

**UINTAH COUNTY**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

		<b><u>PAGE</u></b>
<b><u>OPINION</u></b>	Independent Auditors' Report	1-4
<b><u>MD&amp;A</u></b>	Management's Discussion and Analysis	5-13
<b><u>BASIC FINANCIAL STATEMENTS</u></b>		
<b>Government-wide Financial Statements:</b>		
EXHIBIT 1	Statement of Net Position	14-15
EXHIBIT 2	Statement of Activities	16
<b>Governmental Fund Financial Statements:</b>		
EXHIBIT 3	Balance Sheet - Governmental Funds	17
EXHIBIT 4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
EXHIBIT 5	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	19
EXHIBIT 6	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
<b>Proprietary Fund Financial Statements:</b>		
EXHIBIT 7	Statement of Net Position - Proprietary Funds	21-22
EXHIBIT 8	Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds	23-24
EXHIBIT 9	Statement of Cash Flows - Proprietary Funds and Internal Service Funds	25-26
<b>Fiduciary Fund Financial Statements:</b>		
EXHIBIT 10	Statement of Fiduciary Net Position - Fiduciary Funds	27
EXHIBIT 11	Statement of Changes in Fiduciary Net Position	28
<b>Component Unit Fund Financial Statements:</b>		
EXHIBIT 12	Statement of Net Position - Component Units	29
EXHIBIT 13	Statement of Activities - Component Units	30
	Notes to the Financial Statements	31-82

**UINTAH COUNTY**  
**BASIC FINANCIAL STATEMENTS**  
**TABLE OF CONTENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b><u>PAGE</u></b>
<b><u>REQUIRED SUPPLEMENTARY INFORMATION</u></b>	
SCHEDULE 1      Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	83-85
SCHEDULE 2      Information About Infrastructure Assets Reported Using the Modified Approach	86-87
SCHEDULE 3      Schedule of the Proportionate Share of the Net Pension Liability	88
SCHEDULE 4      Schedule of Contributions - Pensions	89
Notes to the Required Supplementary Information	90
<b><u>SUPPLEMENTARY INFORMATION</u></b>	
<b>Combining Fund Statements and Schedules:</b>	
SCHEDULE 5      Combining Balance Sheet - Nonmajor Governmental Funds	91-92
SCHEDULE 6      Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	93-94
SCHEDULE 7      Combining Statement of Net Position - Nonmajor Proprietary Funds	95
SCHEDULE 8      Combining Statement of Revenues, Expenditures and Changes in Fund Net Position - Nonmajor Proprietary Funds	96
SCHEDULE 9      Combining Statement of Fiduciary Net Position - Cemeteries	97
SCHEDULE 10     Combining Statement of Changes in Fiduciary Net Position - Cemeteries	98
SCHEDULE 11     Schedule of Current Taxes Levied, Collected and Treasurer's Relief	99

**UINTAH COUNTY  
BASIC FINANCIAL STATEMENTS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<b><u>PAGE</u></b>
 <b><u>SUPPLEMENTAL STATE COMPLIANCE</u></b>	
Independent Auditor's Report as Required by the State Compliance Audit Guide On: Compliance with General State Compliance Requirements and Internal Control Over Compliance	100-101
 <b><u>AUDITORS' REPORTS AND SUPPLEMENTARY SCHEDULES ACCORDING TO SINGLE AUDIT ACT AND GOVERNMENT AUDIT STANDARDS</u></b>	
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	102-103
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	104-105
Schedule of Findings and Questioned Costs	106-107
SCHEDULE 12    Schedule of Expenditures of Federal Awards	108-110
Notes to Schedule of Expenditures of Federal Awards	111
Summary Schedule of Prior Audit Findings	112



# SMUIN, RICH & MARSING

CERTIFIED PUBLIC ACCOUNTANTS

294 East 100 South

Price, Utah 84501

Phone (435) 637-1203 • FAX (435) 637-8708

GREG MARSING, C.P.A.  
DOUGLAS RASMUSSEN, C.P.A.  
CRAIG G. SMUIN, C.P.A.  
R. KIRT RICH, C.P.A.  
TRACY LUDINGTON, C.P.A.

MEMBERS  
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

Board of County Commissioners  
Uintah County  
Vernal, Utah 84078

### **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 Uintah County, Utah (the County) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, which represent 55.34 percent, 42.7 percent and 72 percent, respectively, of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports has been furnished to us, and our opinion insofar as it relates to the amounts included for Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, is based solely on 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 County'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 County'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.

### **Summary of Opinions**

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
Business-Type Activities	Unmodified
Aggregate Discretely Presented Component Units	Qualified
General Fund	Unmodified
Capital Projects Fund	Unmodified
Aggregate Remaining Governmental Funds	Unmodified
Western Park Fund	Unmodified
Care Center Fund	Unmodified
Aggregate Remaining Business-Type Funds	Unmodified

### **Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units**

The financial statements of the Uintah County Animal Control & Shelter Special Service District (the District) has not been audited, and we were not engaged to audit the District's financial statements as part of our audit of the Uintah County's basic financial statements. The District's financial activities are included in the County's basic financial statements as a discretely presented component unit and represent 1.26 percent, 1.63 percent, and 1.76 percent of the assets, net position, and revenues, respectively, of the County's aggregate discretely presented component units.

### **Qualified Opinion**

In our opinion, based on our audit and the reports of other auditors, except for the possible effects of the matter discussed in the "Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above present fairly in all material respects, the financial position of the aggregate discretely presented component units of the County as of December 31, 2017, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Unmodified 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, each major fund and the aggregate remaining fund information of the County, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of American require that the management's discussion and analysis, budgetary comparison, infrastructure assets reported using the modified approach, the schedule of proportionate share of the net pension liability, schedule of contributions and notes to required supplementary information on pages 5 through 13 and pages 83 through 89 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 and other auditors 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**

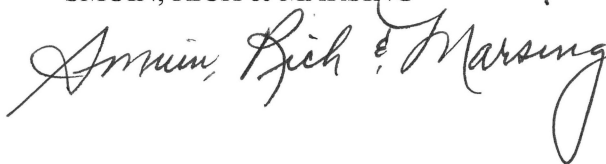
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, cost principals and audit requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, 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.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 2, 2018, on our consideration of the 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 the effectiveness of the County's 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 Uintah County's internal control over financial reporting and compliance.

SMUIN, RICH & MARSING

A handwritten signature in cursive script that reads "Smuin, Rich & Marsing". The signature is written in dark ink and is positioned to the right of the printed firm name.

Price, Utah

July 2, 2018

**UINTAH COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

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This discussion of Uintah County's financial performance provides an overview of the County's financial activities for the year ending December 31, 2017. This report is in conjunction with the County's financial statements. All amounts, unless otherwise indicated, are expressed in **thousands of dollars**.

The purpose of the County is to provide general services to its residents, which includes general government, public safety, public health, highways and public improvements, parks and recreation, and economic development. Additional services provided to residents in the unincorporated areas include road maintenance and fire control.

### **Financial Highlights**

- The assets and deferred outflows of resources of Uintah County exceeded its liabilities and deferred inflow of resources as of the close of the most recent year by \$426,481 (*net position*). Of this amount, \$48,000 (*unrestricted net position*) may be used to meet the governments' ongoing obligations to citizens and creditors.
- The government's total net position increased due to operations by \$20,711. The revenues and expenditures were less than the adopted budgeted amounts.
- At the close of the current year, the Uintah County governmental funds reported combined ending fund balances of \$70,388, an increase of \$5,636 in comparison with the prior year. Approximately 61 percent of this total amount, \$43,044 is available for spending at the government's discretion (*unrestricted fund balance*).
- A component unit of the County, the Municipal Building Authority (MBA), acquired no additional new debt this year. The MBA also paid off the 2007A bond with an interest rate of 0%. The Municipal Building Authority has made additional principal payments on the 2008B bonds of \$515. This will save substance interest on the bonds that have an interest rate of 2.5%.
- At the end of the current year, unassigned fund balance for the general fund was \$16,887 or 108.81 percent of total general fund expenditures and transfers.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Uintah County's basic financial statements. Uintah County's basic financial statements are comprised 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 in addition to the basic financial statements themselves.

### **Government-wide financial statements**

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

The *statement of net position* presents information on all of Uintah County's assets and deferred outflow of resources and liabilities and deferred inflow of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Uintah County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. 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. Thus, revenues and expenses are reported in this statement 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 Uintah 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 Uintah County include general government, public safety, public health, highways and public improvements, parks and recreation, and economic development. The business-type activities of Uintah County are Uintah Care Center, Western Park, Tele-Communication, and Landfill.

The government-wide financial statements include not only Uintah County itself (known as the primary government), but also seven legally separate special service districts; for highways and bridges, Recreation, Mental Health, Health Care, Animal Control and Shelter, Impact Mitigation District, and Fire Suppression for which Uintah County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The business type activities for all practical purposes function as departments of Uintah County, and therefore have been included as an integral part of the primary government.

Refer to the table of contents for the location of the government-wide financial statements.

## **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. Uintah 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 Uintah 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 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 year. Such information may be useful in evaluating a government'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 government'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*.

Uintah County maintains nineteen 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, and capital projects fund all of which are considered to be major funds. Data from the other seventeen 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.

Uintah County adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided for the general fund to demonstrate compliance with those budgets.

Refer to the table of contents for the location of the basic governmental fund financial statements.

### **Proprietary funds**

Uintah County maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Uintah County uses an enterprise fund to account for its Care Center, Western Park, Tele-Communications, and Landfill operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Care Center, Western Park, Tele-Communication, and Landfill.

Refer to the table of contents for the location of the basic proprietary fund financial statements.

### **Fiduciary funds**

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

Refer to the table of contents for the location of the basic fiduciary fund financial statements.

### **Notes to the financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are part of the basic financial statements.

### **Component Units**

The County reports seven component units. The component units have been separately audited, reviewed or compiled. Separately issued financial statements can be viewed or copied at their administrative offices in Vernal, Utah.

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning Uintah County. Which consists of pension disclosures, infrastructure assets and budget to actual comparison for the General Fund. The combining statements referred to earlier in connection with non-major governmental and non-major enterprise funds are presented immediately following the required supplementary information.

## Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Uintah County, assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$426,481 at the close of the most recent fiscal year.

By far the largest portion of Uintah County's net position (77.59 percent) is reflected in investment in capital assets (e.g. land, building, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. Uintah County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Uintah County's net investment in 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.

A portion of Uintah County's net position (11.15 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$48,000) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the year, Uintah County is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year.

**Table 1**  
**Net Position**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
Current and other assets	\$ 77,376	\$ 82,344	\$ 23,687	\$ 23,311	\$ 101,063	\$ 105,655
Capital assets	365,073	373,955	9,785	9,539	374,858	383,494
Deferred outflow of resources	12,075	12,456	588	531	12,663	12,987
 Total assets and deferred outflow of resources	 \$ 454,524	 \$ 468,755	 \$ 34,060	 \$ 33,381	 \$ 488,584	 \$ 502,136
Long-term liabilities	\$ 72,865	\$ 66,175	\$ 1,389	\$ 742	\$ 74,254	\$ 66,917
Other liabilities	7,313	7,169	134	143	7,447	7,312
Deferred inflow of resources	1,366	1,341	103	85	1,469	1,426
 Total liabilities and deferred inflow of resources	 \$ 81,544	 \$ 74,685	 \$ 1,626	 \$ 970	 \$ 83,170	 \$ 75,655
 Net position:						
Net investment in capital assets,	\$ 305,859	\$ 321,433	\$ 9,710	\$ 9,489	\$ 315,569	\$ 330,922
Restricted	24,770	27,294	20,237	20,265	45,007	47,559
Unrestricted (deficit)	42,351	45,343	2,487	2,657	44,838	48,000
 Total net position	 \$ 372,980	 \$ 394,070	 \$ 32,434	 \$ 32,411	 \$ 405,414	 \$ 426,481



## Governmental activities

Governmental wide activities increased Uintah County's net position by \$20,865 from operations. Key elements of this increase are as follows:

**Table 2**  
**Change in Net Position**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
<b>Revenues</b>						
Program Revenues:						
Charges for services	\$ 6,002	\$ 6,478	\$ 1,148	\$ 1,153	\$ 7,150	\$ 7,631
Operating grants and contrib.	3,843	4,399			3,843	4,399
Capital grants and contrib.	11,668	17,456			11,668	17,456
General Revenues:						
Property taxes	17,474	17,282	1		17,475	17,282
Sales taxes	5,507	5,593	662	824	6,169	6,417
Grants & contrib.-not restrict.	3,010	3,157			3,010	3,157
Other general revenues	944	1,745	210	356	1,154	2,101
Total revenues	<u>\$ 48,448</u>	<u>\$ 56,110</u>	<u>\$ 2,021</u>	<u>\$ 2,333</u>	<u>\$ 50,469</u>	<u>\$ 58,443</u>
<b>Program expenses</b>						
General government	\$ 11,182	\$ 9,047			\$ 11,182	\$ 9,047
Public safety	12,980	10,560			12,980	10,560
Public health	4,548	4,248			4,548	4,248
Highways and public improve.	4,845	3,692			4,845	3,692
Parks and recreation	4,501	3,531			4,501	3,531
Conservation & econ. dev.	1,998	1,948			1,998	1,948
Capital outlay	53	295			53	295
Interest on long term-debt	1,787	1,834			1,787	1,834
Western Park			\$ 2,080	\$ 1,548	2,080	1,548
Care Center			300	300	300	300
Landfill			788	552	788	552
Tele-communications			229	176	229	176
Total expenses	<u>\$ 41,894</u>	<u>\$ 35,155</u>	<u>\$ 3,397</u>	<u>\$ 2,576</u>	<u>\$ 45,291</u>	<u>\$ 37,731</u>
Excess (deficiency) before transfers	\$ 6,554	\$ 20,955	\$ (1,376)	\$ (243)	\$ 5,178	\$ 20,712
Special item: Contr to & Reimb.					220	
Transfers	(87)	(59)	87	59		
Change in net position	<u>\$ 6,467</u>	<u>\$ 20,896</u>	<u>\$ (1,289)</u>	<u>\$ (184)</u>	<u>\$ 5,398</u>	<u>\$ 20,712</u>
Net position - beginning	\$ 366,512	\$ 372,979	\$ 33,723	\$ 32,434	\$ 400,235	\$ 405,413
Prior period adjustment		195		162		357
Net position - ending	<u>372,979</u>	<u>394,070</u>	<u>32,434</u>	<u>32,412</u>	<u>405,413</u>	<u>426,482</u>
Change in net position	<u>\$ 6,467</u>	<u>\$ 20,896</u>	<u>\$ (1,289)</u>	<u>\$ (184)</u>	<u>\$ 5,178</u>	<u>\$ 20,712</u>

- Charges for services increased by \$481.
- Operating & Capital Grants and contributions increased by \$6,344.

For the most part, decreases in expenses covered the entire County.

### **Business-type activities**

Business-type activities decreased Uintah County's net position by \$184. Key elements of this decrease are shown in Table 2 Change in Net Position.

### **Financial Analysis of the Government's Funds**

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

### **Governmental funds**

The focus of Uintah County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Uintah County's financing requirements. In particular, *unassigned, assigned and committed fund balances* may serve as useful measures of a government's net resources available for spending at the end of the year.

At the end of the year, Uintah County's governmental funds reported combined ending fund balances of \$70,338, an increase of 6,682, in comparison with the prior year. Approximately 52.32 percent of this amount (\$36,800) constitutes *unassigned and assigned fund balances*, which is available for spending at the government's discretion. The remainder of fund balances are *restricted and committed* to indicate that they are not available for new spending because it has already been restricted or committed. The general fund is the chief operating fund of Uintah County. At the end of the current year, unassigned fund balance of the general fund was \$16,877. 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 fund expenditures. Unassigned fund balance represents 108.81 percent of total general fund expenditures and transfers.

### **Proprietary funds**

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

Total unrestricted net position of the Government-wide proprietary financial statements at the end of the year amounted to \$2,657.

### **General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget of \$607 can be briefly summarized as follows:

- \$422 increase in general government
- \$15 increase in public safety
- \$0 change in public health
- \$150 increase in highways and public improvements
- \$0 increase in transfers to other funds
- \$0 increase in parks, recreation and public property

- \$20 change in conservation and economic development

The increase in the general fund budget for the function of general government, was thought to be necessary to cover additional expenditures anticipated in the departments of public defender, non-departmental, buildings & grounds and attorney's office. The remaining departments in the general fund had increases in their respective budgets of public safety, highways and public improvements, and conservation and economic development, because of anticipated greater increases in the level of spending in these functions. Public safety expenditures were down as compared to budget numbers as were also the categories of Highways and public improvements, and Parks Recreation and Public Property, while the other functions expenditures as compared to budgets were fairly close. The budget for general fund revenues increased a small amount due to the anticipation of increases in property taxes. Most of the other categories of revenues receive pretty substantial increases as compared to the original budget. During the year, however, actual total revenues were greater than budgeted revenues by \$1,589 and actual expenditures were less than budgeted expenditures by \$2,033. The overall operating increase in general fund, fund balance was \$2,969.

## **Capital Asset and Debt Administration**

### **Capital Assets**

Uintah County's investment in capital assets for its governmental activities as of December 31, 2017, amounts to \$373,955 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, equipment, and infrastructure, which includes roads, highways, bridges and construction in progress. The total net increase in Uintah County's investment in government-wide capital assets for the current year was \$8,636.

Major capital asset events during the current year included the following:

- Capital asset purchases of \$13,274 and dispositions of \$106 for governmental activities along with depreciation of \$4,286 are the transactions that account for the net change in capital assets of governmental activities of \$8,882.
- In the business-type activities the County had no spending on capital assets for the year ending December 31, 2017. The County did have \$246 of depreciation during the current year. The county had no disposition of capital assets of business type assets that had not been fully depreciated. The transactions reflected a net decrease in capital assets for business-type funds of \$246.

Also, the county has elected to use the modified approach to account for its infrastructure assets, such as roads. That information can be found in the required supplemental information following the notes to the financial statements. There have been no changes in the system the County uses to assess the condition of infrastructure assets as compared with prior years. The assessed condition of assets has not changed as compared to last year. There have been no significant differences from the estimated annual amount to maintain and preserve infrastructure assets compared with the actual amount spent during the current period.

**Table 3**  
**Capital Assets at Year-end**  
**(Net of Depreciation)**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
Right of ways	\$ 3,050	\$ 3,050			\$ 3,050	\$ 3,050
Land	14,708	14,708	\$ 6,316	\$ 6,316	21,024	21,024
Water rights	281	281			281	281
Buildings	89,886	87,231	2,297	2,156	92,183	89,387
Improvements other than buildings	1,568	24,989	1,016	955	2,584	25,944
Equipment	5,084	4,372	156	112	5,240	4,484
Infrastructure	239,451	239,324			239,451	239,324
Work in progress	11,045				11,045	-
	<u>\$ 365,073</u>	<u>\$ 373,955</u>	<u>\$ 9,785</u>	<u>\$ 9,539</u>	<u>\$ 374,858</u>	<u>\$ 383,494</u>

Additional information on Uintah County's capital assets can be found in the notes to the financial statements.

### Long-term debt

At the end of the current year, Uintah County had total bonded debt and notes payable outstanding of \$53,532. The debt represents revenue bonds secured by specified revenue sources and G.O. bonds backed by the full faith of the County.

**Table 4**  
**Outstanding Debt at Year-end**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Totals</b>	
	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>
Bond premium	\$ 3,050	\$ 2,881			\$ 3,050	\$ 2,881
Bonds payable	55,970	53,482	\$ 75	\$ 50	56,045	53,532
Net pension liab.	13,859	8,535	1,043	538	14,902	9,073
Total debt	<u>\$ 72,879</u>	<u>\$ 64,898</u>	<u>\$ 1,118</u>	<u>\$ 588</u>	<u>\$ 73,997</u>	<u>\$ 65,486</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to two percent of its total fair market value of taxable property in the county. The current debt limitation for Uintah County is \$91,168. At this time Uintah County has \$31,010 in general obligation debt.

Additional information on Uintah County's long-term debt can be found in the notes to financial statements.

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

- The economic future of Uintah County received a major boost with the announcement of a new upgrader planned for Uintah County. Much like a refinery, the upgrader is the latest project of the company Uintah Advantage. 1,000 jobs are anticipated during the peak of construction and once complete, the upgrader will staff around 150 high paying full time jobs. The anticipated 30 month construction period is expected to begin in the 1<sup>st</sup> quarter of 2019. Actual startup of the operation is expected in the 4<sup>th</sup> quarter of 2021. The project's minor source air permit has already been approved and the zoning is already in place for its location on Leland Bench on private property. The economic implications of the project are significant for the economy by leveling the playing field and creating a competitive advantage for the local oil and gas industry.
- Building permits:

<b>Building Permits</b>	<b>Residential</b>	<b>Commercial</b>	<b>Non-residential</b>
2016	30	10	\$2,477,200
2017	34	20	\$4,843,662
Change	4	10	\$2,366,462

2018 is looking better for new construction.

- The unemployment rates:

<b>Unemployment rates</b>	<b>Uintah County</b>	<b>State of Utah</b>	<b>National Average</b>
2016	7.9%	3.2%	4.7%
2017	5.5%	3.1%	4.1%
Change	-2.4%	-0.1%	-0.6%

- Made additional principal payment in 2017 on the Public Safety Complex of \$515,000 and budgeted to make another \$777,000 principle payment in 2018.

## Requests for Information

This financial report is designed to provide a general overview of Uintah County's finances for all those with an interest in the government's finances. As disclosed in the notes to the financial statements, separate issued financial statements of component units may be requested from the individual component units administrative offices in Vernal, Utah. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Uintah County Clerk-Auditor, 147 East Main, Vernal, Utah, 84078.

