for Each Major Federal Program

We have audited Utah County's compliance with the types of compliance requirements described in the *OMB Circular A-133 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, 2013. Utah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Utah County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Utah County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Utah County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of Utah County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Utah County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Utah County's internal control over compliance.

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

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

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited 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, 2013, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated July 28, 2014, 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 OMB Circular A-133 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.

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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2013

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Utah County.
2. No significant deficiencies in internal control were disclosed during the audit of the financial statements.
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.
5. The auditor's report on compliance for the major Federal award programs for Utah County expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in Part C of this schedule.
7. The programs tested as a major program included: WIC 10.557; Block Grants for Prevention and Treatment of Substance Abuse 93.959; Community Development Block Grant – 14.218: Cluster of Foster Grandparents – 94.011, and Senior Companion – 94.016.
8. The threshold for distinguishing between Type A and B programs was \$528,964.
9. Utah County was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS

None

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

None



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
 GENERAL STATE COMPLIANCE REQUIREMENTS; COMPLIANCE FOR EACH MAJOR
 STATE PROGRAM; INTERNAL CONTROLS OVER COMPLIANCE; AND THE SCHEDULE
 OF EXPENDITURES OF STATE AWARDS IN ACCORDANCE WITH THE
 STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

Honorable Board of County Commissioners
 Utah County
 Provo, Utah

**REPORT ON COMPLIANCE WITH GENERAL STATE COMPLIANCE REQUIREMENTS AND FOR
 EACH MAJOR STATE PROGRAM**

We have audited Utah County's compliance with the applicable general state and major state program compliance 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 or each of its major state programs for the year ended December 31, 2013.

General state compliance requirements were tested for the year ended December 31, 2014 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Transient Room Tax and Tourism, Recreation, Culture, Convention, and Airport Facilities Tax
- Utah Retirement System Compliance
- Cash Management
- Open & Public Meetings Act
- Budget Notice and Format

Utah County received state funding from the following programs classified as major programs for the year ended December 31, 2013:

- B&C Roads (Department of Transportation)
- Substance Abuse-State Treatment (Department of Human Services)
- Women & Children Grant (Department of Human Services)

Management's Responsibility

Management is responsible for compliance with the general state requirements referred to above and the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on Utah County's compliance based on our audit of the 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 compliance requirements referred to above that could have a direct and material effect on Utah County or its major state programs 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 and for each major state program. However, our audit does not provide a legal determination of Utah County's compliance.

Opinion on General State Compliance Requirements and Each Major State Program

In our opinion, Utah County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Utah County or on each of its major state programs for the year ended December 31, 2013.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of Utah County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered Utah County's internal control over compliance with the compliance requirements that could have a direct and material effect on Utah County or on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance with general state compliance requirements and for each major state program 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 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 general state or major state program compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a general state or major state program 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 general state or major state program 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.

Report on Schedule of Expenditures of State Awards as Required by the *State Compliance Audit Guide*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Utah County as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated July 28, 2014 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 state awards is presented for purposes of additional analysis as required by the *State Compliance Audit Guide* 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 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 financial statements or to the 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 state awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gilbert & Stewart

GILBERT & STEWART
Certified Public Accountants
July 28, 2014

Utah County
Schedule of Expenditures of State Grants, Contracts, and Loan Funds
For the Year Ended December 31, 2013

<u>Grant Name</u>	<u>Award/Contract # (if applicable)</u>	<u>Year of Last Audit</u>	<u>Expenditures</u>
<u>Department of Environmental Quality</u>			
DEQ LHD Environmental Services			\$ 75,461
Subtotal – Department of Environmental Quality			\$ 75,461
<u>Department of Health</u>			
CHEC Professional/Administration			\$ 12,835
EMS Grant			2,048
LHD Environmental Services			12,500
Medical Supervision			38,413
Minimum Performance Standards			192,535
Physical Activity Nutrition & Obesity			4,000
TB Medication			6,700
Tobacco Community Checks			59,064
Tobacco Control Tax			70,161
Tobacco Prevention and Control			214,577
Traumatic Brain Injury Fund			4,274
Trisano Data Security Training			1,000
UCCP Cancer			6,730
Utah Indoor Clean Air			7,457
Subtotal – Department of Health			\$ 632,294
<u>Office of the Attorney General</u>			
ICAC ARRA Award			\$ 13,786
Justice Court			1,540
Medical Assessment Grant			147,918
Office of Utah Attorney General			345,018
State Asset Forfeiture			550
Subtotal – Office of the Attorney General			\$ 508,812

Utah County
Schedule of Expenditures of State Grants, Contracts, and Loan Funds
For the Year Ended December 31, 2013

<u>Grant Name</u>	<u>Award/Contract # (if applicable)</u>	<u>Year of Last Audit</u>	<u>Expenditures</u>
<u>Department of Human Services</u>			
Child Abuse Prevention			\$ 9,699
DCFS Medical Services			17,648
Drug Courts			278,811
Drug Offender Reform Act			335,555
State Treatment		2012	784,344
State Treatment - Meth			93,642
Transportation (passed through Mountainlands)			5,500
Volunteer (RVP) (passed through Mountainlands)			5,500
Women & Children Grant			<u>507,432</u>
Subtotal – Department of Human Services			\$ 2,038,131
 <u>Department of Transportation</u>			
B&C Roads		2012	<u>\$ 2,882,607</u>
Subtotal – Department of Transportation			\$ 2,882,607
 <u>Department of Alcoholic Beverage Control</u>			
State Liquor Funds Allotment			<u>\$ 335,246</u>
Subtotal – Department of Alcoholic Beverage Control			\$ 335,246
 <u>Department of Natural Resources</u>			
Livestock Predator Control			\$ 5,500
Wild land Fire Grant			<u>15,059</u>
Subtotal – Department of Natural Resources			\$ 20,559
TOTAL GRANT, CONTRACT, AND LOAN FUND EXPENDITURES			<u>\$ 6,493,110</u>

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2013



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDEL A. HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H. PROBST, CPA
RONALD J. STEWART, CPA
—
SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

July 28, 2014

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, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utah County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2013. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 28, 2014.

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 – Prior Year

12-01 General Compliance – Cash Management

Finding: Utah State law requires a Justice Court to file reports and submit payment to the State Treasurer by the 10th of each month. During the year the County Justice Court was generally in compliance with these provisions. However, we noted on month the report and payment was over 30 days late.

Recommendation: We recommend that the County continue to improve processes and procedures to ensure compliance with these provisions.

Current Status: The County is now in compliance.

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

1. We noted that manual overrides are periodically used during the payroll processing function. These overrides are sometimes required to make certain changes during the payroll process. We noted, however, that the current system does not provide a log or other tracking mechanism to provide accountability and control over these overrides. We recommend that the system be modified to provide for logs and tracking to provide control over this function. It was communicated to us that the County will be implementing a new Human Resource Information System ("HRIS"). Please note that the controls for the new system will need to be audited.
2. For the past several years there have been a few instances where employees who did not work any hours received a paycheck. In some instances, the County has not entirely recouped the payment from the employee who was erroneously paid. The most likely reason for this occurrence is the time entry clerk selected the wrong employee during the time entry process. There are three controls that should prevent this from happening: (1) The time entry clerk should be reviewing the time entry report to make sure the system entry matches the original time sheets; (2) The department head should be reviewing the time entry clerk's work to make sure the system entry matches the original time sheets; (3) The Office of Personnel Management should be ensuring the payroll records submitted by the departments match the system entry. This system of internal controls is in place but is not functioning correctly. We recommend that the County consider having each employee enter their time directly into the time entry system avoiding the manual re-keying process. The supervisor would then review, print and approve these entries but would not actually be required to re-enter the amounts.
3. In connection with management of Federal programs; we noted instances where grant reports were submitted to the grantee with incorrect amounts. In most of these

instances the reports were submitted with zero expenditures even though the County had expenditures during the reporting period. We recommend reminding employees who manage grants that grant reports submitted to the grantee should match the expenses recorded in the general ledger system during the reporting period. Improvement was made during the year but we noted the problem still exists in the County Attorney's Office with untimely draw downs and reports not tying to actual expenditures for the period being reported on.

4. We noted a few instances where certain retired employees have received retirement health insurance benefit but appear to not qualify for the benefit under the County's current post employment plan. We recommend reviewing these instances and tightening controls over approval of benefit payments.
5. The County receives Community Development Block Grants. Under the Federal Transparency Act sub-grants greater than \$25,000 are required to be reported on the Federal Transparency reporting website. Communication regarding these requirements was not received. The County did not report as required under the Federal Transparency Act. The County has contracted with a third party to administer the Community Development Block Grants. The third party administrator indicated that the Department of Housing and Urban Development did not convey the requirement for sub award reporting. The website is also not consistently operational. Going forward we recommend that all subaward information and contracts be reported on the Subaward Reporting System.

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