**UINTAH COUNTY**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	PRIMARY GOVERNMENT			
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 61,111,581	\$ 2,796,555	\$ 63,908,136	\$ 16,534,829
Investments				6,224,368
Taxes receivable	5,017,192	157,346	5,174,538	
Accounts receivable - net	24,153	20,440	44,593	1,379,704
Contract receivable - current portion	199,500		199,500	
Internal balances	(55,162)	55,162		
Due from other governmental units	4,842,477		4,842,477	4,732,904
Inventory		15,370	15,370	106,539
Prepaid expenses				1,704,509
Restricted cash and cash equivalents	8,088,102	20,265,311	28,353,413	6,307,193
Other investments				322,933
Contract receivable - noncurrent portion	3,107,334		3,107,334	
Net pension asset	8,916	563	9,479	3,178
Capital assets (net of accumulated depreciation):				
Land	14,708,241	6,315,656	21,023,897	2,280,267
Rights of Way	3,050,400		3,050,400	
Water rights	280,995		280,995	39,990
Buildings	87,230,988	2,156,322	89,387,310	43,456,307
Improvements other than buildings	24,988,635	955,179	25,943,814	1,697,396
Equipment	4,372,462	111,690	4,484,152	2,230,877
Infrastructure	239,323,526		239,323,526	
Total assets	\$ 456,299,340	\$ 32,849,594	\$ 489,148,934	\$ 87,020,994
Deferred outflow - refunding bonds	4,027,158		4,027,158	
Deferred outflow of resources related to pensions	8,428,775	531,615	8,960,390	2,897,146
Total assets and deferred outflow of resources	\$ 468,755,273	\$ 33,381,209	\$ 502,136,482	\$ 89,918,140
<u>LIABILITIES</u>				
Accounts payable	\$ 3,997,109	\$ 53,405	\$ 4,050,514	\$ 2,146,816
Warrants payable	401,188	16,731	417,919	
Salaries payable	362,209	23,273	385,482	831,820
Accrued liabilities	390,789	24,500	415,289	
Client trust payable				68,059
Deposit payable				1,370
Unearned revenue				69,520
Bond interest payable	186,281	95	186,376	154,198
Revenue and G.O. bonds payable - Due within one year	1,831,500	25,000	1,856,500	3,061,000
Capital leases payable - Due within one year				239,500
Revenue and G.O. bonds payable - Due in more than one year	54,531,386	25,000	54,556,386	21,508,000
Capital leases payable - Due in more than one year				3,537,393
Termination benefits liability	1,005,463		1,005,463	
Compensated absences	2,104,129	178,604	2,282,733	538,034
Net pension liability	8,534,655	538,293	9,072,948	4,395,742
Total liabilities	\$ 73,344,709	\$ 884,901	\$ 74,229,610	\$ 36,551,452
Deferred inflow from other resources				26,793
Deferred inflow of resources related to pensions	1,341,038	84,581	1,425,619	790,912
Total liabilities and deferred inflow of resources	\$ 74,685,747	\$ 969,482	\$ 75,655,229	\$ 37,369,157

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

**UINTAH COUNTY**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	
<u>NET POSITION</u>				
Net invested in capital assets	\$ 321,433,238	\$ 9,488,752	\$ 330,921,990	\$ 39,106,944
Restricted for:				
Class "B" roads	6,808,018		6,808,018	
Statutory minimum				103,764
Uintah Care Center		20,055,460	20,055,460	
Client trust				68,059
Capital projects/Construction				1,319,205
Municipal building authority	2,775,835		2,775,835	
Flood control	1,571,736		1,571,736	
Transient room	613,031		613,031	
Food services	442,030		442,030	
Tort liability	1,062,067		1,062,067	
Library	3,996,839		3,996,839	
Landfill post closure reserve		159,033	159,033	
Permanent funds	6,704,970		6,704,970	
Tri-County Health	1,135,118		1,135,118	
Assessing and collecting	1,130,974		1,130,974	
Debt Service	1,053,141	50,964	1,104,105	5,557,821
Unrestricted	45,342,529	2,657,518	48,000,047	6,393,190
Total net position	<u>\$ 394,069,526</u>	<u>\$ 32,411,727</u>	<u>\$ 426,481,253</u>	<u>\$ 52,548,983</u>

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

**UINTAH COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Function/Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE & CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNITS
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 9,046,874	\$ 735,644	\$ 128,072		\$ (8,183,158)		\$ (8,183,158)	
Public safety	10,560,406	3,522,842	511,785	\$ 750,000	(5,775,779)		(5,775,779)	
Public health	4,247,571	1,142,045	2,698,133		(407,393)		(407,393)	
Highways and public improvements	3,691,494	321,168	35,621	16,616,335	13,281,630		13,281,630	
Parks and recreation	3,530,907	406,435	597,343		(2,527,129)		(2,527,129)	
Conservation and economic development	1,948,331	350,251	427,676	90,000	(1,080,404)		(1,080,404)	
Capital outlay	295,109				(295,109)		(295,109)	
Interest on long-term debt	1,834,414				(1,834,414)		(1,834,414)	
Total governmental activities	\$ 35,155,106	\$ 6,478,385	\$ 4,398,630	\$ 17,456,335	\$ (6,821,756)	\$ ...	\$ (6,821,756)	
Business-type activities:								
Western Park	\$ 1,547,690	\$ 287,668	\$ 200			\$ (1,259,822)	\$ (1,259,822)	
Care Center	300,000					(300,000)	(300,000)	
Landfill	552,330	705,416				153,086	153,086	
Telecommunications	176,079	160,211				(15,868)	(15,868)	
Total business-type activities	\$ 2,576,099	\$ 1,153,295	\$ 200	\$ ...	\$ ...	\$ (1,422,604)	\$ (1,422,604)	
Total primary government	\$ 37,731,205	\$ 7,631,680	\$ 4,398,830	\$ 17,456,335	\$ (6,821,756)	\$ (1,422,604)	\$ (8,244,360)	
<b>Component Units:</b>								
Uintah Transportation Special Service District	\$ 21,984,022	\$ 17,424		\$ 12,953,622				\$ (9,012,976)
Tri-County Mental Health & Sub. Abuse	7,011,432	5,334,129	\$ 2,386,316					709,013
Uintah Recreation District	5,711,625	1,533,385	3,614,548					(563,692)
Uintah Health Care Spec. Serv. Dist.	8,436,913	4,782,953	3,272,148					(381,812)
Animal Control Special Service District	701,030	47,773	732,000					78,743
Uintah Impact Mitigation Special Service Dist	2,306,004		65,000					(2,241,004)
Fire Suppression Special Service District	1,501,252	112,098	20,966	230,380				(1,137,808)
Total component units	\$ 47,652,278	\$ 11,827,762	\$ 10,090,978	\$ 13,184,002	\$ ...	\$ ...	\$ ...	\$ (12,549,536)
General revenues:								
Property taxes					\$ 16,333,924		\$ 16,333,924	
Delinquent taxes					948,232		948,232	
Sales taxes					5,593,331	\$ 823,282	6,416,613	
Transient room tax					486,790		486,790	
Aviation fuel tax					17,083		17,083	
Payment in lieu of taxes					3,156,550		3,156,550	
Grants and contributions not restricted to specific programs								\$ 9,155,189
Contribution to other governments								(510,332)
Unrestricted investment earnings					992,579	343,335	1,335,914	380,344
Gain/(Loss) on disposal of assets					46,768		46,768	26,349
Fair value adjustment								23,025
Miscellaneous					201,209	12,660	213,869	215,965
Transfers					(58,800)	58,800		
Total general revenues, special items and transfers					\$ 27,717,666	\$ 1,238,077	\$ 28,955,743	\$ 9,290,540
Change in net position					\$ 20,895,910	\$ (184,527)	\$ 20,711,383	\$ (3,258,996)
Net position - beginning					372,979,452	32,434,063	405,413,515	55,807,979
Prior period adjustments					194,164	162,191	356,355	
Net position - ending					\$ 394,069,526	\$ 32,411,727	\$ 426,481,253	\$ 52,548,983

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



**UINTAH COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	GENERAL FUND	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 14,930,431	\$ 19,831,897	\$ 23,698,680	\$ 58,461,008
Receivables (net):				
Accounts			24,153	24,153
Taxes	2,430,912		2,586,280	5,017,192
Due from other governments	1,310,803	2,772,448	759,226	4,842,477
Restricted cash and investments			7,988,102	7,988,102
	<u>\$ 18,672,146</u>	<u>\$ 22,604,345</u>	<u>\$ 35,056,441</u>	<u>\$ 76,332,932</u>
<u>LIABILITIES, DEFERRED OUTFLOW OF RESOURCES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 353,304	\$ 2,909,613	\$ 157,093	\$ 3,420,010
Warrants payable	239,218		161,736	400,954
Salaries payable	230,604		131,605	362,209
Accrued liabilities	243,364		147,425	390,789
	<u>\$ 1,066,490</u>	<u>\$ 2,909,613</u>	<u>\$ 597,859</u>	<u>\$ 4,573,962</u>
Deferred inflows of resources - taxes	728,167		692,642	1,420,809
	<u>\$ 1,794,657</u>	<u>\$ 2,909,613</u>	<u>\$ 1,290,501</u>	<u>\$ 5,994,771</u>
Fund balances:				
Restricted:				
Class "B" Road			\$ 6,808,018	\$ 6,808,018
Municipal Building Authority			2,775,835	2,775,835
Tri-County Health			1,135,118	1,135,118
Permanent funds			6,704,970	6,704,970
Assessing and collecting			1,130,974	1,130,974
Flood control			1,571,736	1,571,736
Transient room			613,031	613,031
Food service			442,030	442,030
Tort liability			1,062,067	1,062,067
Library			3,996,839	3,996,839
Debt Service			1,053,141	1,053,141
Committed:				
Municipal Services			4,157,060	4,157,060
Regional History Center			205,245	205,245
911 emergency service			1,881,611	1,881,611
Assigned:				
Historical preservation			28,447	28,447
Drug court			5,329	5,329
Capital Projects		\$ 19,694,732		19,694,732
Perpetual care			194,489	194,489
Unassigned:				
General fund	\$ 16,877,489			16,877,489
	<u>\$ 16,877,489</u>	<u>\$ 19,694,732</u>	<u>\$ 33,765,940</u>	<u>\$ 70,338,161</u>
Total fund balances	<u>\$ 16,877,489</u>	<u>\$ 19,694,732</u>	<u>\$ 33,765,940</u>	<u>\$ 70,338,161</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 18,672,146</u>	<u>\$ 22,604,345</u>	<u>\$ 35,056,441</u>	<u>\$ 76,332,932</u>

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

**UINTAH COUNTY**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2017**

Total fund balances - governmental fund types: \$ 70,338,161

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. These assets consist of:

Land	\$ 14,708,241	
Rights of Way	3,050,400	
Water rights	280,995	
Buildings	87,230,988	
Improvements other than buildings	24,988,635	
Equipment	4,372,462	
Infrastructure	<u>239,323,526</u>	
 Total		 373,955,247

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Deferred charge on bonding	\$ 4,027,158	
Revenue and G.O. bonds payable - > one year	(54,381,386)	
Revenue and G.O. bonds payable - due within one year	(1,981,500)	
Bond interest payable	(186,281)	
Net pension liability	(8,534,655)	
Deferred inflow of resources related to pensions	(1,341,038)	
Deferred outflows of resources related to pensions	8,428,775	
Termination benefit liability	(1,005,463)	
Compensated absences	<u>(2,104,129)</u>	
 Total		 (57,078,519)

The net pension asset is not an available resources, therefore, is not reported in the governmental funds. 8,916

Long-term contracts for sale of capital assets creates a long-term contract receivable. In the fund statements, collections on these receivables are shown as revenue. In the government-wide financial statements the contract receivable is capitalized and payments are applied against the contract receivable. This is the balance of contract receivables outstanding. 3,306,834

Internal service funds are used by management to charge the costs of information systems to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. 2,293,628

Deferred tax revenue reduced and reported as income because revenue has been earned but was received over 60 days after the end of the year. 1,420,809

Accumulated effect of crossover amounts charged in prior years to business type activities from Internal Service Fund activity. (175,550)

Net position of government activities \$ 394,069,526

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

**UINTAH COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	GENERAL FUND	CAPITAL PROJECT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>				
Taxes	\$ 13,380,922		\$ 9,641,319	\$ 23,022,241
Licenses and permits	200,587		151,480	352,067
Intergovernmental revenues	708,426	\$ 12,705,228	11,512,861	24,926,515
Charges for services	3,631,139	16,650	2,550,881	6,198,670
Fines and forfeitures	211,148			211,148
Interest income	123,001	240,277	412,289	775,567
Miscellaneous	224,505		146,022	370,527
Total revenues	\$ 18,479,728	\$ 12,962,155	\$ 24,414,852	\$ 55,856,735
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	\$ 5,634,102		\$ 3,772,255	\$ 9,406,357
Public safety	6,428,103		4,160,923	10,589,026
Highways and public improvements	765,187		3,187,755	3,952,942
Public health	433,949		3,603,784	4,037,733
Parks, recreation, and public property	510,198		2,665,873	3,176,071
Conservation and economic development	603,045		1,370,099	1,973,144
Capital outlay		\$ 12,933,587		12,933,587
<b>Debt Service:</b>				
Principal retirement			2,487,951	2,487,951
Interest and fiscal charges			1,605,032	1,605,032
Total expenditures	\$ 14,374,584	\$ 12,933,587	\$ 22,853,672	\$ 50,161,843
Excess revenues over (under) expenditures	\$ 4,105,144	\$ 28,568	\$ 1,561,180	\$ 5,694,892
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in		\$ 1,000,000	\$ 491,400	\$ 1,491,400
Transfers out	\$ (1,136,200)		(414,000)	(1,550,200)
Total other financing sources (uses)	\$ (1,136,200)	\$ 1,000,000	\$ 77,400	\$ (58,800)
Excess of revenues and other sources over (under) expenditures and other uses	\$ 2,968,944	\$ 1,028,568	\$ 1,638,580	\$ 5,636,092
FUND BALANCES - beginning of year	13,050,546	18,666,164	31,938,928	63,655,638
Prior period adjustments	857,999		188,432	1,046,431
FUND BALANCES - end of year	\$ 16,877,489	\$ 19,694,732	\$ 33,765,940	\$ 70,338,161

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

**UINTAH COUNTY  
RECONCILIATION OF THE STATEMENT OF  
REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2017**

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

Net changes in fund balances - total governmental funds \$ 5,636,092

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.

General government	\$ 27,519	
Public safety	199,045	
Highways	325,014	
Parks and recreation	83,576	
Capital Projects Fund	<u>12,638,478</u>	
Total assets shown as expenditures	\$ 13,273,632	
Less: depreciation	<u>(4,286,038)</u>	
Difference between expenditures and depreciation		8,987,594

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.

Adjust miscellaneous revenue for sale of capital assets	\$ (152,235)	
Gain on disposal of capital assets	<u>46,768</u>	
Net change in capital asset transactions		(105,467)

The governmental fund reports bond proceeds as an other financing source, while repayment of the bond principal is reported as an expenditure. Interest is recognized as an expenditure in the governmental funds when it is paid. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of bonds and related items is as follows.

Amortization of bond premium on refunding bonds	\$ 169,443	
Amortization of difference in net carrying amount and reacquisition price refunding bonds	(236,892)	
Repayment of bond principal	2,487,951	
Change in bond interest expense	<u>7,510</u>	
		2,428,012

Governmental funds do not accrue net pension assets or liabilities. In the statement of activities the net effect of reporting pension activity reduced pension expense. 5,956,043

To reduce charges for service revenue for payment made on contract receivable (198,500)

The net change in termination benefits and payable (153,196)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Increase in compensated absences) (150,770)

Tax revenue increased because revenue had been earned and reported in the current year but collected and to be reported as revenue in subsequent years (deferred tax revenue). 340,036

The net income (loss) of certain activities of internal service funds is reported with governmental activities. (1,843,934)

Change in net position of governmental activities \$ 20,895,910

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

**UINTAH COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	NONMAJOR FUNDS	TOTAL BTAs	
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$ 862,461		\$ 1,934,094	\$ 2,796,555	\$ 2,650,573
Receivables - net					
Account	28		20,412	20,440	
Miscellaneous	157,200	\$ 146		157,346	
Inventory	15,370			15,370	
Restricted cash and investments	50,964	20,055,314	159,033	20,265,311	100,000
	<u>50,964</u>	<u>20,055,314</u>	<u>159,033</u>	<u>20,265,311</u>	<u>100,000</u>
Total current assets	\$ 1,086,023	\$ 20,055,460	\$ 2,113,539	\$ 23,255,022	\$ 2,750,573
Noncurrent assets:					
Net pension asset	\$ 336		\$ 227	\$ 563	
Land	6,264,356		51,300	6,315,656	
Buildings	5,027,467		46,791	5,074,258	
Improvements other than buildings	1,370,358		54,136	1,424,494	
Furniture, fixtures and equipment	1,043,649		1,233,677	2,277,326	
Accumulated depreciation	(4,252,305)		(1,300,582)	(5,552,887)	
	<u>9,453,861</u>	<u>\$ ...</u>	<u>\$ 85,549</u>	<u>\$ 9,539,410</u>	<u>\$ ...</u>
Total noncurrent assets	\$ 9,453,861	\$ ...	\$ 85,549	\$ 9,539,410	\$ ...
Total assets	\$ 10,539,884	\$ 20,055,460	\$ 2,199,088	\$ 32,794,432	\$ 2,750,573
Deferred outflow of resources:					
Deferred outflow - related to pensions	\$ 317,216		\$ 214,399	\$ 531,615	
	<u>317,216</u>	<u>\$ ...</u>	<u>\$ 214,399</u>	<u>\$ 531,615</u>	<u>\$ ...</u>
Total deferred outflow of resources	\$ 317,216	\$ ...	\$ 214,399	\$ 531,615	\$ ...
Total assets and deferred outflow of resources	\$ 10,857,100	\$ 20,055,460	\$ 2,413,487	\$ 33,326,047	\$ 2,750,573
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	\$ 42,442		\$ 10,963	\$ 53,405	\$ 577,099
Warrants payable	5,390		11,341	16,731	234
Accrued interest payable	95			95	
Accrued wages payable	15,206		8,067	23,273	
Accrued liabilities	15,707		8,793	24,500	
Current portion of long term debt	25,000			25,000	
	<u>103,840</u>	<u>\$ ...</u>	<u>\$ 39,164</u>	<u>\$ 143,004</u>	<u>\$ 577,333</u>
Total current liabilities	\$ 103,840	\$ ...	\$ 39,164	\$ 143,004	\$ 577,333

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

**UINTAH COUNTY**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	NONMAJOR FUNDS	TOTAL BTAs	
Noncurrent liabilities:					
Net pension liability	\$ 321,201		\$ 217,092	\$ 538,293	
Compensated absences	114,920		63,684	178,604	
Revenue bonds payable	25,000			25,000	
Total noncurrent liabilities	\$ 461,121	\$ ...	\$ 280,776	\$ 741,897	\$ ...
Total liabilities	\$ 564,961	\$ ...	\$ 319,940	\$ 884,901	\$ 577,333
Deferred inflow of resources:					
Deferred inflow - related to pensions	\$ 50,470		\$ 34,111	\$ 84,581	
Total deferred inflow of resources	\$ 50,470	\$ ...	\$ 34,111	\$ 84,581	\$ ...
Total liabilities and deferred inflow of resources	\$ 615,431	\$ ...	\$ 354,051	\$ 969,482	\$ 577,333
Net Position:					
Net invested in capital assets	\$ 9,403,525		\$ 85,322	\$ 9,488,847	
Restricted	50,964	\$ 20,055,460	159,033	20,265,457	\$ 2,173,240
Unrestricted	787,180		1,815,081	2,602,261	
Total net position	\$ 10,241,669	\$ 20,055,460	\$ 2,059,436	\$ 32,356,565	\$ 2,173,240
Adjustment to reflect the consolidation of ISF activities related to enterprise funds				55,162	
Net position of business-type activities				\$ 32,411,727	

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

**UINTAH COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS				INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	NONMAJOR FUNDS	TOTAL BTAs	
Operating revenues:					
Charges for sales and services	\$ 287,668		\$ 865,627	\$ 1,153,295	\$ 3,637,309
Total operating revenues	\$ 287,668	\$ ...	\$ 865,627	\$ 1,153,295	\$ 3,637,309
Operating expenses:					
Employee salaries and benefits	\$ 677,575		\$ 330,634	\$ 1,008,209	
Office supplies	6,406		621	7,027	
Other supplies and services	130,791		19,505	150,296	
Contractual services	4,232		23,533	27,765	\$ 5,649,200
Utilities	158,052		10,058	168,110	
Fuel and oil	10,082		38,537	48,619	
Repairs and maintenance	44,011		52,406	96,417	
Depreciation	242,159		4,044	246,203	
Rental	45,000		95,000	140,000	
Miscellaneous	6,508		2,700	9,208	
Advertising	13,605			13,605	
Event costs	119,655			119,655	
Travel	271		60	331	
Telephone and internet	15,168		100,873	116,041	
State assessment			3,850	3,850	
Total operating expenses	\$ 1,473,515	\$ ...	\$ 681,821	\$ 2,155,336	\$ 5,649,200
Operating income (loss)	\$ (1,185,847)	\$ ...	\$ 183,806	\$ (1,002,041)	\$ (2,011,891)
Nonoperating revenues (expenses):					
Taxes	\$ 822,242	\$ 1,040		\$ 823,282	
Interest revenue	32,905	284,261	\$ 26,169	343,335	\$ 47,568
Miscellaneous revenue	12,660			12,660	
Interest expense	(375)			(375)	
Grant revenue	200			200	
Contribution to other governments		(300,000)		(300,000)	
Total nonoperating revenues (expenses)	\$ 867,632	\$ (14,699)	\$ 26,169	\$ 879,102	\$ 47,568
Income (loss) before contributions, and transfers	\$ (318,215)	\$ (14,699)	\$ 209,975	\$ (122,939)	\$ (1,964,323)

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

**UINTAH COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS</u>				<u>INTERNAL SERVICE FUND</u>
	<u>WESTERN PARK</u>	<u>CARE CENTER</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL BTAs</u>	
Contributions and Transfers In (Out):					
Transfers in (out)			\$ 58,800	\$ 58,800	
Total contributions and transfers in (out)	\$ ...	\$ ...	\$ 58,800	\$ 58,800	\$ ...
Change in net position	\$ (318,215)	\$ (14,699)	\$ 268,775	\$ (64,139)	\$ (1,964,323)
Total net position - beginning	10,397,693	20,070,159	1,790,661		4,137,563
Prior period adjustments	162,191				
Total net position - ending	<u>\$ 10,241,669</u>	<u>\$ 20,055,460</u>	<u>\$ 2,059,436</u>		<u>\$ 2,173,240</u>
Adjustment to reflect the consolidation of ISF activities related to enterprise funds				(120,388)	
Changes in net position of business-type activities				<u>\$ (184,527)</u>	

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**UINTAH COUNTY**  
**STATEMENT OF CASH FLOWS**  
**PROPERETARY FUNDS AND INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				INTERNAL SERVICE FUNDS
	WESTERN PARK	CARE CENTER	NON- MAJOR	TOTAL BTA's	
<b>Cash Flows From Operating Activities:</b>					
Receipts from customers	\$ 287,699	\$ (146)	\$ 861,167	\$ 1,148,720	\$ 3,638,391
Payments to suppliers	(557,831)		(337,148)	(894,979)	(5,262,294)
Payments to employees	(1,037,514)		(553,029)	(1,590,543)	
Net cash provided (used) by operating activities	\$ (1,307,646)	\$ (146)	\$ (29,010)	\$ (1,336,802)	\$ (1,623,903)
<b>Cash Flows From Noncapital Financing Activities:</b>					
Tax revenue	\$ 787,143	\$ 1,040		\$ 788,183	
Private contributions	12,660			12,660	
Contribution to other governments		(300,000)		(300,000)	
Grant revenue	200			200	
Transfers to other funds			\$ 58,800	58,800	
Net cash provided (used) by noncapital financing activities	\$ 800,003	\$ (298,960)	\$ 58,800	\$ 559,843	\$ ...
<b>Cash Flows From Capital and Related Financing Activities:</b>					
Principal paid on capital debt	\$ (25,000)			\$ (25,000)	
Interest paid on capital debt	(421)			(421)	
Net cash provided (used) by capital and related financing activities	\$ (25,421)	\$ ...	\$ ...	\$ (25,421)	\$ ...
<b>Cash Flows From Investing Activities:</b>					
Interest and dividends received	\$ 32,905	\$ 284,261	\$ 26,169	\$ 343,335	\$ 47,568
Fair market adjustment per prior period	40,090			40,090	
Net cash provided (used) by investing activities	\$ 72,995	\$ 284,261	\$ 26,169	\$ 383,425	\$ 47,568
Net increase (decrease) in cash and cash equivalents	\$ (460,069)	\$ (14,845)	\$ 55,959	\$ (418,955)	\$ (1,576,335)
Cash and cash equivalents, January 1	1,373,494	20,070,159	2,037,168	23,480,821	4,326,908
Cash and cash equivalents, December 31	\$ 913,425	\$ 20,055,314	\$ 2,093,127	\$ 23,061,866	\$ 2,750,573

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

**UINTAH COUNTY**  
**STATEMENT OF CASH FLOWS**  
**PROPERETARY FUNDS AND INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				INTERNAL SERVICE FUNDS
	WESTERN PARK	CARE CENTER	NON- MAJOR	TOTAL BTA's	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (1,185,847)	\$ ...	\$ 183,806	\$ (1,002,041)	\$ (2,011,891)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	\$ 242,159		\$ 4,044	\$ 246,203	
(Increase) Decrease in accounts receivable	31	\$ (146)	(4,460)	(4,575)	\$ 1,082
(Increase) Decrease in inventories	(2,150)			(2,150)	
(Increase) Decrease in net pension resources	(307,633)		(158,212)	(465,845)	
Increase (Decrease) in accounts payable	8,848		796	9,644	386,702
Increase (Decrease) in warrants payable	(10,748)		9,199	(1,549)	204
Increase (Decrease) in salaries payable	(6,943)		(5,085)	(12,028)	
Increase (Decrease) in compensated absences	(54,000)		(63,316)	(117,316)	
Increase (Decrease) in accrued liabilities	8,637		4,218	12,855	
Total adjustments	\$ (121,799)	\$ (146)	\$ (212,816)	\$ (334,761)	\$ 387,988
Net cash provided (used) by operating activities	<u>\$ (1,307,646)</u>	<u>\$ (146)</u>	<u>\$ (29,010)</u>	<u>\$ (1,336,802)</u>	<u>\$ (1,623,903)</u>

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

**UINTAH COUNTY**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2017**

	<u>PRIVATE PURPOSE FUNDS</u>		
	<u>CEMETERY</u>	<u>GIRT</u>	<u>AGENCY</u>
	<u>TRUST</u>	<u>TRUST</u>	<u>FUNDS</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 472,659	\$ 155,134	\$ 12,019,121
Receivables (net):			
Accounts	2,300		
Taxes			530,135
Investments			173,853
Restricted cash			333,744
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 474,959</u>	<u>\$ 155,134</u>	<u>\$ 13,056,853</u>
<u>LIABILITIES</u>			
Warrants outstanding			\$ 7,516
Due governments and organizations			326,228
Due taxing units			12,723,109
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 13,056,853</u>
<u>NET POSITION</u>			
Held in trust	<u><u>\$ 474,959</u></u>	<u><u>\$ 155,134</u></u>	<u><u>\$ ...</u></u>

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

**UINTAH COUNTY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	PRIVATE PURPOSE FUNDS	
	CEMETERY	GIRT
	TRUST	TRUST
<b>ADDITIONS:</b>		
Contributions:		
Private and public contributions	\$ 3,092	\$ 4,832
Charges for goods and services	37,290	
Investment Earnings:		
Interest	5,903	2,004
	<u>5,903</u>	<u>2,004</u>
Total contributions and interest	<u>\$ 46,285</u>	<u>\$ 6,836</u>
<b>DEDUCTIONS:</b>		
Cemetery maintenance	\$ 4,000	
Benefits		\$ 7,621
	<u>4,000</u>	<u>7,621</u>
Total deductions	<u>\$ 4,000</u>	<u>\$ 7,621</u>
Change in net position	\$ 42,285	\$ (785)
Net position - beginning of year	<u>432,674</u>	<u>155,919</u>
Net position - end of year	<u><u>\$ 474,959</u></u>	<u><u>\$ 155,134</u></u>

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

**UINTAH COUNTY  
STATEMENT OF NET POSITION  
COMPONENT UNITS  
DECEMBER 31, 2017**

	UINTAH BASIN TRI-COUNTY MENTAL HEALTH & SUBSTANCE ABUSE AUTHORITY	UINTAH RECREATION DISTRICT	UINTAH TRANSPORTATION SPECIAL SERVICE DISTRICT	UINTAH HEALTH CARE SPECIAL SERVICE DISTRICT	UINTAH COUNTY ANIMAL CONTROL & SHELTER SPECIAL SERVICE DISTRICT	UINTAH IMPACT MITIGATION SPECIAL SERVICE DISTRICT	UINTAH FIRE SUPPRESSION SPECIAL SERVICE DISTRICT	TOTAL
<b><u>ASSETS AND DEFERRED OUTFLOW OF RESOURCES</u></b>								
Cash and cash equivalents	\$ 2,436,444	\$ 5,711,309	\$ 3,273,741	\$ 220,951	\$ 456,011	\$ 3,899,202	\$ 537,171	\$ 16,534,829
Investments	5,042,544	1,181,824						6,224,368
Accounts receivable - net	18,069			1,109,172			252,463	1,379,704
Inventory				106,539				106,539
Prepaid expenses	1,395		1,700,000			3,114		1,704,509
Due from other governmental units	626,738	266,271	3,443,790	104,073	61,000	121,032	110,000	4,732,904
Restricted cash and cash equivalents	68,059	39,000	4,721,228			1,478,906		6,307,193
Other investments	322,933							322,933
Net pension asset					15		3,163	3,178
Capital assets (net of accumulated depreciation):								
Land	403,401	1,420,810		350,000			106,056	2,280,267
Water rights		34,990					5,000	39,990
Buildings	2,224,803	13,605,612		6,851,595		18,729,375	2,044,922	43,456,307
Improvements other than buildings		1,116,217			480,355		100,824	1,697,396
Equipment	325,911	377,461	1,555	153,158	20,058	9,839	1,342,895	2,230,877
Total assets	\$ 11,470,297	\$ 23,753,494	\$ 13,140,314	\$ 8,895,488	\$ 1,017,439	\$ 24,241,468	\$ 4,502,494	\$ 87,020,994
Deferred outflow of resources related to pensions	746,537	495,455	154,840	1,247,278	117,571	74,397	61,068	2,897,146
Total assets and deferred outflows of resources	\$ 12,216,834	\$ 24,248,949	\$ 13,295,154	\$ 10,142,766	\$ 1,135,010	\$ 24,315,865	\$ 4,563,562	\$ 89,918,140
<b><u>LIABILITIES AND DEFERRED INFLOW OF RESOURCES</u></b>								
Accounts payable	\$ 306,962	\$ 32,795	\$ 1,266,828	\$ 225,120	\$ 19,340	\$ 127,999	\$ 167,772	\$ 2,146,816
Accrued wages and liabilities	360,166	98,350		242,886	12,941	95,772	21,705	831,820
Deposit payable					1,370			1,370
Unearned revenue		69,520						69,520
Bond interest payable			128,938			25,260		154,198
Client trust payable	68,059							68,059
Bonds payable - Due within one year		173,000	1,687,000			1,201,000		3,061,000
Capital leases payable - Due within one year	72,500	167,000						239,500
Bonds payable - Due in more than one year		631,000	15,793,000			5,084,000		21,508,000
Capital leases payable - Due in more than one year	531,391	3,006,002						3,537,393
Net pension liability	1,362,315	745,841	131,421	1,827,079	192,434	114,487	22,165	4,395,742
Compensated absences		249,149	39,069	210,920	30,571		8,325	538,034
Total liabilities	\$ 2,701,393	\$ 5,172,657	\$ 19,046,256	\$ 2,506,005	\$ 256,656	\$ 6,648,518	\$ 219,967	\$ 36,551,452
Other deferred inflows of resources				26,793				26,793
Deferred inflows of resources related to pensions	242,247	117,266	43,610	316,742	23,214	17,582	30,251	790,912
Total liabilities and deferred inflows of resources	\$ 2,943,640	\$ 5,289,923	\$ 19,089,866	\$ 2,849,540	\$ 279,870	\$ 6,666,100	\$ 250,218	\$ 37,369,157
<b><u>NET POSITION</u></b>								
Net invested in capital assets	\$ 2,350,224	\$ 12,846,088	\$ 1,555	\$ 7,354,753	\$ 500,413	\$ 12,454,214	\$ 3,599,697	\$ 39,106,944
Restricted for:								
Statutory minimum			103,764					103,764
Client trusts and Club House funds	68,059							68,059
Construction projects			1,319,205					1,319,205
Debt Service		39,000	4,039,915			1,478,906		5,557,821
Unrestricted	6,854,911	6,073,938	(11,259,151)	(61,527)	354,727	3,716,645	713,647	6,393,190
Total net position	\$ 9,273,194	\$ 18,959,026	\$ (5,794,712)	\$ 7,293,226	\$ 855,140	\$ 17,649,765	\$ 4,313,344	\$ 52,548,983

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

**UINTAH COUNTY  
STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
FOR THE YEAR ENDED DECEMBER 31, 2017**

Function/Programs	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION											
	PROGRAM REVENUES				UINTAH BASIN TRI-COUNTY MENTAL HEALTH & SUBSTANCE ABUSE AUTHORITY	UINTAH RECREATION DISTRICT	UINTAH TRANSPORTATION SPECIAL SERVICE DISTRICT	UINTAH HEALTH CARE SPECIAL SERVICE DISTRICT	UINTAH COUNTY ANIMAL CONTROL & SHELTER SPECIAL SERVICE DISTRICT	UINTAH IMPACT MITIGATION SPECIAL SERVICE DISTRICT	UINTAH FIRE SUPPRESSION SPECIAL SERVICE DISTRICT	TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIB.	CAPITAL GRANTS AND CONTRIB.								
<b>Governmental activities:</b>												
<b>    Uintah Transportation Special Service District</b>												
Highways and public improvements	\$ 21,702,947	\$ 17,424		\$ 12,953,622			\$ (8,731,901)					\$ (8,731,901)
Interest on long term liabilities	281,075						(281,075)					(281,075)
<b>    Uintah Impact Mitigation Special Service Dist.</b>												
Community and economic development	2,306,004		\$ 65,000							\$ (2,241,004)		(2,241,004)
<b>    Uintah Fire Suppression Special Service Dist.</b>												
General government	485,957										\$ (485,957)	(485,957)
Public safety	1,015,295	112,098	20,966	230,380							(651,851)	(651,851)
Total governmental activities	<u>\$ 25,791,278</u>	<u>\$ 129,522</u>	<u>\$ 85,966</u>	<u>\$ 13,184,002</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ (9,012,976)</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ (2,241,004)</u>	<u>\$ (1,137,808)</u>	<u>\$ (12,391,788)</u>
<b>Business-type activities:</b>												
Uintah Basin Tri-County Mental												
Health & Substance Abuse Auth.	\$ 7,011,432	\$ 5,334,129	\$ 2,386,316		\$ 709,013							\$ 709,013
Uintah Recreation District	5,711,625	1,533,385	3,614,548			\$ (563,692)						(563,692)
Uintah Health Care Special Service District	8,436,913	4,782,953	3,272,148					\$ (381,812)				(381,812)
Animal Control & Shelter Special Service District	701,030	47,773	732,000						\$ 78,743			78,743
Total business-type activities	<u>\$ 21,861,000</u>	<u>\$ 11,698,240</u>	<u>\$ 10,005,012</u>	<u>\$ ...</u>	<u>\$ 709,013</u>	<u>\$ (563,692)</u>	<u>\$ ...</u>	<u>\$ (381,812)</u>	<u>\$ 78,743</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ (157,748)</u>
Total component units	<u>\$ 47,652,278</u>	<u>\$ 11,827,762</u>	<u>\$ 10,090,978</u>	<u>\$ 13,184,002</u>	<u>\$ 709,013</u>	<u>\$ (563,692)</u>	<u>\$ (9,012,976)</u>	<u>\$ (381,812)</u>	<u>\$ 78,743</u>	<u>\$ (2,241,004)</u>	<u>\$ (1,137,808)</u>	<u>\$ (12,549,536)</u>
General revenues:												
Mineral lease revenue							\$ 5,964,225					\$ 5,964,225
Grants and contributions not restricted to specific programs									\$ 1,698,964	\$ 1,492,000		3,190,964
Gain/(Loss) on disposal of assets					\$ 18,385			\$ 6,345			1,619	26,349
Contribution to other governments						\$ (24,266)		(486,066)				(510,332)
Investment earnings					21,691	100,735	155,778	6,861	\$ 4,495	83,482	7,302	380,344
Fair value adjustment							23,025					23,025
Miscellaneous					192,170	8,714	7,117		4,718	881	2,365	215,965
Total general revenues and transfers	<u>\$ 232,246</u>				<u>\$ 85,183</u>	<u>\$ 6,150,145</u>	<u>\$ (472,860)</u>	<u>\$ 9,213</u>	<u>\$ 1,783,327</u>	<u>\$ 1,503,286</u>		<u>\$ 9,290,540</u>
Change in net position					\$ 941,259	\$ (478,509)	\$ (2,862,831)	\$ (854,672)	\$ 87,956	\$ (457,677)	\$ 365,478	\$ (3,258,996)
Net position - beginning					8,331,935	19,437,535	(2,931,881)	8,147,898	767,184	18,107,442	3,947,866	55,807,979
Net position - ending					<u>\$ 9,273,194</u>	<u>\$ 18,959,026</u>	<u>\$ (5,794,712)</u>	<u>\$ 7,293,226</u>	<u>\$ 855,140</u>	<u>\$ 17,649,765</u>	<u>\$ 4,313,344</u>	<u>\$ 52,548,983</u>

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

**UINTAH COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements-and Management's Discussion and analysis-for State and Local Governments. Certain of the significant changes in the Statement include the following:

- The financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the County's overall financial position and results of operations.

Financial statements prepared using full-accrual accounting for all the County's activities.

- A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including the notes to financial statements).

**A. Reporting Entity**

Uintah County, Utah (the County) operates under a three-member County Commission form of government. The County provides the following services: Countywide services, such as those provided by elected officials (including assessing and collecting property taxes for all taxing districts in the County), health and human services to the unincorporated areas, such as fire and police protection, developmental services, street lighting, traffic engineering, highways, planning and zoning, animal services and justice courts.

The accompanying financial statements include the County, which is a political subdivision with corporate powers created under Utah State law, and all of its component units, collectively referred to as the financial reporting entity. Blended component units, although legally separate entities, are in substance, part of the government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### A. Reporting Entity (Continued)

The criteria used by the County to determine the reporting entity consists of including any governmental department, agency, institution, commission or other governmental organization of which the County's governing board has financial accountability. Financial accountability is derived from the governmental units' power and includes, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. Financial accountability implies that a governmental unit is dependent on another and the dependent unit should be reported as part of the other. According to these criteria, the County considered the following entities to be component units.

**Blended Component Units** – Tri-County Health Department services the citizens who live in the Tri-County area of Daggett, Uintah and Duchesne Counties. Utah State law allows the creation of multi-county health departments. Local health departments are responsible within their boundaries for providing, directly or indirectly, basic public health services. The County Commissioners, within the boundaries of the health district, appoints the health district board of directors.

Municipal Building Authority of Uintah County was created by the County Commission as a body politic and corporate for the purpose of financing, owning, leasing, or operating facilities to meet the needs of the County government. It is comprised of a governing body that has been appointed by the County Commission and may be removed or replaced at any time by its discretion.

**Discrete Component Units** - These component units are entities, which are legally separate from the County, but are financially accountable to the County and whose relationships with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. The Component Units, column of the government-wide financial statements include the financial data of these entities.

Uintah Transportation Special Service District - The District was created by the adoption of a resolution establishing a service district. The District has been established as a separate body politic and corporate. The County appointed the board governing the District. The District was created for the purpose of building, maintaining or improving roads within the District's boundaries. The District was audited and their report issued under separate cover. An audit report can be obtained from their administrative office in Vernal, Utah.

Uintah Basin Tri-County Mental Health and Substance Abuse Local Authority (Northeastern Counseling Center) - The local Mental Health Authority has been established by the County Commissioners for the purpose of directing and providing mental health and substance abuse services to persons within the Mental Health District. The County Commissioners within the District appoint members of the board of directors. The District was audited and their report issued under separate cover. An audit report can be obtained from their administrative office in Vernal, Utah.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Uintah Recreation Special Service District - The District was created by the adoption of a resolution establishing a service district. The District has been established as a separate body politic and corporate. The County appointed the board governing the District. The District was created for the purpose of managing and operating parks and recreation facilities and recreation programs in Uintah County. The District was audited and their report issued under separate cover. An audit report can be obtained from their administrative office in Vernal, Utah.

Uintah Health Care Special Service District – The District was created by the adoption of a resolution establishing the service district. The District is to be administered by an Administrative Control Board, which is to be appointed by the Board of County Commissioners of Uintah County. The purpose of the District is to oversee, administer and manage a county owned, long-term, residential health care and day care facility that is responsive to the needs of the residents, their families, and the community at large, through a consistently high standard of customized, clinical care. The District also oversees and manages the activities of the senior program of the County. The boundaries of the District are the same as Uintah County. The District was audited and their report issued under separate cover. An audit report can be obtained from their administrative office in Vernal, Utah.

Uintah Animal Control & Shelter Special Service District –The District was created by the adoption of a resolution establishing the service district. The District is to be administered by an Administrative Control Board, which is to be appointed by the Board of County Commissioners of Uintah County. The purpose of the District is to manage the proper treatment of animals and protect citizens within the District. Information about the District and its function can be obtained from the administrative office in Vernal, Utah.

Uintah Impact Mitigation Special Service District – The District was created by the adoption of a resolution establishing the service district. The District is administered by an Administrative Control Board, which is appointed by the Board of County Commissioners of Uintah County. The purpose of the District is to promote economic development within the District and manage the impact of growth experienced in the District. Information about the District and its function can be obtained from their administrative office in Vernal, Utah.

Uintah Fire Suppression Special Service District - The District was created by the adoption of a resolution establishing the service district. The District is administered by an Administrative Control Board, which is appointed by the Board of County Commissioners of Uintah County. The District was created to better organize the fire protection service within the County and surrounding area, to provide protection to citizens within the District from fires and make available other emergency services. Information about the District and its function can be obtained from their administrative office in Vernal, Utah.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **B. Government-Wide and Fund Financial Accounting**

The government-wide financial statements ( i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary 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 charged to external parties for goods and services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Direct expenses can include certain indirect costs (administrative overhead charges) that are automatically allocated to the various functions. 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; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues but are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, component unit funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. The remaining governmental and enterprise funds are combined into a single column and reported as other (non-major) funds. The internal service fund is reported in a single column on the proprietary fund financial statements.

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

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental-wide Financial Statements -The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when 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. The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statement, rather than as another financing source as in governmental funds. Amounts paid to reduce long-term debt of the County are reported as a reduction of the related liability, rather than as an expenditure in the government-wide financial statements.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Governmental Fund Financial Statements - 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. "Measurable" means that amounts can be reasonably determined within the current period. 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, the 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. Exceptions to this general rule include accumulated unpaid compensated absences and principal and interest on general long-term debt which are recognized when due.

The County reports the following major governmental funds:

- General Fund – The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.
- Capital Project Fund – The Capital Project Fund is used to account for financial resources to be used for the acquisition or construction of capital assets other than those financed by proprietary funds.

The County's non-major governmental funds include other special revenue funds, debt service fund and a permanent fund. The non-major special revenue funds account for specific revenue sources that are legally restricted, committed or assigned to expenditures, for specified purposes. The Debt Service Fund accounts for resources used for the payment of interest and principal on general long-term debt obligations. The permanent fund accounts for resources earned and held in the tax stability fund to be used in future periods.

Proprietary Fund Financial Statements – Proprietary funds include enterprise funds and internal service funds. Internal Service funds are used to account for the goods and services provided by one fund to other funds of the County, rather than to the general public. The financial statements of the proprietary funds are reported similar to the government-wide financial statements in that they both use the economic resources measurement focus and the accrual basis of accounting.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Proprietary funds distinguish between operating and non-operating revenues and expenses. Operating revenues and expenses result from providing goods and services relating to the primary operations of the proprietary fund. Other revenues and expenses are reported as non-operating.

The county reports the following major proprietary funds:

- Western Park Fund – The Western Park Fund accounts for the resource and expenditures in the operating and maintaining of the Conference Center, Western Park Arena, and related facilities associated with the activities at the arena.
- Care Center Fund – The Care Center Fund accounts for the resources needed for the repayment of debt used in the construction of the Uintah Care Center building and to help in the funding of certain health care services in the county.

The County's non-major proprietary funds include the Landfill Fund and the Telecom Fund. The Landfill Fund accounts for resources used in the operation of the County landfill. The Telecom Fund accounts for the resources used in maintaining a 911 service for the County.

Internal Service Fund – The Internal Service Fund accounts for the resources used to pay health insurance premiums for the County. The Internal Service Fund is reported on the proprietary fund statements. In the government-wide financial statement, the internal service fund is included with governmental activities since most of the services provided by the internal service fund are for governmental purposes.

Fiduciary Fund Financial Statements – Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for other organizations or individuals. These statements are reported using the economic resources measurement focus and the accrual basis of accounting. The county only has the following two types of fiduciary funds.

- Agency Funds – Agency Funds are used to account for assets held by the County as an agent for other governments, private organizations, or individuals. Agency Funds include Treasurer's Tax Collection and Special Deposits. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.
- Private Purpose Trust – The County has two private purpose trust funds. The Girt Trust fund is interest received by the county from a private contribution, which is used to help under privileged children. The Cemetery Trust fund accounts for revenue received and expenditures by various cemeteries in the County to maintain these cemeteries.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. **Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Interfund Transactions – Interfund transactions represent transactions between different funds within the County. In general, interfund activity including internal service fund transactions have been eliminated from the government-wide financial statements in an effort to minimize the doubling-up of revenues and expenditures resulting from such transactions. Interfund services provided and used between different functional categories, however, have not been eliminated from the government-wide financial statement so as not to distort the direct costs and program revenues reported in the various functions concerned.

Transfers between governmental and business-type activities are reported at the net amount in the government-wide Statement of Activities. Interfund receivables and payables have been eliminated from the government-wide Statement of Net Position except for those amounts due between governmental and business-type activities. Such amounts are reported at the net amount as “internal balances” and offset each other to result in a zero balance in the total column.

Program Revenues/Operating Revenues and Expenses From Non-Operating Items – Amounts reported as program revenues include 1) charges for fees, rental, material, supplies, or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations.

D. **Budgetary Data**

Budgets are presented on the modified accrual basis of accounting for all governmental funds and on the accrual basis for proprietary funds. Budgets are not adopted for the agency fund. All annual appropriations lapse at fiscal year end. The following procedures are used in establishing the budgetary data reflected in the financial statements.

1. A formal budget is adopted for all funds, which require a budget: all general, special revenue, debt service, capital projects, permanent funds and enterprise funds. The budget is a complete financial plan, which identifies all estimated revenues and all appropriations for expenditure for the year. The budget must balance, that is estimated revenues and other financing sources must equal appropriated expenditures.
2. By November 1, the County Auditor submits to the Board of County Commissioners a proposed operating budget for the fiscal year for all funds beginning January 1.
3. The Board of County Commissioners discusses and approves the budget and sets a date for a public hearing on the proposed budget.
4. A public hearing is held to obtain taxpayer comments and the budget is adopted.
5. The Commission can transfer budgeted amounts between line items or departments by resolution, but any action that increases the total general fund budget must be approved by resolution only after a public hearing. (The budgets of other funds may be increased after giving public notice.)

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**E. Cash and Cash Equivalents and Investments**

Cash and investment management in the County is administered by the County Treasurer in accordance with the Utah Money Management Act, Section 51-7 of the Utah code. 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, including investments in the Public Treasurers' Investment Fund (PTIF).

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

Statement of cash flow is presented for proprietary funds under the direct method.

**F. Inventories**

Inventories are stated at the lower of cost or market, determined on a first-in, first-out basis. Inventories are accounted for under the consumption method where inventories are recorded as expenditures when consumed rather than when purchased.

**G. Compensated Absences**

**Paid Time Off** - It is the County's policy to permit employees to accumulate PTO (Paid Time Off) based on the years of service and hours worked. For a full time employee, they will earn 6 hours of PTO for each pay period worked if the County has employed them for 5 years or less. Seven hours can be earned per pay period if the County has employed them for 6 through 10 years and eight hours of PTO per pay period for employees the County has employed eleven or more years. Employees may accumulate earned but unused PTO up to 1,000 hours. Any amount of accumulated PTO over one thousand hours and not used at the end of the year will be purchased by the County at a rate of 70% of the employees current pay rate. Paid time off will be paid to employees at the time of retirement or other change of status.

**Sick Leave Reserve** – Employees of the County who were hired prior to December 31, 2007 and the implementation of the PTO policy will be able to maintain the sick days accumulated during employment. This sick leave reserve can only be used if an employee is absent for three or more consecutive days related to one illness verified by a physician. The first two days must be leave without pay or PTO and the balance may be taken from the sick leave reserve. Upon retirement, the sick leave reserve account balance shall be paid to employees at 50% of their current pay rate.

Accrued unused PTO, which vest to the employee in the government-wide financial statements for governmental activities total \$2,104,129 and for proprietary funds total \$178,604.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**H. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**I. Capital Assets**

Capital assets include land, right of ways, water rights, buildings, improvements other than buildings, machinery and equipment, infrastructure (roads and bridges) and construction-in-progress. These assets are reported in the government-wide financial statements in the relevant column on the Statement of Net Position under governmental or business-type activities. Proprietary fund capital assets are also reported in the appropriate fund statements. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. The capitalization threshold for personal property is defined to be assets with a useful life greater than one year and costing at least \$5,000. Assets purchased or constructed are generally recorded at cost. If precise cost is not available (as was the case with certain infrastructure), the asset is recorded at estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

When constructing capital assets, interest expense incurred relating to governmental or proprietary activities is capitalized.

Depreciation of all exhaustible capital assets is charged as an expense against operations for proprietary funds and is charged to the various functional expenses or business-type activities in the government-wide Statement of Activities. Accumulated depreciation is reported on proprietary fund and government-wide Statement of Net Position. Depreciation is provided over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Buildings	20-40 years
Improvements	15-40 years
Equipment	4-10 years
Infrastructure, (bridges)	40 years

The County has adopted an allowable alternative to reporting depreciation for its road 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.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**J. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**K. Deferred outflows/inflows of resources**

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

**L. Net Position/Fund Balances**

The difference between assets and deferred outflows and liabilities and deferred inflows is "Net Position" on the government-wide and proprietary fund financial statements and "Fund Balance" on the governmental fund financial statements. Net Position is divided into net investment in capital assets, restricted, and unrestricted. Net position is reported as net investment in capital assets by taking the value of all capital assets and reducing this amount by current and prior years depreciation and further reducing the amount by debt obligations incurred for the purpose of purchasing or construction these capital assets. Net position is reported as restricted when constraints are placed upon them by external parties or are imposed by constitutional provisions or enabling legislation.

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, committed, assigned and unassigned.



## 2. CAPITAL ASSETS

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

<b>Primary Government Governmental activities:</b>	<b>BEGINNING BALANCE</b>	<b>INCREASES</b>	<b>DECREASES</b>	<b>ENDING BALANCE</b>
Capital assets not being depreciated:				
Land	\$ 14,708,241			\$ 14,708,241
Water rights	280,995			280,995
Infrastructure (Roads)	238,256,718			238,256,718
Rights of Way	3,050,400			3,050,400
Work in progress	11,044,988		\$ 11,044,988	
Total capital assets not being depreciated	<u>\$ 267,341,342</u>	<u>\$ ...</u>	<u>\$ 11,044,988</u>	<u>\$ 256,296,354</u>
Capital assets being depreciated:				
Buildings	\$ 107,334,482	\$ 65,916		\$ 107,400,398
Improvements other than buildings	6,081,272	23,668,846		29,750,118
Machinery and equipment	20,506,158	583,858	\$ 610,057	20,479,959
Infrastructure (Bridges)	7,320,796			7,320,796
Total capital assets being depreciated	<u>\$ 141,242,708</u>	<u>\$ 24,318,620</u>	<u>\$ 610,057</u>	<u>\$ 164,951,271</u>
Less accumulated depreciation for:				
Buildings	\$ 17,448,090	\$ 2,721,320		\$ 20,169,410
Improvements other than buildings	4,513,532	247,951		4,761,483
Machinery and equipment	15,422,607	1,189,481	\$ 504,591	16,107,497
Infrastructure (Bridges)	6,126,702	127,286		6,253,988
Total accumulated depreciation	<u>\$ 43,510,931</u>	<u>\$ 4,286,038</u>	<u>\$ 504,591</u>	<u>\$ 47,292,378</u>
Total capital assets, being depreciated, net	<u>\$ 97,731,777</u>	<u>\$ 20,032,582</u>	<u>\$ 105,466</u>	<u>\$ 117,658,893</u>
Governmental activities capital assets, net	<u><u>\$ 365,073,119</u></u>	<u><u>\$ 20,032,582</u></u>	<u><u>\$ 11,150,454</u></u>	<u><u>\$ 373,955,247</u></u>

## 2. CAPITAL ASSETS (Continued)

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 6,315,656			\$ 6,315,656
Total capital assets not being depreciated	\$ 6,315,656	\$ ...	\$ ...	\$ 6,315,656
Capital assets being depreciated:				
Buildings	\$ 5,074,258			\$ 5,074,258
Improvements other than buildings	1,424,494			1,424,494
Machinery and equipment	2,131,996	\$ 150,963	\$ 5,633	2,277,326
Total capital assets being depreciated	\$ 8,630,748	\$ 150,963	\$ 5,633	\$ 8,776,078
Less accumulated depreciation for:				
Buildings	\$ 2,777,545	\$ 140,391		\$ 2,917,936
Improvements other than buildings	408,542	60,773		469,315
Machinery and equipment	1,975,267	45,039	\$ (145,330)	2,165,636
Total accumulated depreciation	\$ 5,161,354	\$ 246,203	\$ (145,330)	\$ 5,552,887
Total capital assets, being depreciated, net	\$ 3,469,394	\$ (95,240)	\$ 150,963	\$ 3,223,191
Business-type activities capital assets, net	\$ 9,785,050	\$ (95,240)	\$ 150,963	\$ 9,538,847
Depreciation expense was charged to functions/programs of the primary government as follows:				
Governmental activities:				
General government			\$ 259,090	
Public safety			1,633,142	
Public Health			365,138	
Highways and public improvements			950,303	
Parks and recreation			1,070,463	
Conservation and economic development			7,902	
Total depreciation expense - governmental activities			\$ 4,286,038	
Business-type activities:				
Western Park			\$ 242,159	
Landfill			2,565	
Telecom			1,479	
Total depreciation expense - Business-Type Activities			\$ 246,203	
Total depreciation expense			\$ 4,532,241	

### 3. LONG-TERM DEBT

Annual debt service requirements to maturity for bonds are as follows:

Year Ending December 31,	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 1,831,500	\$ 1,509,338	\$ 3,340,838	\$ 25,000	\$ 250	\$ 25,250
2019	1,990,500	1,444,913	3,435,413	25,000	125	25,125
2020	2,057,500	1,377,188	3,434,688			
2021	2,520,500	1,306,163	3,826,663			
2022	2,570,000	1,221,813	3,791,813			
2023-2027	14,042,587	4,720,218	18,762,805			
2028-2032	15,661,765	2,599,463	18,261,228			
2033-2037	10,032,000	672,075	10,704,075			
2038-2042	2,326,000	81,350	2,407,350			
2043-2045	450,000		450,000			
	<u>\$ 53,482,352</u>	<u>\$ 14,932,521</u>	<u>\$ 68,414,873</u>	<u>\$ 50,000</u>	<u>\$ 375</u>	<u>\$ 50,375</u>

Revenue and General Obligation Bonds payable at December 31, 2017 with their outstanding balances, are comprised of the following individual issues:

#### Governmental Activities:

Taxable Lease Revenue Bonds Series 2006A, issued December 19, 2006. The bonds are zero percent bonds with principal payments due beginning October 1, 2008 in the amount of \$166,000 and increasing to \$167,000 on October 1, 2018. The purpose of the bonds is to be used for the construction of a new recreation center in Vernal, Utah. \$ 3,340,000

Taxable Lease Revenue Bond Series 2005, issued on October 25, 2005. The purpose of the bond is to make improvements to Western Parks. Payments begin January 1, 2007 and continue through January 1, 2026. Each annual payment is \$45,000. The bond is a zero percent interest bond. \$ 360,000

On December 21, 2011, the Uintah County Municipal Building Authority issued \$711,000 of Series 2011A Taxable Lease Revenue Bonds. The bonds are to be used for the construction of a new fence around the Uintah County Airport. Principal debt payments begin October 1, 2011 and mature on October 1, 2031. The principal payment amounts ranging from \$27,000 to \$36,000 annually. The bonds carry an interest rate of zero percent interest. \$ 478,765

### 3. **LONG-TERM DEBT (Continued)**

#### Governmental Activities (Continued):

Lease Revenue Bond Series 2000D, due in annual installments of \$32,500, beginning September 1, 2002 and maturing September 1, 2021. The bond is a zero percent interest bond. The purpose of the bond is to purchase real property and pay for the construction of a building to house the Northeastern Counseling Center. \$ 130,000

Lease Revenue Bond Series 2014, due in annual installments of \$150,000 beginning July 1, 2016 and maturing July 1, 2045. The bond is a zero percent interest bond. The purpose of the bond is to finance the remodel and construction of shop buildings and related improvements and paying necessary expense incidental thereto for the Western Park Expansion. \$ 4,050,000

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007B. The principal amount of the original issue was \$625,000. The bonds are to be used to purchase equipment for the Landfill. Principal repayments on the bonds begin April 1, 2009 and mature April 1, 2018 with payments ranging from \$58,000 to \$63,000 annually and carry zero percent interest. \$ 58,000

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007C. The principal amount of the original issue was \$635,000. The bonds are to be used to help in the construction of a building for the Landfill. Principal repayments on the bonds begin April 1, 2009 and mature April 1, 2028 with payments ranging from \$27,000 to \$32,000 annually and carry zero percent interest \$ 347,000

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007D. The principal amount of the original issue was \$2,300,000. The bonds are to be used to help fund the construction of a new building to be leased to Tri-County Health District. Principal repayments on the bonds begin October 1, 2008 and mature October 1, 2037 with payments ranging from \$67,000 to \$77,000 annually and carry zero percent interest. \$ 1,530,000

During the year ended December 31, 2011, the County received approval to issue Lease Revenue Bonds, Series 2011C in the amount of \$3,000,000, of this amount \$1,889,808 was issued and used in the construction of the new library. The balance of the \$3,000,000 was issued during the year ended December 31, 2012 and used in final construction of the Uintah library. The bonds carry an interest rate of 2.5% per annum and begin to accrue interest on April 1, 2012 with principal and interest payments Beginning April 1, 2013 and continuing on each April 1 thereafter. \$ 2,641,000

3. **LONG-TERM DEBT (Continued)**

Governmental Activities (Continued):

On December 15, 2015, Uintah County issued \$33,385,000 of General Obligation Series 2015 refunding bonds to be used to advance refund taxable lease revenue bonds, series 2008A. The proceed from the series 2015 refunding bonds placed into an escrow account to advance refund the series 2008A bonds. Principal debt payments on the refunding bonds begin December 15, 2016 with payment amounts ranging from \$1,185,000 to \$2,390,000 annually. The bonds carry an interest rate ranging from 3.125% to 5.0%. Interest payments begin December 15, 2016 and continue every six while principal payment are made annually. Interest and principal payments continue until December 15, 2034. \$31,010,000

On July 31, 2008, Uintah County Municipal Building Authority issued \$10,000,000 of Lease Revenue Bonds, Series 2008B. The bonds are to be used for the construction and furnishing of a new Public Safety Facility. Principal payments on the debt will begin June 1, 2021 with payments ranging from \$391,000 to \$626,000. The bonds will carry a 2.5% interest rate. The first payment is due June 1, 2011 and additional interest only payments will Continue until June 1, 2021. \$9,077,000

On December 21, 2011, the Uintah County Municipal Building Authority issued \$850,000 of Series 2011B Taxable Lease Revenue Bonds for the purpose of purchasing a snowplow to be used at the Uintah County airport. Principal payments on the bonds begin October 1, 2012 and mature October 1, 2026 with payments ranging from \$52,000 to \$57,000 annually and carry a zero percent interest rate. \$ 460,587

Total Governmental Activities Bond Debt \$53,482,352

On December 15, 2015, Uintah County issued \$33,385,000 of General Obligation refunding Bonds at a premium of \$3,219,420. This premium is To be amortized over the life of the new bonds which is nineteen years. Each year \$169,443 will be amortized and taken in to interest income. Premium is reported with debt. The balance at December 31, 2017 is as follows \$2,880,534

Total reported as debt obligations on financial statements \$56,362,886  
Governmental Activities

### 3. LONG-TERM DEBT (Continued)

#### Business-type Activities

Limited Obligation Bond Series 1994, due in annual installments ranging from \$23,000 to \$25,000, beginning August 15, 1995 and maturing August 15, 2019. The bond is a .5% interest bond. The purpose of the bond was to finance the costs of improvements to the Uintah County Western Park complex.

\$ 50,000

#### Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
G.O. & Revenue bonds	\$ 55,970,304		\$ 2,487,952	\$ 53,482,352	\$ 1,831,500
Bond premium	3,049,977		169,443	2,880,534	
Net pension liability	13,859,122	\$ 2,399,876	7,724,343	8,534,655	
Compensated Absences	1,953,359	150,770		2,104,129	
Governmental activity long-term liabilities	<u>\$ 74,832,762</u>	<u>\$ 2,550,646</u>	<u>\$ 10,381,738</u>	<u>\$ 67,001,670</u>	<u>\$ 1,831,500</u>
<b>Business-type activities:</b>					
Bonds payable:					
Revenue bonds	\$ 75,000		\$ 25,000	\$ 50,000	\$ 25,000
Net pension liability	1,043,160	\$ 151,364	656,231	538,293	
Compensated Absences	295,920		117,316	178,604	
Business-type activity long-term liabilities	<u>\$ 1,414,080</u>	<u>\$ 151,364</u>	<u>\$ 798,547</u>	<u>\$ 766,897</u>	<u>\$ 25,000</u>

### 3. LONG-TERM DEBT (Continued)

#### Component Units

Long-term liability activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Business-type activities:</b>					
Capital leases:					
Tri-County Mental Health	\$ 636,391		\$ (32,500)	\$ 603,891	\$ 72,500
Uintah Recreation District	3,339,002		(166,000)	3,173,002	167,000
Bonds payable					
Uintah Recreation District	977,000		(173,000)	804,000	173,000
Business-type activity long-term liabilities	<u>\$ 4,952,393</u>	<u>\$ ...</u>	<u>\$ 371,500</u>	<u>\$ 4,580,893</u>	<u>\$ 412,500</u>
<b>Governmental activities:</b>					
Bonds payable:					
Uintah Transportation SSD	\$ 19,145,000		\$ (1,665,000)	\$ 17,480,000	\$ 1,687,000
Uintah Impact Mitigation SSD	7,458,000		(1,173,000)	6,285,000	1,201,000
Governmental activity long-term liabilities	<u>\$ 26,603,000</u>	<u>\$ ...</u>	<u>\$ 2,838,000</u>	<u>\$ 23,765,000</u>	<u>\$ 2,888,000</u>

#### Proprietary Debt

On March 16, 1994, Uintah County closed on a limited obligation bond in the amount of \$600,000 for the purpose of financing the costs of improvements to the Uintah County Western Park and to pay certain issuance expenses. The Bond bears interest at the rate of one-half of one percent (0.5%) per annum. Interest on the Bond shall accrue on the unpaid principal balance from August 15, 1994 and shall be payable annually on August 15, of each year commencing August 15, 1995 and ending on August 15, 2019. In order to defease the Bond and to provide funds for the payment of principal and interest on the Bond, the County has entered into an escrow agreement with Westone bank where funds have been deposited and invested in Government Obligations which together with interest earnings to accrue thereon, shall be sufficient to pay the principal of and interest on the Bonds as they become due and payable. The amount held in escrow at December 31, 2017, was \$50,964. The balance outstanding on the limited obligation bond is \$50,000 as of December 31, 2017.

3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt**

On October 13, 2000, the Municipal Building Authority of Uintah County issued Lease Revenue Bond Series 2000D in the principal amount of \$650,000 together with a 0% rate of interest. Lease Revenue Bonds, Series 2000D were issued for the purpose of acquisition of land and the construction of a new approximately 7,000 square foot building to house the Vernal offices of the Northeastern Counseling Center and related improvements. Repayment of principal begins September 1, 2002. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
September 1, 2018	\$ 32,500
September 1, 2019	32,500
September 1, 2020	32,500
September 1, 2021	32,500
	<u>\$ 130,000</u>



3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

On October 25, 2005, Uintah County Municipal Building Authority issued Taxable Lease Revenue Bonds Series 2005 in the principal amount of \$900,000 together with interest at the rate of zero percent. The principal becomes payable beginning January 1, 2007 and matures January 1, 2025. The purpose for issuing the bonds was to construct phase 4 at the Western Park facilities.

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
January 1, 2018	\$ 45,000
January 1, 2019	45,000
January 1, 2020	45,000
January 1, 2021	45,000
January 1, 2022	45,000
January 1, 2023	45,000
January 1, 2024	45,000
January 1, 2025	45,000
	<u>\$ 360,000</u>

On December 9, 2006, the Municipal Building Authority of Uintah County issued Taxable Lease Revenue Bond Series 2006A in the principal amount of \$5,000,000 together with a 0% rate of interest. Lease Revenue Bonds, Series 2006A were issued for the purpose of constructing a new recreation center located in Vernal, Utah. The County will own approximately 37% of the new recreation center building. Repayment of principal begins October 1, 2008 and ending October 1, 2037. The principal payments range from \$166,000 to \$167,000. The repayment schedule is as follows.

3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

<u>Principal Payment Date</u>	<u>Amount of Principal Repayment</u>
October 1, 2018	\$ 167,000
October 1, 2019	167,000
October 1, 2020	167,000
October 1, 2021	167,000
October 1, 2022	167,000
October 1, 2023	167,000
October 1, 2024	167,000
October 1, 2025	167,000
October 1, 2026	167,000
October 1, 2027	167,000
October 1, 2028	167,000
October 1, 2029	167,000
October 1, 2030	167,000
October 1, 2031	167,000
October 1, 2032	167,000
October 1, 2033	167,000
October 1, 2034	167,000
October 1, 2035	167,000
October 1, 2036	167,000
October 1, 2037	167,000
	<hr/>
	\$ 3,340,000
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3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

During the year ended December 31, 2014, Uintah County Municipal Building Authority issued \$4,500,000 of Lease Revenue Bonds, Series 2014. The bonds were issued to be used for the architectural design, landscaping and remodeling of the Western Park facility including the construction of a shop, exhibit hall, convention center and parking lot. The bond is a zero percent interest loan. The first principal payment will be made on January 1, 2016. Principal payments will continue each January 1, until 2045 at which time, the bonds will be paid in full.

<u>Principal Payment Date</u>	<u>Amount of Principal Repayment</u>
January 1, 2019	\$ 150,000
January 1, 2020	150,000
January 1, 2021	150,000
January 1, 2022	150,000
January 1, 2023	150,000
January 1, 2024	150,000
January 1, 2025	150,000
January 1, 2026	150,000
January 1, 2027	150,000
January 1, 2028	150,000
January 1, 2029	150,000
January 1, 2030	150,000
January 1, 2031	150,000
January 1, 2032	150,000
January 1, 2033	150,000
January 1, 2034	150,000
January 1, 2035	150,000
January 1, 2036	150,000
January 1, 2037	150,000
January 1, 2038	150,000
January 1, 2039	150,000
January 1, 2040	150,000
January 1, 2041	150,000
January 1, 2042	150,000
January 1, 2043	150,000
January 1, 2044	150,000
January 1, 2045	150,000
	<u>\$ 4,050,000</u>

3. **LONG-TERM DEBT (Continued)**

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007B. The principal amount of the original issue was \$625,000. The bonds are to be used to purchase equipment for the Landfill. Principal repayments on the bonds begin April 1, 2009, and mature April 1, 2018 with payments ranging from \$58,000 to \$63,000 annually and carry zero percent interest. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
April 1, 2018	\$ 58,000
	<u>\$ 58,000</u>

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007C. The principal amount of the original issue was \$635,000. The bonds are to be used to help in the construction of a building for the Landfill. Principal repayments on the bonds begin April 1, 2009, and mature April 1, 2028 with payments ranging from \$27,000 to \$32,000 annually and carry zero percent interest. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
April 1, 2018	\$ 32,000
April 1, 2019	32,000
April 1, 2020	32,000
April 1, 2021	32,000
April 1, 2022	32,000
April 1, 2023	32,000
April 1, 2024	32,000
April 1, 2025	32,000
April 1, 2026	32,000
April 1, 2027	32,000
April 1, 2028	<u>27,000</u>
	<u>\$ 347,000</u>

3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007D. The principal amount of the original issue was \$2,300,000. The bonds are to be used to help fund the construction of a new building to be leased to Tri-County Health District. Principal repayments on the bonds begin October 1, 2008 and mature October 1, 2037 with payments ranging from \$67,000 to \$77,000 annually and carry zero percent interest. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2018	\$ 77,000
October 1, 2019	77,000
October 1, 2020	77,000
October 1, 2021	77,000
October 1, 2022	77,000
October 1, 2023	77,000
October 1, 2024	77,000
October 1, 2025	77,000
October 1, 2026	77,000
October 1, 2027	77,000
October 1, 2028	77,000
October 1, 2029	77,000
October 1, 2030	77,000
October 1, 2031	77,000
October 1, 2032	77,000
October 1, 2033	77,000
October 1, 2034	77,000
October 1, 2035	77,000
October 1, 2036	77,000
October 1, 2037	67,000
	<hr/>
	\$ 1,530,000

### 3. LONG-TERM DEBT (Continued)

#### General Governmental Type Debt (Continued)

On June 30, 2011, Uintah County Municipal Building Authority issued \$3,000,000 of Lease Revenue Bonds, Series 2011C of which the County received the balance of all loan funds in the year ended December 31, 2012. The bonds are to be used to construct a 30,000 square foot building that will house multiple resources including a regional history center, the Uintah County Archives, computer training classrooms, health information research center, parent's information center, emergency literacy center, job resource center and a do-it-yourself learning zone. Interest at the rate of 2.5% per annum on the Series 2011C Bonds shall begin to accrue on April 1, 2012 and the Authority shall make the principal and interest payments stated for each year beginning April 1, 2013 and continuing on each April 1 thereafter until the Series 2011C Bonds shall be paid in full. Principal payments range from \$68,000 to \$140,000.

Principal Payment Date	Principal	Interest	Total
2018	\$ 77,000	\$ 66,025	\$ 143,025
2019	79,000	64,100	143,100
2020	81,000	62,125	143,125
2021	83,000	60,100	143,100
2022	85,000	58,025	143,025
2023	87,000	55,900	142,900
2024	90,000	53,725	143,725
2025	92,000	51,475	143,475
2026	94,000	49,175	143,175
2027	97,000	46,825	143,825
2028	99,000	44,400	143,400
2029	101,000	41,925	142,925
2030	104,000	39,400	143,400
2031	107,000	36,800	143,800
2032	109,000	34,125	143,125
2033	112,000	31,400	143,400
2034	115,000	28,600	143,600
2035	118,000	25,725	143,725
2036	121,000	22,775	143,775
2037	124,000	19,750	143,750
2038	127,000	16,650	143,650
2039	130,000	13,475	143,475
2040	133,000	10,225	143,225
2041	136,000	6,900	142,900
2042	140,000	3,500	143,500
	<u>\$ 2,641,000</u>	<u>\$ 943,125</u>	<u>\$ 3,584,125</u>

### 3. LONG-TERM DEBT (Continued)

#### General Governmental Type Debt (Continued)

On December 31, 2015 Uintah County issued \$33,385,000 of General Obligation, Series 2015 Refunding Bonds. The bonds are to be used for the advance refunding of Taxable Lease Revenue Bonds, Series 2008A. The Taxable Lease Revenue Bonds, Series 2008A were originally issued to help in the construction and furnishing of a new Public Safety Facility. Principal debt payments on G.O. Bonds, Series 2015 begin December 15, 2016 with payments ranging from \$1,185,000 to \$2,390,000 annually. The bonds carry an interest rate ranging from 3.125% to 5.0%. Interest and principal payments begin on December 15, 2016 and continue until December 15, 2034 when both principal and interest payments are made. The repayment schedule is as follows:

Principal Payment Date	Principal	Interest	Total
2018	\$ 1,250,000	\$ 1,216,387	\$ 2,466,387
2019	1,315,000	1,153,888	2,468,888
2020	1,380,000	1,088,137	2,468,137
2021	1,450,000	1,019,138	2,469,138
2022	1,520,000	946,637	2,466,637
2023	1,595,000	870,638	2,465,638
2024	1,675,000	790,887	2,465,887
2025	1,760,000	707,138	2,467,138
2026	1,850,000	619,137	2,469,137
2027	1,920,000	545,138	2,465,138
2028	1,965,000	501,937	2,466,937
2029	2,045,000	423,338	2,468,338
2030	2,125,000	341,537	2,466,537
2031	2,190,000	277,788	2,467,788
2032	2,255,000	212,087	2,467,087
2033	2,325,000	144,438	2,469,438
2034	2,390,000	74,687	2,464,687
	<u>\$ 31,010,000</u>	<u>\$ 10,932,937</u>	<u>\$ 41,942,937</u>

3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

On July 31, 2008 Uintah County Municipal Building Authority issued \$10,000,000 of Lease Revenue Bonds, Series 2008B. The bonds are to be used for the construction and furnishing of a new Public Safety Facility. Principal debt payments begin June 1, 2021 with payments ranging from \$314,000 to \$596,000 annually. The bonds carry an interest rate of 2.50%. Interest only payments begin on June 1, 2011 and continue until June 1, 2021 when both principal and interest payments on the bonds begin. The repayment schedule is as follows:

Principal Payment Date	Principal	Interest	Total
2018		\$ 226,925	\$ 226,925
2019		226,925	226,925
2020		226,925	226,925
2021	\$ 391,000	226,925	617,925
2022	401,000	217,150	618,150
2023	411,000	207,125	618,125
2024	422,000	196,850	618,850
2025	432,000	186,300	618,300
2026	443,000	175,500	618,500
2027	454,000	164,425	618,425
2028	465,000	153,075	618,075
2029	477,000	141,450	618,450
2030	489,000	129,525	618,525
2031	501,000	117,300	618,300
2032	514,000	104,775	618,775
2033	526,000	91,925	617,925
2034	540,000	78,775	618,775
2035	553,000	65,275	618,275
2036	567,000	51,450	618,450
2037	581,000	37,275	618,275
2038	596,000	22,750	618,750
2039	314,000	7,850	321,850
			-
	<u>\$ 9,077,000</u>	<u>\$ 3,056,475</u>	<u>\$ 12,133,475</u>



3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

On December 21, 2011, the Uintah County Municipal Building Authority issued \$711,000 of Series 2011A Taxable Lease Revenue Bonds. The bonds are to be used for the construction of a new fence around the Uintah County Airport. Principal debt payments begin October 1, 2012 and mature on October 1, 2031. The principal payment amounts ranging from \$27,000 to \$36,000 annually. The bonds carry an interest rate of zero percent interest. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2018	\$ 36,000
October 1, 2019	36,000
October 1, 2020	36,000
October 1, 2021	36,000
October 1, 2022	36,000
October 1, 2023	36,000
October 1, 2024	36,000
October 1, 2025	36,000
October 1, 2026	36,000
October 1, 2027	36,000
October 1, 2028	36,000
October 1, 2029	36,000
October 1, 2030	36,000
October 1, 2031	10,765
	<u>\$ 478,765</u>

3. **LONG-TERM DEBT (Continued)**

**General Governmental Type Debt (Continued)**

On December 21, 2011, the Uintah County Municipal Building Authority issued \$850,000 of Series 2011B Taxable Lease Revenue Bonds for the purpose of purchasing a snowplow to be used at the Uintah County airport. Principal repayments on the bonds begin October 1, 2012, and mature October 1, 2026 with payments ranging from \$52,000 to \$57,000 annually and carry zero percent interest. The new snowplow is collateral for these bonds. The repayment schedule is as follows:

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2018	\$ 57,000
October 1, 2019	57,000
October 1, 2020	57,000
October 1, 2021	57,000
October 1, 2022	57,000
October 1, 2023	57,000
October 1, 2024	57,000
October 1, 2025	57,000
October 1, 2026	4,587
	<u>\$ 460,587</u>

#### **4. DEPOSITS AND INVESTMENTS**

It is the County's policy to follow the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Section 51, Chapter 7) (the Act) in handling its depository and investment transactions. The Act creates the Utah Money Management Council (the "Council"), a five-member body, appointed by the Governor of the State, which exercises oversight of public deposits and investments.

The County maintains a cash and investment pool that is used by all funds. Each major fund's portion of this pool, and the aggregate portion of the pool relating to non-major funds and internal service funds, is displayed on the Balance Sheet for Governmental Funds and the Statement of Net Position for proprietary funds, respectively, as "cash and cash equivalents." Total non-fiduciary cash and cash equivalents are also reflected on the government-wide Statement of Net Position. The fiduciary fund's portion is found on the Statement of Fiduciary Assets and Liabilities. Income from the investment of the pooled cash is allocated based on each fund's balance in the pool. In addition, cash is separately held by several funds.

##### ***Custodial Credit Risk-Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's deposits are insured up to \$250,000, per account by the Federal Deposit Insurance Corporation. The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Uninsured deposits are not collateralized nor are they required to be by State statute. At December 31, 2017, the bank balance of the County's deposits was \$2,153,044 of which Federal Deposit Insurance Corporation covers \$451,397.

##### ***Investments***

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

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

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

#### **4. DEPOSITS AND INVESTMENTS (Continued)**

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

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act (Utah Code, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant’s average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

##### ***Fair Value of Investments***

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

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

#### 4. DEPOSITS AND INVESTMENTS (Continued)

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

		Fair Value Measurements Using		
	12/31/2017	Less Level 1	Level 2	Level 3
<b><u>Investments by fair value level</u></b>				
<u>Debt Securities</u>				
Money Market Mutual Funds	\$ 1,798,507		\$ 1,798,507	
Bond Mutual Funds	617,860		617,860	
U.S. Treasuries	259,579	\$ 248,704	10,875	
U.S. Agencies	12,999,843	12,999,843		
Corporate Bonds	12,681,779	12,681,779		
Utah Public Treasurers'				
Investment Fund	62,769,229		62,769,229	
Total investments	<u>\$ 91,126,797</u>	<u>\$ 25,930,326</u>	<u>\$ 65,196,471</u>	<u>\$ ...</u>

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

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund;
- Utah Public Treasurers' investment Fund: application of the December 31, 2017 fair value factor, as calculated by the Utah State Treasurer, to the County's average daily balance in the Fund; and
- Donated Real Estate: recent appraisals of the real estate's value.

#### 4. **DEPOSITS AND INVESTMENTS (Continued)**

##### ***Interest Rate Risk***

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act. Section 51-7-11 of the Money Management Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days – 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

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

<b><u>Investment Type</u></b>	12/31/2017 Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
<b><u>Debt Securities</u></b>					
Money Market Mutual Funds	\$ 1,798,507	\$ 1,798,507			
Bond Mutual Fund	617,860	617,860			
U.S. Treasuries	259,579	259,579			
U.S. Agencies	12,999,843				
Corporate Bonds	12,681,779		\$ 12,681,779		
Utah Public Treas. Invest. Fund	62,769,229	62,769,229			
Total investments	<u>\$ 91,126,797</u>	<u>\$ 65,445,175</u>	<u>\$ 12,681,779</u>	<u>\$ ...</u>	<u>\$ ...</u>

##### ***Credit Risk***

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

#### 4. **DEPOSITS AND INVESTMENTS (Continued)**

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

<b><u>Investment Type</u></b>	<b><u>12/31/2017 Fair Value</u></b>	<b><u>Quality Rating</u></b>
<b><u>Debt Securities</u></b>		
Money Market Mutual Funds	\$ 1,798,507	Unrated
Bond Mutual Fund	617,860	A or higher
U.S. Treasuries	259,579	Unrated
U.S. Agencies	12,999,843	Unrated
Corporate Bonds	12,681,779	A or higher
Utah Public Treas. Invest. Fund	62,769,229	Unrated
Total investments	<u><u>\$ 91,126,797</u></u>	

#### ***Concentration of Credit Risk***

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

At December 31, 2017, the County held more than 5 per cent of total investments in securities of Corporate Bonds (\$12,681,779), U.S. Agencies (\$12,999,843) and Utah Public Treasurer's Investment Fund (\$62,769,229) which represent 13.92%, 14.27% and 68.89% respectively of the County's total investments.

#### ***Custodial Credit Risk***

Custodial credit risk for investments is the risk that, in the event of a failure of the counter party, the County will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The County complies with the custody requirements of the Utah Money Management Act and Rules of the Money Management Council. All investment securities are required to be held by the public treasurer, in safekeeping by a bank or trust company, or in a book-entry-only record maintained by a securities depository, in the Federal Book Entry system or in the book-entry records of the issuer of the security in the name of the public entity. All investment securities are held in a qualified depository certified by the Commissioner of Financial Institutions as adhering to the rules of the Utah Money Management Council or in the book entry records of the issuer of the security.

The County's investments at December 31, 2017 were held by the County or in the County's name by the County's custodial banks, trust companies or agent with qualified depositories totaling \$91,126,797. Of this amount \$62,769,229, were held by the Utah Public Treasurer's Investment Fund where the underlying securities were uninsured.

## 5. **PENSION PLANS**

### ***General Information about the Pension Plan***

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust Funds:

### **Defined Benefit Plans**

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

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

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

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



## 5. PENSION PLANS (Continued)

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

### Summary of Benefits by System

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

\*with actuarial reductions

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

5. **PENSION PLANS (Continued)**

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

**Utah Retirement Systems**

	Employee	Employer	Employer 401(k)
<b>Contributory System</b>			
11 Local Government Div - Tier 1	6.00	14.46	N/A
111 Local Government Div - Tier 2	N/A	15.11	1.58
<b>Noncontributory System</b>			
15 Local Governmental Div - Tier 1	N/A	18.47	N/A
<b>Public Safety System</b>			
<b>Contributory</b>			
122 Tier 2 DB Hybrid Public Safety	N/A	22.57	1.26
<b>Noncontributory</b>			
43 Other Div A with 2.5% COLA	N/A	34.04	N/A
<b>Tier 2 DC Only</b>			
211 Local Government	N/A	6.69	10.00
222 Public Safety	N/A	11.83	12.00

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

## 5. PENSION PLANS (Continued)

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

<b>System</b>	<b>Employer Contributions</b>	<b>Employee Contributions</b>
Noncontributory System	\$ 1,183,066	N/A
Public Safety System	668,028	-
Tier 2 Public Employees System	433,557	-
Tier 2 Public Safety and Firefighter	230,223	-
Tier 2 DC Only System	31,135	N/A
Tier 2 DC Public Safety and Firefighter System	5,231	N/A
Total Contributions	<u>\$ 2,551,239</u>	<u>\$ -</u>

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

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

At December 31, 2017, we reported a net pension asset of \$9,479 and a net pension liability of \$9,072,948.

	(Measurement Date): December 31, 2016				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2015	Change (Decrease)
Noncontributory System	\$ -	\$ 5,667,854	0.8826751%	0.2506316%	0.6320435%
Contributory System	-	22,836	0.0695969%	14.8657144%	(14.7961175)%
Public Safety System	-	3,341,878	1.6468326%	1.6947110%	(0.0478784)%
Tier 2 Public Employees System	-	40,380	0.3619962%	0.3968809%	(0.0348847)%
Tier 2 Public Safety and Firefighter	9,479	-	1.0918107%	1.4339945%	(0.3421838)%
	<u>\$9,479</u>	<u>\$9,072,948</u>			

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

For the year ended December 31, 2017, we recognized pension expense of -\$3,871,038.

## 5. PENSION PLANS (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 130,116	\$ 459,130
Changes in assumptions	1,379,693	305,810
Net difference between projected and actual earnings on pension plan investments	1,993,854	588,129
Changes in proportion and differences between contributions and proportionate share of contributions	2,905,488	72,550
Contributions subsequent to the measurement date	2,551,239	-
Total	<u>\$ 8,960,390</u>	<u>\$ 1,425,619</u>

\$2,551,239 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2016.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2017	\$ 1,524,776
2018	1,626,521
2019	1,637,780
2020	159,671
2021	2,731
Thereafter	32,054

## 5. PENSION PLANS (Continued)

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

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

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

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

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40.00%	7.06%	2.82%
Debt securities	20.00%	0.80%	0.16%
Real assets	13.00%	5.10%	0.66%
Private equity	9.00%	11.30%	1.02%
Absolute return	18.00%	3.15%	0.57%
Cash and cash equivalents	0.00%	0.00%	0.00%
Totals	100%		5.23%
	Inflation		2.60%
	Expected arithmetic nominal return		7.83%

## 5. PENSION PLANS (Continued)

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

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

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

<b>System</b>	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Noncontributory System	\$ 11,740,047	\$ 5,667,854	\$ 600,942
Contributory System	54,973	22,836	(4,237)
Public Safety System	6,950,349	3,341,878	408,684
Tier 2 Public Employees System	274,856	40,380	(137,997)
Tier 2 Public Safety and Firefighter	66,308	(9,478)	(67,717)
Total	<u>\$ 19,086,533</u>	<u>\$ 9,063,470</u>	<u>\$ 799,675</u>

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

5. **PENSION PLANS (Continued)**

**Defined Contribution Savings Plans**

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

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

- \*401(k) Plan
- \*457 (b) Plan
- \*Roth IRA Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended December 31, were as follows:

		2017	2016	2015
<b>401(k) Plan</b>				
Employer Contributions	\$	828,845	\$ 874,991	\$ 817,713
Employee Contributions		468,705	533,576	493,265
<b>457 Plan</b>				
Employer Contributions	\$	-	\$ -	\$ -
Employee Contributions		146,065	167,259	162,794
<b>Roth IRA Plan</b>				
Employer Contributions		N/A	N/A	N/A
Employee Contributions	\$	61,940	\$ 59,648	\$ 48,379

6. **CONTINGENT LIABILITIES**

Uintah County has several pending lawsuits and notice of claims filed by different individuals. These cases are currently pending and the outcome is undeterminable at this time. The County has taken the position to vigorously contest these suits.

**7. PROPERTY TAX CALENDAR**

The County adopts, by June 22, the proposed tax rates as part of its budget for the current year, which began January 1. If the proposed rates exceed a certified tax rate, special public hearings must be held before the final rate is adopted. The final tax rate is assessed by the county assessor on property in the County on the prior January 1. The taxes are payable to the county treasurer by the end of November and are remitted to the County by the county treasurer as collected.

**8. SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The County maintains Enterprise Funds, which provide sanitation services, telecommunication, special activities and nursing home services. Segment information for the year ended December 31, 2017 is as follows:

	<u>Landfill</u>	<u>Telecom- munications</u>	<u>Western Park</u>	<u>Care Center</u>
Operating Revenues:				
Charges for services	\$ 705,416	\$ 160,211	\$ 287,668	
Depreciation expense	1,479	2,565	242,159	
Operating income (loss)	192,929	(9,123)	(1,185,847)	
Tax revenues			822,242	\$ 1,040
Operating transfers in (out)		58,800		
Change in Net Position	217,551	51,224	(318,215)	(14,699)
Property, plant and equipment:				
Additions	23,945		127,018	
Deletions		(5,633)		
Net working capital	1,947,147	127,228	982,183	20,055,460
Total assets	2,057,493	141,595	10,539,884	20,055,460
Total net position	1,930,672	128,764	10,241,669	20,055,460



**9. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1992, the County joined together with other counties in the State to form the Utah Association of Counties (UAC), a public entity risk pool currently operating as a common risk management and insurance program for member Counties. The County pays an annual premium to UAC for its general insurance coverage. The Agreement for Formation of the UAC provides that UAC will be self-sustaining through member premiums and will reinsure through commercial companies.

The County continues to carry commercial insurance for workers compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past two years.

**10. MUNICIPAL SOLID WASTE LANDFILL**

Uintah County has a landfill that operates within the County. The County has filed with the State for operating permits for the landfill and has received a written approval. The County has received the landfill permit to stay in operation effective June 15, 2015 and expires June 15, 2025. On June 15, 2015 Uintah County received a permit renewal from the State of Utah to continue the operation of the Uintah Landfill. The State has extended the permit for a period of ten year with the Closure Cost Revision date of June 15, 2020. The State of Utah is the source of regulations for the permitting and operation of landfills.

Uintah County has obtained information necessary to determine the nature and source of landfill closure and post closure care requirements. An amount of liability for closure and post closure care costs, estimated total current cost of closure and post closure care remaining to be a recognized, percentage of landfill capacity used to date and the nature of the estimates and the potential for changes due to inflation or deflation, technology, or applicable laws or regulations has been calculated by the County and the engineers. At December 31, 2017, closure and post closure costs are estimated at \$356,031 for the Uintah County Municipal Landfill and \$49,394 for the Lapoint Landfill. The County has not recognized any estimated costs of closure and post closure only those costs of maintaining the Landfill and current costs associated with ongoing closure costs. The County has set aside an amount of \$159,033 to be put into an account held by the Utah Public Treasurer's Investment Pool. Each year the County will contribute an additional \$6,500 to this fund. The accumulated amount will be used for the above costs. Financial assurance is made by Uintah County. Any short fall will be paid by the County. The County estimates the remaining current Uintah County and Lapoint landfills capacity life to be 10 years plus. The percentage of capacity used is estimated at 20%.

## 11. RECONCILIATION OF INTERFUND TRANSFERS

The following table provides a reconciliation of all interfund transfers:

	TRANSFERS IN				Total
	Capital Projects Funds	Municipal Building Authority	Nonmajor Business-Types Funds	Nonmajor Governmental Funds	
Transfer Out:					
General Fund	\$ 1,000,000		\$ 58,800	\$ 77,400	\$ 1,136,200
Nonmajor Funds				414,000	414,000
	\$ 1,000,000	\$ ...	\$ 58,800	\$ 491,400	\$ 1,550,200

A transfer from the Food Service Tax Fund in the amount of \$414,000 was made to the Transient Room Tax Fund to help with cost associated with tourism. The General Fund made transfers to the Drug Court Fund in the amount of \$77,400, to help cover costs of drug rehab and the operation of the program. The General Fund also made transfers to the Capital Project and Tele-communication Funds in the amounts of \$1,000,000 and \$58,800 respectively. The transfer to the Capital Projects Fund was to accumulate funds for future purchase of capital equipment and the construction of capital projects. The transfer to the Tele-communication Fund was to provide funding to help cover the cost of the Tele-communication Fund's operating costs.

## 12. USE OF ESTIMATES

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America 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 basic financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

## 13. FUND BALANCE RESTRICTIONS/NET POSITION RESTRICTIONS

The county has restricted the following fund balances of governmental funds and net position for proprietary funds:

### Governmental Funds

\$6,808,018 has been restricted in the "B" Road Fund for the purpose of maintaining, improving, repairing or replacement of "B" roads in Uintah County.

\$1,130,974 has been restricted through a certified rate to be used in the Assessing and Collecting Fund to help in meeting the costs associated with the assessing and collecting of property taxes in the County.

**13. FUND BALANCE RESTRICTIONS/NET POSITION RESTRICTIONS (Continued)**

**Governmental Funds (Continued)**

\$2,775,835 has been restricted in the Municipal Building Authority Fund for the purpose of paying principal and interest on general long-term debt. Part of these funds are to be used for the maintenance of current facilities.

\$1,571,736 has been restricted in the Flood Control Funds to be used for the purpose of helping offset the costs of flooding in the County.

\$1,135,118 has been restricted in the Tri-County Health District Fund by state and federal governments along with contribution from other local governments for the purpose of providing basic public health services for residents within the District's boundaries.

\$6,704,970 has been restricted in the Tax Stability Fund for the purpose of providing funding for the County during hard economic times.

\$613,031 has been restricted through collection of transient room tax to be used to help promote economic development and tourism.

\$442,030 has been restricted through the collection of sales tax to be used for the promotion of tourism and food services in the County.

\$1,062,067 has been restricted in the Tort Liability Fund for the purpose of meeting the costs of providing insurance and meeting claims for liability issues for the County.

\$1,053,141 has been restricted in the Debt Service Fund for the purpose of meeting the payment requirement of principal and interest on General Obligation debt.

\$3,996,839 has been restricted in the Library Fund for the purpose of covering the operation and maintenance of the Library and help cover the costs in the construction of a new County Library.

**Proprietary Funds**

\$50,964 has been restricted in the Western Park Fund to be invested and to accumulate an amount necessary to retire bonds.

\$159,033 has been restricted in the Landfill Fund as a post closure reserve fund to cover costs to close the landfill and maintain the landfill after closure.

\$20,055,460 has been restricted due to a special sale tax to be used for the Uintah Care Center for current and future operation of the facility.

The County has also restricted nets position in the Government-wide financial statements. The nets position restricted are the same amounts that have been restricted in the fund financial statements.

#### **14. TERMINATION BENEFITS**

The County pays termination benefits to employees of the County that qualify under their policy. The policy states that the County will pay up to 90 percent of an employee's health insurance premium after retirement if they qualify for a pension through the Utah State Retirement System and have worked 20 years for the County. If employees have worked less than 20 years, the County will pay 5% per year as a percentage of the 90% benefit. Therefore, if an employee had worked for 10 years and qualified for a pension through the Utah State Retirement System the County would pay 50% of the 90% health insurance benefit. This benefit is available to employees only until they qualify for Medicare. For the year ended December 31, 2017, the County paid \$135,553 of termination benefits. At December 31, 2017, the County had 10 employees that qualified for this benefit. The County has elected to pay termination benefits on a pay-as-you-go basis.

The present value of expected future benefit payments is \$1,005,463. To determine this benefit the County has discounted expected future benefits at a discount rate of 1.37% and used healthcare cost trend rate of 15.00%.

#### **15. OTHER POST EMPLOYMENT BENEFITS**

Tri-County Health Department, a component unit of Uintah County, offers certain other post-employment benefits to its employees. During 2008, the District hired a firm to help in calculating the District's annual required contribution. The District's fiscal year end is June 30, and the annual required contribution for the District is due June 30, 2009. Scenic Valley Associates used the Alternative Measurement Method in their calculation and it was determined that Tri-County Health Department has an annual required contribution of \$29,089. Some of the key results of the analysis is normal costs equaled \$14,831 with amortization payment of \$14,258. The unfunded actuarial accrued liability was calculated to be \$246,529. During the year ended December 31, 2009, the Tri-County Health Department fully funded their obligation for retirement. Since the 2008 calculation of the District's actuarial pension liability and the District fully funding this liability, there has not been any additional calculation on what current and future pension liability the District may have accrued. The District has changed its policy regarding how employees qualify for other post-employment benefits. The Health Director has retired and was one of the main individuals at the District which was accumulating these benefits. It is the feeling of District management that since the original liability was \$246,529 for all benefits accrued up until 2008 that any benefits that have accrued since that time would not be material to the financial statements. At December 31, 2017, there were 9 employees that still qualified for these benefits and only 4 employees that have accumulated the major benefit. Total benefit that has accrued to date per Tri-County Health is \$171,755. The fair market value of funds in trust to pay these benefits at December 31, 2017 was \$236,708.

#### **16. RESTRICTED CASH AND CASH EQUIVALENTS**

The County has restricted certain cash and investments in governmental and enterprise funds in the following amounts for the purposes indicated below:

Governmental Funds:

Municipal Building Authority	\$ 1,337,383
Permanent Fund	6,650,719
Internal Service Fund	100,000

16. **RESTRICTED CASH AND CASH EQUIVALENTS (Continued)**

Enterprise Funds:

Western Park Fund	\$ 50,964
Uintah Care Center Fund	20,055,314
Landfill Fund	159,033

Municipal Building Authority Fund – These are funds that have been restricted and set aside in escrow and reserve accounts to be used to make principal and interest payments on various revenue bonds or to meet reserve retainage requirements.

Permanent Fund – The County created a Tax Stability Fund to be used at slow economic times. These funds cannot be used without a public hearing and notification of the general public and approval of the County Commissioners.

Western Park Fund – The fund has restricted money in an escrow account to be used for the retirement of limited obligation bonds.

Uintah Care Center Fund - These are funds that have been generated through a special sales tax levy and are to be used for the current and future operation and maintenance of the Uintah Care Center.

Landfill – The County has set aside funds on an annual basis into the Public Treasurers Investment Pool to be used for closure and post closure costs associated with its Landfills.

Internal Service Fund - These funds are held as deposits by Blue Cross and Blue Shield and are restricted and are not available to be used by the County.

17. **FUND EQUITY**

In February 2009, GASB issued Statement No. 54 *Fund Balance Reporting and Governmental Fund Type Definitions*, effective for fiscal years beginning after June 15, 2010. Fund balance classification changes apply only to governmental fund types; thus, only fund financial statements are affected.

**Nonspendable Fund Balance** – Fund balances are reported as nonspendable when they cannot be spent because they are not spendable in form or are legally or contractually required to be maintained intact.

**Restricted Fund Balance** - Fund balances are reported as restricted when they are constrained by externally imposed legal restrictions, or by law through constitutional provisions or enabling legislation.

**Committed Fund Balance**-Fund balances are reported as committed when the County Commission, the County's highest level of decision-making authority, formally designates the use of resources, by resolution or ordinance, for a specific purpose. The same formal action must be taken to remove or change the constraints placed on the resources.

**17. FUND EQUITY (Continued)**

**Assigned Fund Balance**-Fund balances are reported as assigned when the County intends to use funds, which are neither restricted nor committed, for a specific purpose. Additionally, funds in special revenue, debt service, and capital project funds are by their nature assigned to the purpose of those respective funds. The County Commission is the body which assigns funds for specific uses.

**Unassigned Fund Balance**-Fund balances in the general fund are reported as unassigned when they are neither restricted, committed nor assigned. They may be used for any governmental purpose. In other governmental funds, the unassigned classification is only used to report a negative fund balance.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the unwritten policy and practice of the County to consider restricted amounts to have been spent first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the unwritten policy and practice of the County that committed amounts will be spent first, followed by assigned amounts, and then unassigned amounts.

The County has not adopted a formal policy regarding a minimum fund balance, but follows Utah State law which requires all County's to maintain a minimum general fund balance equal to 5% of total general fund revenues to be maintained and not budgeted.

**18. NOTE RECEIVABLES**

The County has two note receivables in the Uintah County Municipal Building Authority Fund (MBA). These receivables were generated from the MBA issuing Lease Revenue Bonds and using the proceeds to construction two buildings, one for Northeastern Counseling Center and the other for Uintah Recreation Special Service District. After the construction of these buildings was completed, the County sold the buildings to Northeastern Counseling Center and Uintah Recreation District respectively through the means of capital leases. Currently, the County has a note receivable with Northeastern Counseling Center in the amount of \$133,532 and is to receive annual payments of \$32,500 through the year 2021. The County also has a note receivable with Uintah Recreation District for the purchase of the recreation center in the amount of \$3,173,002 with annual payments ranging from of \$167,000. The final payment from Uintah Recreation District will be received in 2037.

**19. STABILIZATION FUNDS**

Uintah County has passed ordinance 12-12-89-3, which has allowed the County to establish a Tax Stability Trust Fund, for the purpose of preserving funds during years with favorable tax revenues for use during years with less favorable tax revenues. Under the ordinance the County was allowed to transfer \$2,000,000 into the Tax Stability Trust Fund from the County's General Fund. Additions to the principal in this fund will be through the authority of the ordinance or by the Fund retaining the interest earning each year. The stabilization funds can be used if the County is faced with economic hardship and a substantial reduction in property tax revenues by holding a public hearing and with the vote of the County Commissioners to approve the use of these funds. During the year ended December 31, 2017, the County assessed a certified rate in this fund in an effort to generate additional funds because of the reduction of oil and gas price in the last couple of years. At the end of December 31, 2017, the County had cash of \$6,650,719 in their Tax Stability Trust Fund.

**20. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows 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. The County reports two types of deferred outflow of resources. The first is related to the issuance of General Obligation Series 2015 Refunding bonds. The difference between the reacquisition price of the old bonds and the net carrying amount of the old bonds is the deferred outflow of resources to be amortized over the life of the old or new bonds, whichever is the shorter. The second deferred outflow relates to pensions which are created from the difference of the measurement of pension liability and payments on pension obligations subsequent to the measurement date.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County reports two of these items which relates to pensions and taxes assessed. The deferred inflow of resources was created because of the differences between expected and actual experiences and changes in assumptions as they relate to pension accounting and reporting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**21. CONSTRUCTION COMMITMENT**

During the year ended December 31, 2016, Uintah County entered into a construction contract with W.W. Clyde & Company, to perform the project called Airport Runway Reconstruction Project. The project consisted of the construction of a new airport runway. The amount of the contract is for \$14,612,762 including change orders. At December 31, 2017, the contractor had completed and finished the project.

**22. ADVANCE REFUNDING**

On December 15, 2015, Uintah County issued \$33,385,000 of general obligation refunding bonds with a premium of \$3,219,420. The County issued the bonds to advance refund \$35,515,000 of outstanding Lease Revenue Bonds, Series 2008A. The County deposited the net proceeds along with other resources in an irrevocable trust to provide for all future debt service of the refunded portion of the bonds. As a result, the refunded portion of those bonds is considered defeased and the County has removed the liability from its accounts. The advance refunding reduced total debt service payments over the next 6 years by \$14,037,991. This results in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$6,858,885. The principal balance due of the defeased Series 2008A lease revenue bonds at December 31, 2017 was \$33,515,000.

The premium of \$3,219,420 from the issuance of the refunding bonds is required to be amortized over the life of the new debt, which is 19 years. Each year \$169,443 will be amortized and reported as income.

Also, associated with the refunding bonds of 2015, a deferred outflow of resources was created, which was the difference between the reacquisition price (amount placed in escrow to pay principal on old debt and any call premium) and the net carrying amount (amount due at maturity adjusted for any premium or discount relating to the old debt). The amount of the deferred outflow of resources created was \$4,500,942. This amount will be amortized over the life of the new debt which is nineteen years. Each year's amortization will be \$236,892.

**23. BOND REPAYMENT**

On July 31, 2008, Uintah County Municipal Building Authority issued \$10,000,000 of Lease Revenue Bonds, Series 2008B. These bonds were used for the construction and furnishing of a new Public Safety Facility. The repayment of the principal was to begin on June 1, 2021. During the year ended December 31, 2017, Uintah County made a second principal prepayment on these bonds in the amount of \$515,000.

**24. SUBSEQUENT EVENT**

During the year ended December 31, 2017, Anadarko Uintah Midstream, L.L.C. appealed the assessed valuation on property in Uintah County to the State of Utah under appeal number 16-925. The original assessed value for Anadarko's property was \$379,505,548 and was later revised to \$126,442,114. This resulted in a tax refund to Anadarko Uintah Midstream, L.L.C of \$2,811,028.62. Uintah County's portion to be refunded to Anadarko amounted to \$727,304.31. The County entered into an agreement with Anadarko to repay the tax refund over seven years without being charged interest on the outstanding balance due. The annual payment to Anadarko from Uintah County will be \$103,900.62. The annual repayment amount will be allocated back to the individual funds of Uintah County that have charged a certified tax rate according to their proportionate share of the overall certified tax rate. During the year ended December 31, 2017, the County made the first of seven payments to Anadarko in the amount of \$103,900.62.



## 25. PRIOR PERIOD ADJUSTMENTS

During the year ended December 31, 2017, it was necessary to make prior period adjustments to increase the fund balance of the following funds in the amounts shown:

	<u>Sales and Other Taxes</u>	<u>Fair Market Adjustment</u>	<u>Total Prior Period Adj</u>
Governmental Funds			
General	\$ 857,999		\$ 857,999
Transient room tax	51,560		51,560
Food service fund	63,549		63,549
911 Emergency fund	<u>73,323</u>		<u>73,323</u>
 Total Governmental Funds	 <u>\$ 1,046,431</u>	 <u>\$ ...</u>	 <u>1,046,431</u>
Business-Type Funds			
Western Park	<u>\$ 122,102</u>	<u>\$ 40,089</u>	<u>\$ 162,191</u>

All of these prior period adjustments are related to different types of taxes collected by the State of Utah including sales tax, transient room tax, and 911 franchise taxes. The State of Utah collects these taxes then distributes them to the respective governmental, such as, cities, towns and counties. There is a timing difference between when these taxes are collected by the State of Utah versus when they are distributed to the different governments. In previous years, these taxes and other revenues collected have been reported in the County's financial statement based on the date of the required distribution. In 2017, it was found that taxes collected and distributed by the State of Utah were two months late in being distributed. Therefore, in 2017, it was necessary to accrue payments made to the County for the months of January and February of 2018 for the year ended December 31, 2017. Also, because of this timing difference, it was necessary to make prior period adjustment in the amounts and to the fund balances in the Funds listed above for taxes received in January and February of 2017. There also was a fair market adjustment to the Western Park fund balance because of the fair market increase to investments from prior years.

**25. PRIOR PERIOD ADJUSTMENTS (Continued)**

In the government wide financial statements, the above adjustments were made with an additional adjustment for termination benefit payable accrued in prior years.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Sales and other taxes	\$ 1,046,431	\$ 122,102
Fair market adjustment		40,089
Termination benefits	<u>(852,267)</u>	<u></u>
Total prior period adjustment for Government-wide financial statements	<u>\$ 194,164</u>	<u>\$ 162,191</u>

# **UINTAH COUNTY**

## **Required Supplementary Information**

SCHEDULE 1 Schedule of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual – General Fund

SCHEDULE 2 Information About Infrastructure Assets Reported Using the Modified  
Approach

SCHEDULE 3 Schedule of the Proportionate Share of the Net Pension Liability

SCHEDULE 4 Schedule of Contributions - Pensions

Notes to the Required Supplementary Information

**UINTAH COUNTY  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL AMOUNTS	
REVENUES				
Taxes				
General property taxes - current year	\$ 8,045,000	\$ 8,045,000	\$ 7,823,834	\$ (221,166)
General property taxes - prior years	150,000	226,000	232,503	6,503
Penalties and interest on delinquent taxes	100,000	100,000	159,248	59,248
General sales and use tax	3,614,550	3,614,550	5,165,337	1,550,787
Total taxes	\$ 11,909,550	\$ 11,985,550	\$ 13,380,922	\$ 1,395,372
Licenses and permits:				
Non-business licenses and permits	\$ 86,000	\$ 186,000	\$ 200,587	\$ 14,587
Total licenses and permits	\$ 86,000	\$ 186,000	\$ 200,587	\$ 14,587
Intergovernmental:				
Federal	\$ 341,900	\$ 371,400	\$ 311,774	\$ (59,626)
State	413,400	423,400	374,745	(48,655)
Other	12,000	12,000	21,907	9,907
Total intergovernmental	\$ 767,300	\$ 806,800	\$ 708,426	\$ (98,374)
Charges for services:				
Departmental fees	\$ 300,100	\$ 330,100	\$ 397,822	\$ 67,722
Inmate and other protective service fees	2,131,400	2,258,400	2,609,247	350,847
Other charges for services	473,450	535,350	624,070	88,720
Total charges for services	\$ 2,904,950	\$ 3,123,850	\$ 3,631,139	\$ 507,289
Fines and forfeitures	\$ 408,000	\$ 373,000	\$ 211,148	\$ (161,852)
Miscellaneous:				
Investment earnings	\$ 35,000	\$ 35,000	\$ 123,001	\$ 88,001
Sale of material, supplies and equipment		150,000	152,665	2,665
Fuel tax refund/aviation fuel tax	5,000	5,000	17,083	12,083
Private donations	186,000	186,000		(186,000)
Other	40,000	40,000	54,757	14,757
Total miscellaneous	\$ 266,000	\$ 416,000	\$ 347,506	\$ (68,494)
Total Revenues	\$ 16,341,800	\$ 16,891,200	\$ 18,479,728	\$ 1,588,528

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

**SCHEDULE 1**  
**(Continued)**

**UINTAH COUNTY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGET AMOUNTS			VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL	ACTUAL AMOUNTS	
EXPENDITURES				
Current:				
General government:				
Commission	\$ 536,133	\$ 536,133	\$ 508,576	\$ 27,557
Justice court	398,800	398,800	386,996	11,804
Public defender	530,700	680,700	631,985	48,715
Personnel/Administrator	234,001	274,001	243,944	30,057
Clerk/Auditor	431,790	431,790	380,163	51,627
Treasurer	66,643	66,643	39,495	27,148
Recorder	324,978	329,978	317,259	12,719
Attorney	1,699,272	1,824,272	1,661,131	163,141
Assessor	129,910	129,910	16,526	113,384
Surveyor	54,000	64,000	58,155	5,845
Non-Departmental	1,037,149	1,094,449	485,781	608,668
Data processing	270,022	270,022	174,055	95,967
Purchase agent	1,500	1,500		1,500
Geographical info system/surveyor	45,869	45,869	37,743	8,126
Building and grounds	721,632	756,632	692,293	64,339
Total general government	\$ 6,482,399	\$ 6,904,699	\$ 5,634,102	\$ 1,270,597
Public safety:				
Emergency services	\$ 263,800	\$ 268,300	\$ 259,876	\$ 8,424
Weed control	197,200	197,200	185,878	11,322
Jail complex	5,540,100	5,540,100	5,186,442	353,658
Public safety complex	693,800	693,800	663,074	30,726
Corrections support services	6,500	6,500	2,021	4,479
Children's justice center	128,550	138,550	130,812	7,738
Total public safety	\$ 6,829,950	\$ 6,844,450	\$ 6,428,103	\$ 416,347
Public health:				
Public health - turning point	\$ 292,250	\$ 292,250	\$ 268,384	\$ 23,866
Mental health	170,200	170,200	165,565	4,635
Total public health	\$ 462,450	\$ 462,450	\$ 433,949	\$ 28,501
Highways and public improvements:				
County roads	\$ 761,900	\$ 911,900	\$ 765,187	\$ 146,713
Total highways and public improvements	\$ 761,900	\$ 911,900	\$ 765,187	\$ 146,713

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

**UINTAH COUNTY**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
Park, Recreation and Public Property:				
Buckskin Hills	\$ 186,000	\$ 186,000	\$ 80,198	\$ 105,802
Cemeteries	430,000	430,000	430,000	
Total park, recreation and public property	<u>\$ 616,000</u>	<u>\$ 616,000</u>	<u>\$ 510,198</u>	<u>\$ 105,802</u>
Conservation and Economic Development:				
Agriculture and extension services	\$ 173,200	\$ 173,200	\$ 166,875	\$ 6,325
Affordable housing				
Economic development	176,500	176,500	154,033	22,467
Pass thru grants	195,000	215,000	188,320	26,680
Associations	103,550	103,550	93,817	9,733
Total conservation and economic development	<u>\$ 648,250</u>	<u>\$ 668,250</u>	<u>\$ 603,045</u>	<u>\$ 65,205</u>
Total expenditures	<u>\$ 15,800,949</u>	<u>\$ 16,407,749</u>	<u>\$ 14,374,584</u>	<u>\$ 2,033,165</u>
Excess of revenue over (under) expenditures	<u>\$ 540,851</u>	<u>\$ 483,451</u>	<u>\$ 4,105,144</u>	<u>\$ 3,621,693</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>\$ (1,136,200)</u>	<u>\$ (1,136,200)</u>	<u>\$ (1,136,200)</u>	
Total other financing sources (uses)	<u>\$ (1,136,200)</u>	<u>\$ (1,136,200)</u>	<u>\$ (1,136,200)</u>	<u>\$ ...</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (595,349)</u>	<u>\$ (652,749)</u>	<u>\$ 2,968,944</u>	<u>\$ 3,621,693</u>
Fund balances - beginning of year	13,050,546	13,050,546	13,050,546	
Prior period adjustments			857,999	857,999
Fund balances - end of year	<u><u>\$ 12,455,197</u></u>	<u><u>\$ 12,397,797</u></u>	<u><u>\$ 16,877,489</u></u>	<u><u>\$ 4,479,692</u></u>

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

## SCHEDULE 2

### UINTAH COUNTY INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED USING THE MODIFIED APPROACH FOR THE YEAR ENDED DECEMBER 31, 2017

As allowed by GASB Statement No. 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments, the County has adopted an alternative method for reporting costs associated with certain infrastructure assets. Under this alternative method, referred to as the "modified approach," infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of infrastructure assets reported under the modified approach.

In order to utilize the modified approach, the County is required to:

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

#### **Roads**

Utah County applies the modified approach only to the 491 paved, 813 gravel and 91 dirt lane-miles of roads considered to be owned by the County and maintained by the County's Public Works Department (i.e. for which, the County has legal jurisdiction). The goal of the County in conjunction with adopting the modified approach is to develop and provide a cost effective pavement maintenance and rehabilitation program that preserves the County's investment in its road network and enhances public transportation and safety.

#### Condition Rating of the County's Road System

Percentage of Lane-Miles in Good or Better Condition:

	Percentage					
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Paved	75	77	79	80	78	76
Gravel	68	67	72	73	74	75
Dirt	55	54	54	54	55	55
Overall System	66	66	68	69	69	68

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

**SCHEDULE 2**  
**(Continued)**

Condition Rating of the County's Road System (Continued)

Percentage of Lane-Miles in Substandard Condition is:

	Percentage					
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Paved	9	8	7	7	9	11
Gravel	10	10	10	10	10	10
Dirt	12	11	11	11	11	9
Overall System	10	10	9	9	10	10

Comparison of Needed-to Actual Maintenance/Preservation in 2012, 2013, 2014, 2015, 2016 and 2017 Roads:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Estimated	\$4,500,000	\$4,700,000	\$4,900,000	\$4,100,000	\$4,900,000	\$4,900,000
Actual	4,498,156	4,753,878	4,603,914	5,236,763	3,688,630	3,865,187

The condition of road pavement is measured using the American (AASHTO) pavement management system, which is based on stress factors found in pavement surfaces. The AASHTO pavement management system uses a measurement scale that is based on a condition index ranging from zero for a failed pavement to 100 for a pavement in perfect condition. The condition index is used to classify road in good condition (70-100), fair condition (50-69), and substandard condition (less than 50). It is the County's policy to maintain at least 55 percent of its road system at a good or better condition level. No more than 15 percent should be in substandard condition. Condition assessments are determined every year.

This schedule presents the information for the last six years as required.

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



**UINTAH COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**AS OF DECEMBER 31, 2017**

	Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of its covered-employee payroll
Noncontributory Retirement System	2014					
	2015	0.2506316%	\$1,418,196	\$1,898,137	74.72%	87.8%
	2016	0.8826751%	\$5,667,854	\$6,967,170	81.35%	87.3%
Contributory Retirement System	2014	15.8036918%	\$4,558,473	\$7,326,899	62.20%	94.0%
	2015	14.8657144%	\$10,448,432	\$5,253,545	198.88%	85.7%
	2016	0.0695969%	\$22,836	\$16,699	136.75%	92.9%
Public Safety System	2014	1.5674182%	\$1,971,159	\$2,204,621	89.40%	90.5%
	2015	1.6947110%	\$3,035,653	\$2,428,017	125.03%	87.1%
	2016	1.6468326%	\$3,341,878	\$2,398,853	139.31%	86.5%
Tier 2 Public Employees Retirement System	2014	0.3965629%	(\$12,018)	\$1,945,554	(0.60)%	103.5%
	2015	0.3968809%	(\$866)	\$2,564,073	(0.03)%	100.2%
	2016	0.3619962%	\$40,830	\$2,968,659	1.36%	95.1%
Tier 2 Public Safety and Firefighters Retirement	2014	1.4499515%	(\$21,449)	\$600,529	(3.60)%	120.5%
	2015	1.4339945%	(\$20,951)	\$853,242	(2.46)%	110.7%
	2016	1.0918107%	(\$9,478)	\$902,067	(1.05)%	103.6%

\* In accordance with paragraph 81.a GASB 68, employers will need to disclose a 10-year history of their proportionate share of the net pension liability (asset) in their RSI.

"The accompanying notes are an integral part of these financial statements."

**UINTAH COUNTY**  
**SCHEDULE OF CONTRIBUTIONS**  
**AS OF DECEMBER 31, 2017**

	As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in relation to the contractually required Contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2014	\$ -	\$ -	\$ -	\$ -	0.00%
	2015	324,869	324,869	-	1,898,137	17.12%
	2016	1,286,917	1,286,917	-	6,967,613	18.47%
	2017	1,183,066	1,183,066	-	6,405,346	18.47%
Contributory System	2014	\$ 1,015,312	\$ 1,015,312	\$ -	\$ 7,328,915	13.83%
	2015	759,296	759,296	-	5,253,545	14.45%
	2016	2,415	2,415	-	16,699	14.46%
	2017	-	-	-	-	0.00%
Public Safety System	2014	\$ 708,347	\$ 708,347	\$ -	\$ 2,218,337	31.93%
	2015	766,816	766,816	-	2,428,017	31.58%
	2016	747,063	747,063	-	2,396,789	31.17%
	2017	668,028	668,028	-	2,138,980	31.23%
Tier 2 Public Employees System*	2014	\$ 317,572	\$ 317,572	\$ -	\$ 1,953,480	16.26%
	2015	415,556	415,556	-	2,580,281	16.11%
	2016	445,657	445,657	-	2,988,978	14.91%
	2017	433,557	433,557	-	2,886,933	15.02%
Tier 2 Public Safety and Firefighter System*	2014	\$ 131,438	\$ 131,438	\$ -	\$ 599,642	21.92%
	2015	192,940	192,940	-	856,612	22.52%
	2016	202,636	202,636	-	900,603	22.50%
	2017	230,223	230,223	-	1,021,394	22.54%
Tier 2 Public Employees DC Only System*	2014	\$ 4,484	\$ 4,484	\$ -	\$ 57,060	7.86%
	2015	17,548	17,548	-	225,087	7.80%
	2016	22,906	22,906	-	342,390	6.69%
	2017	31,135	31,135	-	465,391	6.69%
Tier 2 Public Safety and Firefighter DC Only System*	2014	\$ 1,585	\$ 1,585	\$ -	\$ 15,944	9.94%
	2015	4,628	4,628	-	39,118	11.83%
	2016	5,432	5,432	-	45,922	11.83%
	2017	5,231	5,231	-	44,221	11.83%

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

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

"The accompanying notes are an integral part of these financial statements."

**UINTAH COUNTY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

**CHANGES IN ASSUMPTIONS:**

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

**UINTAH COUNTY**  
**Supplementary Information**

**UINTAH COUNTY  
COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017**

	SPECIAL REVENUE FUNDS									
	HISTORIC PRESERVA- TION	ASSESSING AND COLLECTING	FLOOD CONTROL	MUNICIPAL BUILDING AUTHORITY	MUNICIPAL SERVICES FUND	DRUG COURT	TRANSIENT ROOM TAX	FOOD SERVICE TAX	TORT LIABILITY	LIBRARY FUNDS
<u>ASSETS</u>										
Cash and cash equivalents	\$ 28,447	\$ 581,257	\$1,551,175	\$ 1,438,452	\$ 4,379,541	\$ 9,709	\$ 670,955	\$ 383,135	\$ 975,788	\$ 3,647,460
Accounts receivable					9,378	1,100				119
Taxes receivable		770,092	29,133					71,395	120,508	622,766
Due from other governments					5,607		46,216			955
Restricted cash and investments				1,337,383						
Total assets	<u>\$ 28,447</u>	<u>\$ 1,351,349</u>	<u>\$1,580,308</u>	<u>\$ 2,775,835</u>	<u>\$ 4,394,526</u>	<u>\$ 10,809</u>	<u>\$ 717,171</u>	<u>\$ 454,530</u>	<u>\$ 1,096,296</u>	<u>\$ 4,271,300</u>
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</u>										
Liabilities:										
Accounts payable					\$ 41,140	\$ 1,231	\$ 38,176	\$ 12,500		\$ 28,589
Warrants payable					69,376	2,326	45,795			15,917
Salaries payable					59,511	1,430	11,186			21,711
Accrued liabilities					67,439	493	8,983			31,271
Total liabilities					\$ 237,466	\$ 5,480	\$ 104,140	\$ 12,500		\$ 97,488
Deferred inflows of resources - taxes		\$ 220,375	\$ 8,572						\$ 34,229	176,973
Total liabilities and deferred inflows of resources	<u>\$ ...</u>	<u>\$ 220,375</u>	<u>\$ 8,572</u>	<u>\$ ...</u>	<u>\$ 237,466</u>	<u>\$ 5,480</u>	<u>\$ 104,140</u>	<u>\$ 12,500</u>	<u>\$ 34,229</u>	<u>\$ 274,461</u>
Fund balances:										
Restricted		\$ 1,130,974	\$1,571,736	\$ 2,775,835			\$ 613,031	\$ 442,030	\$ 1,062,067	\$ 3,996,839
Committed					\$ 4,157,060					
Assigned	\$ 28,447					\$ 5,329				
Total fund balances	<u>\$ 28,447</u>	<u>\$ 1,130,974</u>	<u>\$1,571,736</u>	<u>\$ 2,775,835</u>	<u>\$ 4,157,060</u>	<u>\$ 5,329</u>	<u>\$ 613,031</u>	<u>\$ 442,030</u>	<u>\$ 1,062,067</u>	<u>\$ 3,996,839</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 28,447</u>	<u>\$ 1,351,349</u>	<u>\$1,580,308</u>	<u>\$ 2,775,835</u>	<u>\$ 4,394,526</u>	<u>\$ 10,809</u>	<u>\$ 717,171</u>	<u>\$ 454,530</u>	<u>\$ 1,096,296</u>	<u>\$ 4,271,300</u>

UINTAH COUNTY  
COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2017

	SPECIAL REVENUE FUNDS					DEBT SERVICE	PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	REGIONAL HISTORY CENTER	911 EMERGENCY SERVICE	CLASS "B" ROAD	CEMETERIES	TRI-COUNTY HEALTH	DEBT SERVICE FUND	TAX STABILITY	
<u>ASSETS</u>								
Cash and cash equivalents	\$ 205,734	\$ 1,881,611	\$ 6,231,504	\$ 213,432	\$ 981,073	\$ 519,407		\$ 23,698,680
Accounts receivable				13,556				24,153
Taxes receivable					170,187	687,965	\$ 114,234	2,586,280
Due from other governments			576,514		129,934			759,226
Restricted cash and investments							6,650,719	7,988,102
Total assets	<u>\$ 205,734</u>	<u>\$ 1,881,611</u>	<u>\$ 6,808,018</u>	<u>\$ 226,988</u>	<u>\$ 1,281,194</u>	<u>\$ 1,207,372</u>	<u>\$ 6,764,953</u>	<u>\$ 35,056,441</u>
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</u>								
Liabilities:								
Accounts payable	\$ 300			\$ 14,605	\$ 20,552			\$ 157,093
Warrants payable	189			2,228	25,905			161,736
Salaries payable				8,418	29,349			131,605
Accrued liabilities				7,248	31,991			147,425
Total liabilities	\$ 489			\$ 32,499	\$ 107,797			\$ 597,859
Deferred inflows of resources - taxes					38,279	\$ 154,231	\$ 59,983	692,642
Total liabilities and deferred inflows of resources	<u>\$ 489</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 32,499</u>	<u>\$ 146,076</u>	<u>\$ 154,231</u>	<u>\$ 59,983</u>	<u>\$ 1,290,501</u>
Fund balances:								
Restricted			\$ 6,808,018		\$ 1,135,118	\$ 1,053,141	\$ 6,704,970	\$ 27,293,759
Committed	\$ 205,245	\$ 1,881,611						6,243,916
Assigned				\$ 194,489				228,265
Total fund balances	<u>\$ 205,245</u>	<u>\$ 1,881,611</u>	<u>\$ 6,808,018</u>	<u>\$ 194,489</u>	<u>\$ 1,135,118</u>	<u>\$ 1,053,141</u>	<u>\$ 6,704,970</u>	<u>\$ 33,765,940</u>
Total liabilities, deferred inflow of resources and fund balance	<u>\$ 205,734</u>	<u>\$ 1,881,611</u>	<u>\$ 6,808,018</u>	<u>\$ 226,988</u>	<u>\$ 1,281,194</u>	<u>\$ 1,207,372</u>	<u>\$ 6,764,953</u>	<u>\$ 35,056,441</u>

**UINTAH COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	SPECIAL REVENUE FUNDS									
	HISTORIC PRESERVA- TION	ASSESSING AND COLLECTING	FLOOD CONTROL	MUNICIPAL BUILDING AUTHORITY	MUNICIPAL SERVICES FUND	DRUG COURT	TRANSIENT ROOM TAX	FOOD SERVICE TAX	TORT LIABILITY	LIBRARY FUNDS
REVENUES:										
Taxes		\$ 2,642,005	\$ 98,695				\$ 486,790	\$ 427,994	\$ 413,185	\$ 2,134,776
Licenses and permits					\$ 151,480					
Intergovernmental revenues				\$ 750,000	3,401,273	\$ 40,000	411,701			44,567
Charges for Services				895,875	118,139	71,527	187,308			36,528
Interest income	\$ 365	18,282	19,185	36,797	63,639	262	5,819	5,091	9,017	38,036
Miscellaneous					65,509		5,045		4,300	5,342
Total revenues	<u>\$ 365</u>	<u>\$ 2,660,287</u>	<u>\$ 117,880</u>	<u>\$ 1,682,672</u>	<u>\$ 3,800,040</u>	<u>\$ 111,789</u>	<u>\$ 1,096,663</u>	<u>\$ 433,085</u>	<u>\$ 426,502</u>	<u>\$ 2,259,249</u>
EXPENDITURES:										
General government		\$ 2,587,392			\$ 764,754				\$ 415,012	
Public safety					3,643,841	\$ 185,705				
Highways and public improvements					87,755					
Public health								\$ 108,220		
Parks, recreation and public property			\$ 34,444		105,492					\$ 1,951,915
Conservation and economic development							\$ 1,370,099			
Debt service										
Principal payment				\$ 1,297,951						
Interest and fiscal charges				308,210						
Total expenditures	<u>\$ ...</u>	<u>\$ 2,587,392</u>	<u>\$ 34,444</u>	<u>\$ 1,606,161</u>	<u>\$ 4,601,842</u>	<u>\$ 185,705</u>	<u>\$ 1,370,099</u>	<u>\$ 108,220</u>	<u>\$ 415,012</u>	<u>\$ 1,951,915</u>
Excess of revenues over (under) expenditures	<u>\$ 365</u>	<u>\$ 72,895</u>	<u>\$ 83,436</u>	<u>\$ 76,511</u>	<u>\$ (801,802)</u>	<u>\$ (73,916)</u>	<u>\$ (273,436)</u>	<u>\$ 324,865</u>	<u>\$ 11,490</u>	<u>\$ 307,334</u>
Other financing sources (uses):										
Transfers in						\$ 77,400	\$ 414,000			
Transfers out								\$ (414,000)		
Total other financing sources (uses)	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 77,400</u>	<u>\$ 414,000</u>	<u>\$ (414,000)</u>	<u>\$ ...</u>	<u>\$ ...</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ 365</u>	<u>\$ 72,895</u>	<u>\$ 83,436</u>	<u>\$ 76,511</u>	<u>\$ (801,802)</u>	<u>\$ 3,484</u>	<u>\$ 140,564</u>	<u>\$ (89,135)</u>	<u>\$ 11,490</u>	<u>\$ 307,334</u>
Fund Balances - Beginning of year	28,082	1,058,079	1,488,300	2,699,324	4,958,862	1,845	420,907	467,616	1,050,577	3,689,505
Prior period adjustment							51,560	63,549		
Fund Balances - End of year	<u>\$ 28,447</u>	<u>\$ 1,130,974</u>	<u>\$ 1,571,736</u>	<u>\$ 2,775,835</u>	<u>\$ 4,157,060</u>	<u>\$ 5,329</u>	<u>\$ 613,031</u>	<u>\$ 442,030</u>	<u>\$ 1,062,067</u>	<u>\$ 3,996,839</u>

**SCHEDULE 6**  
**(Continued)**

**UINTAH COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES -**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	SPECIAL REVENUE FUNDS					DEBT SERVICE	PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	REGIONAL HISTORY CENTER	911 EMERGENCY SERVICE	"B" ROAD	CEMETERIES	TRI- COUNTY HEALTH	DEBT SERVICE FUND	TAX STABILITY	
REVENUES:								
Taxes					\$ 626,942	\$ 2,536,301	\$ 274,631	\$ 9,641,319
Licenses and permits								151,480
Intergovernmental revenues		\$ 70,251	\$ 3,911,107	\$ 522,217	2,361,745			11,512,861
Charges for Services	\$ 4,568	221,010		82,160	933,766			2,550,881
Interest income	2,607	23,605	74,619	4,798	2,683	8,728	98,756	412,289
Miscellaneous	1,328			1,304	63,194			146,022
Total revenues	<u>\$ 8,503</u>	<u>\$ 314,866</u>	<u>\$ 3,985,726</u>	<u>\$ 610,479</u>	<u>\$ 3,988,330</u>	<u>\$ 2,545,029</u>	<u>\$ 373,387</u>	<u>\$ 24,414,852</u>
EXPENDITURES:								
General government							\$ 5,097	\$ 3,772,255
Public safety		\$ 331,377						4,160,923
Highways and public improvements			\$ 3,100,000					3,187,755
Public health					\$ 3,495,564			3,603,784
Parks, recreation and public property	\$ 1,048			\$ 572,974				2,665,873
Conservation and economic development								1,370,099
Debt service								
Principal payment						\$ 1,190,000		2,487,951
Interest and fiscal charges						1,296,822		1,605,032
Total expenditures	<u>\$ 1,048</u>	<u>\$ 331,377</u>	<u>\$ 3,100,000</u>	<u>\$ 572,974</u>	<u>\$ 3,495,564</u>	<u>\$ 2,486,822</u>	<u>\$ 5,097</u>	<u>\$ 22,853,672</u>
Excess of revenues over (under) expenditures	<u>\$ 7,455</u>	<u>\$ (16,511)</u>	<u>\$ 885,726</u>	<u>\$ 37,505</u>	<u>\$ 492,766</u>	<u>\$ 58,207</u>	<u>\$ 368,290</u>	<u>\$ 1,561,180</u>
Other financing sources (uses):								
Transfers in								\$ 491,400
Transfers out								(414,000)
Total other financing sources (uses)	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 77,400</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ 7,455</u>	<u>\$ (16,511)</u>	<u>\$ 885,726</u>	<u>\$ 37,505</u>	<u>\$ 492,766</u>	<u>\$ 58,207</u>	<u>\$ 368,290</u>	<u>\$ 1,638,580</u>
Fund Balances - Beginning of year	197,790	1,824,799	5,922,292	156,984	642,352	994,934	6,336,680	31,938,928
Prior period adjustment		73,323						188,432
Fund Balances - End of year	<u>\$ 205,245</u>	<u>\$ 1,881,611</u>	<u>\$ 6,808,018</u>	<u>\$ 194,489</u>	<u>\$ 1,135,118</u>	<u>\$ 1,053,141</u>	<u>\$ 6,704,970</u>	<u>\$ 33,765,940</u>



**UINTAH COUNTY**  
**COMBINING SCHEDULE OF NET POSITION -**  
**NONMAJOR PROPRIETARY FUNDS**  
**DECEMBER 31, 2017**

	NON-MAJOR BTA'S - ENTERPRISE FUNDS		TOTAL NONMAJOR BTA'S
	LANDFILL	TELE- COMMUNICATIONS	
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 1,801,580	\$ 132,514	\$ 1,934,094
Receivables - net			
Accounts	14,976	5,436	20,412
Restricted cash and investments	159,033		159,033
Total current assets	\$ 1,975,589	\$ 137,950	\$ 2,113,539
Noncurrent assets:			
Net pension asset	\$ 214	\$ 13	\$ 227
Land	51,300		51,300
Buildings	46,791		46,791
Improvements other than buildings	54,136		54,136
Furniture, fixtures and equipment	1,106,628	127,049	1,233,677
Less: Accumulated depreciation	(1,177,165)	(123,417)	(1,300,582)
Total noncurrent assets, net	\$ 81,904	\$ 3,645	\$ 85,549
Total assets	\$ 2,057,493	\$ 141,595	\$ 2,199,088
Deferred outflow of resources:			
Deferred outflow - related to pensions	\$ 202,111	\$ 12,288	\$ 214,399
Total assets and deferred outflow of resources	\$ 2,259,604	\$ 153,883	\$ 2,413,487
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 2,956	\$ 8,007	\$ 10,963
Warrants payable	8,626	2,715	11,341
Wages payable	8,067		8,067
Accrued liabilities	8,793		8,793
Total current liabilities	\$ 28,442	\$ 10,722	\$ 39,164
Noncurrent liabilities:			
Net pension liability	\$ 204,650	\$ 12,442	\$ 217,092
Compensated absences	63,684		63,684
Total noncurrent liabilities	\$ 268,334	\$ 12,442	\$ 280,776
Total liabilities	\$ 296,776	\$ 23,164	\$ 319,940
Deferred inflow of resources:			
Deferred inflow - related to pensions	\$ 32,156	\$ 1,955	\$ 34,111
Total liabilities and deferred inflow of resources	\$ 328,932	\$ 25,119	\$ 354,051
Net Position:			
Net invested in capital assets	\$ 81,690	\$ 3,632	\$ 85,322
Restricted	159,033		159,033
Unrestricted	1,689,949	125,132	1,815,081
Total net position	\$ 1,930,672	\$ 128,764	\$ 2,059,436

**UINTAH COUNTY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND NET POSITION -**  
**NONMAJOR PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	NON-MAJOR BTA'S - ENTERPRISE FUNDS		TOTAL NON-MAJOR BTA'S
	LANDFILL	TELE- COMMUNICATIONS	
Operating revenues:			
Charges for sales and services	\$ 705,416	\$ 160,211	\$ 865,627
Total operating revenues	\$ 705,416	\$ 160,211	\$ 865,627
Operating expenses:			
Employee salaries and benefits	\$ 305,644	\$ 24,990	\$ 330,634
Office supplies	621		621
Other supplies and services	3,023	16,482	19,505
Contractual services	23,533		23,533
Utilities	10,058		10,058
Fuel and oil	38,537		38,537
Repairs and maintenance	26,184	26,222	52,406
Depreciation	1,479	2,565	4,044
Equipment rental	95,000		95,000
Miscellaneous	2,700		2,700
Travel	60		60
Telephone and internet	1,798	99,075	100,873
State assessment	3,850		3,850
Total operating expenses	\$ 512,487	\$ 169,334	\$ 681,821
OPERATING INCOME (LOSS)	\$ 192,929	\$ (9,123)	\$ 183,806
Nonoperating revenues (expenses):			
Interest revenue	\$ 24,622	\$ 1,547	\$ 26,169
Total nonoperating revenues (expenses)	\$ 24,622	\$ 1,547	\$ 26,169
Income (loss) before transfers	\$ 217,551	\$ (7,576)	\$ 209,975
Transfers In (Out):			
Transfers in (out)		\$ 58,800	\$ 58,800
Total transfers in (out)	\$ ...	\$ 58,800	\$ 58,800
Change in net position	\$ 217,551	\$ 51,224	\$ 268,775
Total net position - beginning of year	1,713,121	77,540	1,790,661
Total net position - end of year	\$ 1,930,672	\$ 128,764	\$ 2,059,436

**UINTAH COUNTY**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE - CEMETERY TRUST**  
**DECEMBER 31, 2017**

	<u>MAESER CEMETERY</u>	<u>ROCKPOINT CEMETERY</u>	<u>JENSEN CEMETERY</u>	<u>LEOTA CEMETERY</u>	<u>HAYDEN CEMETERY</u>	<u>LAPOINT CEMETERY</u>	<u>DRYFORK CEMETERY</u>	<u>AVALON CEMETERY</u>	<u>GUSHER CEMETERY</u>	<u>TRIDELL CEMETERY</u>	<u>TOTAL CEMETERIES</u>
<u>ASSETS</u>											
Cash and cash equivalents	\$ 180,518	\$ 71,222	\$ 125,320	\$ 2,849	\$ 8,983	\$ 5	\$ 49,512	\$ 2,721	\$ 306	\$ 31,223	\$ 472,659
Accounts receivable		1,800				500					2,300
Total assets	<u>\$ 180,518</u>	<u>\$ 73,022</u>	<u>\$ 125,320</u>	<u>\$ 2,849</u>	<u>\$ 8,983</u>	<u>\$ 505</u>	<u>\$ 49,512</u>	<u>\$ 2,721</u>	<u>\$ 306</u>	<u>\$ 31,223</u>	<u>\$ 474,959</u>
<u>LIABILITIES AND NET POSITION</u>											
Liabilities:											
Accounts payable											
Total liabilities	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>
Fund Balances:											
Restricted:											
Cemeteries	<u>\$ 180,518</u>	<u>\$ 73,022</u>	<u>\$ 125,320</u>	<u>\$ 2,849</u>	<u>\$ 8,983</u>	<u>\$ 505</u>	<u>\$ 49,512</u>	<u>\$ 2,721</u>	<u>\$ 306</u>	<u>\$ 31,223</u>	<u>\$ 474,959</u>
Total fund balances	<u>\$ 180,518</u>	<u>\$ 73,022</u>	<u>\$ 125,320</u>	<u>\$ 2,849</u>	<u>\$ 8,983</u>	<u>\$ 505</u>	<u>\$ 49,512</u>	<u>\$ 2,721</u>	<u>\$ 306</u>	<u>\$ 31,223</u>	<u>\$ 474,959</u>
Total liabilities and fund balance	<u>\$ 180,518</u>	<u>\$ 73,022</u>	<u>\$ 125,320</u>	<u>\$ 2,849</u>	<u>\$ 8,983</u>	<u>\$ 505</u>	<u>\$ 49,512</u>	<u>\$ 2,721</u>	<u>\$ 306</u>	<u>\$ 31,223</u>	<u>\$ 474,959</u>

**UINTAH COUNTY**  
**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION**  
**PRIVATE PURPOSE - CEMETERY TRUST**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

	MAESER CEMETERY	ROCKPOINT CEMETERY	JENSEN CEMETERY	LEOTA CEMETERY	HAYDEN CEMETERY	LAPOINT CEMETERY	DRYFORK CEMETERY	AVALON CEMETERY	GUSHER CEMETERY	TRIDELL CEMETERY	TOTAL CEMETERIES
REVENUES:											
Charges for services	\$ 9,900	\$ 18,540	\$ 2,500		\$ 600	\$ 2,300	\$ 400	\$ 500		\$ 2,550	\$ 37,290
Interest income	2,266	840	1,597	\$ 37	110		634	35	\$ 4	380	5,903
Miscellaneous		900				2,192					3,092
Total revenues	<u>\$ 12,166</u>	<u>\$ 20,280</u>	<u>\$ 4,097</u>	<u>\$ 37</u>	<u>\$ 710</u>	<u>\$ 4,492</u>	<u>\$ 1,034</u>	<u>\$ 535</u>	<u>\$ 4</u>	<u>\$ 2,930</u>	<u>\$ 46,285</u>
EXPENDITURES:											
Current:											
Parks, recreation, and public property						\$ 4,000					\$ 4,000
Total expenditures	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 4,000</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ 4,000</u>
Excess revenues over (under) expenditures	<u>\$ 12,166</u>	<u>\$ 20,280</u>	<u>\$ 4,097</u>	<u>\$ 37</u>	<u>\$ 710</u>	<u>\$ 492</u>	<u>\$ 1,034</u>	<u>\$ 535</u>	<u>\$ 4</u>	<u>\$ 2,930</u>	<u>\$ 42,285</u>
OTHER FINANCING SOURCES (USES):											
Transfers in/(out)											
Total other financing sources (uses)	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>	<u>\$ ...</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ 12,166</u>	<u>\$ 20,280</u>	<u>\$ 4,097</u>	<u>\$ 37</u>	<u>\$ 710</u>	<u>\$ 492</u>	<u>\$ 1,034</u>	<u>\$ 535</u>	<u>\$ 4</u>	<u>\$ 2,930</u>	<u>\$ 42,285</u>
NET POSITION - beginning of year	<u>168,352</u>	<u>52,742</u>	<u>121,223</u>	<u>2,812</u>	<u>8,273</u>	<u>13</u>	<u>48,478</u>	<u>2,186</u>	<u>302</u>	<u>28,293</u>	<u>432,674</u>
NET POSITION - end of year	<u><u>\$ 180,518</u></u>	<u><u>\$ 73,022</u></u>	<u><u>\$ 125,320</u></u>	<u><u>\$ 2,849</u></u>	<u><u>\$ 8,983</u></u>	<u><u>\$ 505</u></u>	<u><u>\$ 49,512</u></u>	<u><u>\$ 2,721</u></u>	<u><u>\$ 306</u></u>	<u><u>\$ 31,223</u></u>	<u><u>\$ 474,959</u></u>

UINTAH COUNTY  
SCHEDULE OF CURRENT TAXES LEVIED, COLLECTED AND TREASURER'S RELIEF  
FOR THE 2017 PROPERTY TAX YEAR

TAX UNITS	TOTAL REAL AND CENTRALLY ASSESSED VALUE	CURRENT YEAR REAL/CENTRAL PROPERTY TAX RATE	TOTAL PERSONAL PROPERTY VALUE	PRIOR YEAR PERSONAL PROPERTY TAX RATE	REAL AND CENTRALLY ASSESSED TAXES CHARGED	PERSONAL PROPERTY TAXES CHARGED	TOTAL TAXES CHARGED	TREASURER'S RELIEF				NET TAXES COLLECTED	PERCENT	OTHER COLLECTIONS		DELINQUENCIES	
							UNPAID TAXES	ABATEMENTS	OTHER	TOTAL	FEES IN LIEU			MISC. COLLECTED	TAX	INTEREST/ PENALTY	
COUNTY FUNDS:																	
Debt service	\$ 4,558,376,723	0.000522	\$ 156,132,131	0.000501	\$ 2,379,473	\$ 78,222	\$ 2,457,695	\$ 52,585	\$ 7,952	\$ 45,688	\$ 106,225	\$ 2,351,470	0.9568	\$ 103,322	\$ 5,718	\$ 78,268	\$ 29,296
Flood control	4,558,376,723	0.000020	156,132,131	0.000021	91,168	3,279	94,446	2,015	305	1,751	4,071	90,375	0.9569	3,959	219	2,999	1,122
General	4,558,376,723	0.001634	156,132,131	0.001584	7,448,388	247,313	7,695,701	164,605	24,892	143,017	332,514	7,363,187	0.9568	323,427	17,898	244,999	91,705
Health Dept	4,558,376,723	0.000129	156,132,131	0.000125	588,031	19,517	607,547	12,995	1,965	11,291	26,251	581,296	0.9568	25,534	1,413	19,342	7,240
Library	4,558,376,723	0.000434	156,132,131	0.000421	1,978,335	65,732	2,044,067	43,720	6,611	37,986	88,317	1,955,750	0.9568	85,904	4,754	65,073	24,357
Tax Stability Trust	4,558,376,723	0.000051	156,132,131	0.000141	232,477	22,015	254,492	5,138	777	4,464	10,379	244,113	0.9592	10,095	559	7,647	2,862
Tort liability	4,558,376,723	0.000084	156,132,131	0.000081	382,904	12,647	395,550	8,462	1,280	7,352	17,094	378,456	0.9568	16,627	920	12,595	4,714
Local assessing and collecting	4,558,376,723	0.000535	156,132,131	0.000535	2,438,732	83,531	2,522,262	53,895	8,150	46,836	108,881	2,413,381	0.9568	105,896	5,956	77,547	3,791
State assessing and collecting	4,558,376,723	0.000010	156,132,131	0.000011	45,584	1,717	47,301	1,007	152	1,039	2,198	45,103	0.9535	1,980	119	4,252	365
Total County Funds					\$ 15,585,090	\$ 533,972	\$ 16,119,062	\$ 344,422	\$ 52,084	\$ 299,424	\$ 695,930	\$ 15,423,132		\$ 676,744	\$ 37,556	\$ 512,722	\$ 165,452
SCHOOL DISTRICTS:																	
Uintah School District	4,558,376,723	0.005853	156,132,131	0.004915	\$ 26,680,179	\$ 767,389	\$ 27,447,568	\$ 589,756	\$ 89,162	\$ 365,705	\$ 1,044,623	\$ 26,402,945	0.9682	\$ 1,158,519	\$ 56,736	\$ 767,312	\$ 40,739
State Supported Schools	4,558,376,723	0.001568	156,132,131	0.001675	7,147,535	261,521	7,409,056	157,956	23,886	153,956	335,798	7,073,258	0.9547	310,364	18,317	265,967	13,501
Total School Districts					\$ 33,827,714	\$ 1,028,911	\$ 34,856,624	\$ 747,712	\$ 113,048	\$ 519,661	\$ 1,380,421	\$ 33,476,203		\$ 1,468,883	\$ 75,053	\$ 1,033,279	\$ 54,240
CITIES AND TOWNS:																	
Vernal City	\$ 600,689,616	0.000622	\$ 43,875,545	0.000607	\$ 373,629	\$ 26,632	\$ 400,261	\$ 14,796	\$ 2,378	\$ 10,265	\$ 27,439	\$ 372,822	0.9314	\$ 28,498	\$ 3,463	\$ 24,278	\$ 1,306
Ballard City	101,568,859	0.002312	5,851,008	0.002291	234,827	13,405	248,232	8,644	1,314	15,880	25,838	222,394	0.8959	6,478	2,113	22,391	940
Naples City	221,684,954	0.000328	47,370,614	0.000328	72,713	15,538	88,250	3,875	414	425	4,714	83,536	0.9466	8,007	915	5,615	275
Total Cities and Towns					\$ 681,169	\$ 55,575	\$ 736,743	\$ 27,315	\$ 4,106	\$ 26,570	\$ 57,991	\$ 678,752		\$ 42,983	\$ 6,491	\$ 52,284	\$ 2,521
OTHER DISTRICTS:																	
Central Utah Water	4,558,376,723	0.000400	156,132,131	0.000400	\$ 1,823,351	\$ 62,453	\$ 1,885,804	\$ 40,295	\$ 6,093	\$ 35,011	\$ 81,399	\$ 1,804,405	0.9568	\$ 79,175	\$ 4,453	\$ 65,316	\$ 3,438
Mosquito Abatement	4,558,376,723	0.000245	156,132,131	0.000235	1,116,802	36,691	1,153,493	24,681	3,732	19,886	48,299	1,105,194	0.9581	48,495	2,647	35,246	1,813
Uintah Water Conservancy	4,343,029,647	0.000486	150,245,155	0.000463	2,110,712	69,564	2,180,276	46,397	6,990	33,148	86,535	2,093,741	0.9603	94,104	4,762	63,914	3,375
Ashley Valley Water	856,227,981	0.000170	69,839,096	0.000159	145,559	11,104	156,663	7,959	1,123	2,613	11,695	144,968	0.9253	17,333	1,518	9,279	487
Maeser Water	165,618,004	0.000468	2,095,762	0.000438	77,509	918	78,427	2,169	880	1,070	4,119	74,308	0.9475	11,106	794	2,014	84
Jensen Water	128,268,603	0.000676	7,558,943	0.000543	86,710	4,105	90,814	2,122	514	573	3,209	87,605	0.9647	5,954	764	2,421	127
Ballard Water	104,824,126	0.000491	5,862,861	0.000485	51,469	2,843	54,312	1,919	312	3,119	5,350	48,962	0.9015	1,583	463	4,905	206
Ouray Park Water	116,499,335	0.000777	71,965	0.000789	90,520	57	90,577	310	218	1,477	2,005	88,572	0.9779	565	1,133	6,418	557
Tridell Lapoint Water	56,394,573	0.000631	399,065	0.000579	35,585	231	35,816	1,488	262	428	2,178	33,638	0.9392	4,535	156	1,180	69
Total Other Districts					\$ 5,538,217	\$ 187,966	\$ 5,726,182	\$ 127,340	\$ 20,124	\$ 97,325	\$ 244,789	\$ 5,481,393		\$ 262,850	\$ 16,690	\$ 190,693	\$ 10,156
GRAND TOTAL					\$ 55,632,189	\$ 1,806,423	\$ 57,438,612	\$ 1,246,789	\$ 189,362	\$ 942,980	\$ 2,379,131	\$ 55,059,481		\$ 2,451,460	\$ 135,790	\$ 1,788,978	\$ 232,369

# SMUIN, RICH & MARSING

CERTIFIED PUBLIC ACCOUNTANTS

294 East 100 South

Price, Utah 84501

Phone (435) 637-1203 • FAX (435) 637-8708

GREG MARSING, C.P.A.  
DOUGLAS RASMUSSEN, C.P.A.  
CRAIG G. SMUIN, C.P.A.  
R. KIRT RICH, C.P.A.  
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MEMBERS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS  
UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Board of County Commissioners  
Uintah County  
Vernal, Utah 84078

RE: Independent Auditor's Report As Required  
By the State Compliance Audit Guide On:  
Compliance and Report Internal Control Over  
Compliance

## Report on Compliance

We have audited Uintah County's compliance with the applicable state 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 Uintah County for the year ended December 31, 2017. State compliance requirements were tested for the year ended December 31, 2017 in the following areas:

Restricted Taxes and Related Revenues  
Cash Management  
Treasurer's Bond  
Budgetary Compliance  
Fund Balance

Statement of Taxes Charged,  
Collected and Disbursed  
Justice Courts  
Open and Public Meetings Act  
Utah Retirement Systems

## Management's Responsibility

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

## Auditor's Responsibility

Our responsibility is to express an opinion on the County's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the State Compliance Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the 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 state compliance requirements referred to above. However, our audit does not provide a legal determination of Uintah County's compliance with those requirements.

## Opinion on Compliance

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

## Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the State Compliance Audit Guide and which is described in the schedule of findings and questioned costs as item 2017-1. Our opinion on compliance is not modified with respect to these matters.

Uintah County's response to the noncompliance finding identified in our audit is described in the schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## Report On Internal Control Over Compliance.

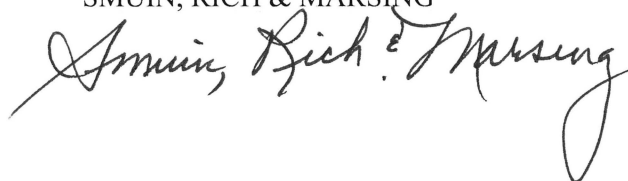
Management of Uintah County is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the State Compliance Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

SMUIN, RICH & MARSING

A handwritten signature in cursive script, appearing to read "Smuin, Rich & Marsing", written in dark ink.

Price, Utah  
July 2, 2018

# SMUIN, RICH & MARSING

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294 East 100 South

Price, Utah 84501

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UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Board of County Commissioners  
Uintah County  
Vernal, Utah 84078

RE: 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

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 Uintah County as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Uintah County's basic financial statements and have issued our report thereon dated July 2, 2018. Our report includes a reference to other auditors who audited the financial statements of Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, as described in our report on Uintah County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Uintah 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 Uintah County's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2017-1.

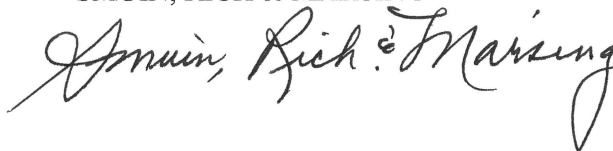
### **County's Response**

Uintah County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Uintah County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion of it.

### **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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SMUIN, RICH & MARSING

A handwritten signature in cursive script that reads "Smuin, Rich & Marsing". The signature is written in dark ink and is positioned below the printed name of the firm.

Price, Utah

July 2, 2018

# SMUIN, RICH & MARSING

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Board of County Commissioners  
Uintah County  
Vernal, Utah 84078

RE: Independent Auditor's Report on Compliance for  
Each Major Program and on Internal Control over  
Compliance Required by the Uniform Guidance

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

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

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

## Opinion on Each Major Federal Program

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

## Report on Internal Control Over Compliance

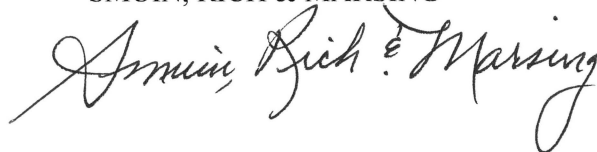
Management of Uintah County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the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

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

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

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

SMUIN, RICH & MARSING



Price, Utah

July 2, 2018

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

**A. SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses a modified opinion on the basic financial statements of Uintah County due to a component unit that was included in the financial statements but unaudited.
2. There was no significant deficiency and no material weaknesses disclosed in internal control by the audit over the financial statements.
3. No instances of noncompliance material to the financial statements of Uintah County were disclosed by the audit.
4. There was no significant deficiency and no material weaknesses in internal control over major programs disclosed by the audit.
5. The auditors' report on compliance for the major federal award programs for Uintah County expresses a unqualified opinion.
6. The audit of Uintah County's major programs disclosed no audit findings relating to major programs that the auditor is required to report.
7. The programs tested as major programs included:

<u>Program</u>	<u>CFDA#</u>
Airport grants	20.106
Women, Infants & Children (WIC)	10.557

8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Uintah County was determined to be a low-risk auditee.

**B. FINDING/FINANCIAL STATEMENT AUDIT**

**Finding 2017-1 Limitation on General Fund Balance**  
**State of Utah Legal Compliance**

**Statement of Condition:**

Uintah County had a substantial increase in charges for services in the general fund, mainly due to the increase in charges to the State of Utah for the housing of inmates. Because of this and other increases in revenues along with some reduction in the general fund expenditures as compared to the prior year the general fund balance increased to a point where it exceeded the allowable limitation of accumulation for the general fund balance

**B. FINDING/FINANCIAL STATEMENT AUDIT (Continued)**

**Criteria:**

Utah State Code section 17-36-16(2)(a) limits the accumulation of the fund balance in the General Fund of Counties. The maximum accumulated unappropriated surplus in the County general fund, as determined prior to adoption of the tentative budget, may not exceed an amount equal to the greater of:

1. A. For a county with a taxable value of \$750,000,000 or more and a population of 100,000 or more, 20% of the total revenues of the county general fund for the current fiscal year or  
B. For any other county, 50% of the total revenues of the county general fund for the current fiscal period.
2. The estimated total revenues from property taxes for the current fiscal period.

**Cause of Condition:**

At the year-end December 31, 2017, additional accounts receivables were accrued in the amount of \$1,200,000. Also cost cutting as compared to the approved budget appears to have had some effect on the over accumulation of general fund balance. The county's actual expenditures were over \$2,000,000 less than the budget that had been appropriated for the year. There was a prior period adjustment of \$857,999 to correct accrual of sales tax that applied to the current year and increased the general fund balance by the \$857,999.

**Effect or Possible Effect of Condition:**

The County is not in compliance with Utah State Code section 17-36-16(2)(a) concerning the excess accumulation of the general fund balance.

**Recommendation:**

We recommend the county reduce its excess accumulation in the general fund balance. This can be accomplished through budgeting excess funds for the next fiscal period. The county may appropriate funds from estimated revenue in any budget period to a reserve for capital improvements within any capital improvements fund which has been duly established by ordinance or resolution.

**County's Response:**

*The County will reduce the excess funds in the current year budget by transferring funds to the long term debt service fund to reduce long term debt that will allow extra principal payments to be made.*

**C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2017	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2017
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>							
Passed Through Utah Department of Health:							
Emergency Preparedness	93.069	162701095/182700064	\$ 479,180		\$ 264,293	\$ 264,293	
CDC Cancer Screening - Wise Woman	93.094	162700954	22,183		8,031	8,031	
TB Elimination	93.116	152700355	2,543		2,273	2,273	
TB Medication	93.116	152700355	250		250	250	
Immunization - Basic.IAP	93.268	162700621	49,313		44,092	44,092	
Zika	93.069	172700082	9,631		4,007	4,007	
Abstinence Education	93.235	172700335	103,103		75,889	75,889	
Enhanced Prion Disease Surveillance	93.323	162700396	1,062		1,062	1,062	
CDC Cancer Screening	93.752	162700969	14,400		4,310	4,310	
Sexual Violence Prevention	93.558	172700177	45,000		36,001	36,001	
DWS TANF Abstinence	93.558	172700313	55,284		19,040	19,040	
Comprehensive Tobacco	93.305	162700018	27,418		27,418	27,418	
ELC ACA Health Assoc. Infectious Grant	93.521	15-0878	6,903		6,903	6,903	
ELC - West Nile Virus	93.521	172700307	27,612		27,612	27,612	
ELC - ACA Flu	93.521	152700191	1,381		1,381	1,381	
CHEC	93.778	162700979	16,460		7,385	7,385	
Consumer Education & Assistance	93.778	182700024	23,580		5,178	5,178	
Consumer Education & Assistance	93.778	162701467	23,580		16,695	16,695	
Medical Reserve Corps	93.889	182700064	8,000		6,979	6,979	
Medical Reserve Corps	93.889	162701095	11,600		3,600	3,600	
Sexually Transmitted Diseases - Test	93.977	152700281	2,824		2,824	2,824	
MCH Injury Prevention	93.758	162701099	5,703		5,148	5,148	
MCH Injury Prevention	93.758	172700858	5,634		5,567	5,567	
EPICC- Diabetes	93.757	162700149	101,904		42,929	42,929	
EPICC- Injury Prevention	93.758	162700149	50,853		22,364	22,364	
EPICC- Injury Prevention	93.758	162700149	54,614		30,631	30,631	
EBOLA - Domestic	93.815	162700880	10,000		5,000	5,000	
HIV - Counseling and testing	93.940	152700291	1,000		1,000	1,000	
Basic Injury Prevention	93.758	172700858/162701099	45,222		23,236	23,236	
MCH Block	93.994	162700348	123,540		59,496	59,496	
Total passed through Utah Department of Health			\$ 1,329,777	\$ ...	\$ 760,594	\$ 760,594	\$ ...
Total U.S. Department of Health and Human Services			\$ 1,329,777	\$ ...	\$ 760,594	\$ 760,594	\$ ...

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2017	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2017
<u>U.S. DEPARTMENT OF AGRICULTURE</u>							
Direct Program:							
Forest Patrol	10.670	11-LE-11040100-11	\$ 9,000		\$ 1,982	\$ 1,982	
Total direct programs			\$ 9,000	\$ ...	\$ 1,982	\$ 1,982	\$ ...
Pass Through State Department of Human Services:							
Special Supplemental Food Program for Women, Infants and Children							
WIC Administration	10.557	152700145	\$ 36,456		\$ 22,147	\$ 22,147 *	
WIC Nutrition	10.557	152700145	53,431		53,431	53,431 *	
WIC Food Vouchers	10.557	152700145	637,344		637,344	637,344 *	
WIC Breastfeeding	10.557	152700145	32,718		32,718	32,718 *	
WIC Client Service	10.557	152700145	239,001		139,463	139,463 *	
WIC Technology Services	10.557	152700145	1,020		1,020	1,020 *	
WIC Infrastructure	10.557	152700145	42,000		30,917	30,917 *	
WIC Peer Counseling	10.557	152700145	4,234		4,234	4,234 *	
Total passed through State Department of Human Services			\$ 1,046,204	\$ ...	\$ 921,274	\$ 921,274	\$ ...
Total U.S. Department of Agriculture			\$ 1,055,204	\$ ...	\$ 923,256	\$ 923,256	\$ ...
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>							
Pass through State of Utah:							
Emergency Management Performance Grant	97.042	EMPG-2016-DEM-020	\$ 10,000		\$ 9,999	\$ 9,999	
Emergency Management Performance Grant	97.042	EMPG-2017-DEM-024	42,500		42,500	42,500	
Homeland Security Program	97.067	DES-2015-SHSP-005	264,115		64,023	64,023	
Homeland Security Program	97.067	DES-2016-SHSP-005	264,115		26,086	26,086	
Citizen Corps Conference	97.067	DEM-2014-CIT-005-SU	3,000		2,979	2,979	
Total U.S. Department of Homeland Security			\$ 583,730	\$ ...	\$ 145,587	\$ 145,587	\$ ...

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

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2017	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2017
<u>U.S. DEPARTMENT OF JUSTICE</u>							
Direct Program:							
Bullet Proof Vest	16.607	2017BUBX17087352	\$ 7,928		\$ 5,354	\$ 5,354	
Body Cameras	16.738	N/A	9,930		9,930	9,930	
Total direct programs			\$ 17,858	\$ ...	\$ 15,284	\$ 15,284	\$ ...
Passed Through Utah Department of Commission on Criminal and Juvenile Justice:							
Victims of Crime Act	16.801	16-VOCA-67	\$ 35,932		\$ 3,155	\$ 3,155	
Victims of Crime Act	16.801	15-VOCA-69	102,561		23,320	23,320	
National Children Alliance	16.758	15-CI-FX-K001	7,000		7,000	7,000	
Total passed through State Commission on Criminal and Juvenile Justice			\$ 145,493	\$ ...	\$ 33,475	\$ 33,475	\$ ...
Total U.S. Department of Justice			\$ 163,351	\$ ...	\$ 48,759	\$ 48,759	\$ ...
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>							
Pass through State Department of Economic Development							
Community Development Block Grant - Vehicles	14.228	16-0363	\$ 90,000		\$ 90,000	\$ 90,000	
Total U.S. Department of Housing and Urban Development			\$ 90,000	\$ ...	\$ 90,000	\$ 90,000	\$ ...
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>							
Pass through State Department of Transportation:							
Hazardous Material Emergency Preparedness	20.703	HMEP-USA-2017	\$ 4,337		\$ 4,337	\$ 4,337	
Safe Community Program	20.600	CP100202	3,000		3,000	3,000	
Construction Earthwork	20.106	AIP 3-49-0037-32	5,765,583		87,127	87,127 *	
Airport Land Purchase - Runway Constructon	20.106	AIP 3-49-0037-29	5,964,529		17,202	17,202 *	
Runway Reconstruction	20.106	AIP 3-49-0037-33	14,612,762		12,611,479	12,611,479 *	
Total U.S. Department of Transportation			\$ 26,350,211	\$ ...	\$ 12,723,145	\$ 12,723,145	\$ ...
TOTAL FEDERAL ASSISTANCE			\$ 29,482,273	\$ ...	\$ 14,691,341	\$ 14,691,341	\$ ...

\* Tested as Major Federal Financial Assistance Programs



**UINTAH COUNTY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**AS OF DECEMBER 31, 2017**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedule of expenditures of federal awards is a summary of program activity of the County's federal award programs and does not necessarily present transactions that would be included in financial statements of the County presented on the modified accrual basis of accounting, as contemplated by generally accepted accounting principles.

**2. FOOD INSTRUMENTS**

Amounts shown on the schedule of expenditures of federal awards as WIC food vouchers are not direct cash expenditures of Uintah County. The Tri County Health District operates the Women, Infant and Children program. As part of this program, the health district distributes food instruments provided by the State of Utah that can be redeemed at local stores for food items.

The dollar amounts reported on the schedule of expenditures of federal awards are the fair market value that food instruments can be redeemed for.

**UINTAH COUNTY**  
**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**

Uintah County had no follow-up findings reported that need to be reported in the December 31, 2016 audit report. Uintah County has corrected any findings that may have been reported in prior audit reports.