

UINTAH COUNTY

Financial Statements
With Independent Auditor's Report

December 31, 2021

**UINTAH COUNTY
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2021**

	Beginning on <u>Page</u>
Financial statements	
Independent Auditor's Report	1
Management's discussion and analysis	4
Financial statements	13
Notes to the financial statements	24
Required supplementary information	64
Supplementary information	72
Federal award programs and other required reports	
Schedule of Expenditures of Federal Awards	81
Notes to the Schedule of Expenditures of Federal Awards	83
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	84
Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the <i>State Compliance Audit Guide</i>	85
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the <i>Uniform Guidance</i>	87
Summary of Finding and Questioned Costs	89



INDEPENDENT AUDITOR'S REPORT

Honorable County Commission
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, 2021 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Uintah County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Our Responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Uintah Transportation Special Service District, Uintah Recreation District, Uintah Health Care Special Service District, Uintah Animal Control Special Service District, Uintah Impact Mitigation Special Service District, and Uintah Fire Suppression Special Service District. The districts were audited by other auditors, whose report has been furnished to us, and in our opinion, insofar as it relates to the amounts included for the component units, is based solely on the reports of the other auditors.

Responsibility of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Uintah County's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Uintah County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate that raise substantial doubt about Uintah County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Uintah County's basic financial statements. The combining and individual nonmajor fund financial statements, the statement of current taxes levied, collected, and treasurer's relief, the statement of treasurer's receipts and disbursements, and the schedule of expenditures of federal awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the statement of current taxes levied, collected and treasurer's relief, the statement of treasurer's receipts and disbursements, 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. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated August 26, 2022, on our consideration of Uintah County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Uintah County's internal control over financial reporting and compliance.

Larson & Company, PC

Larson & Company, PC
Spanish Fork, Utah
August 26, 2022

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

This discussion of Uintah County's financial performance provides an overview of the County's financial activities for the year ending December 31, 2021. 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 inflows of resources as of December 31, 2021 by \$441,376 (*net position*). Of this amount, \$42,048 (*unrestricted net position*) may be used to meet the governments' ongoing obligations to citizens and creditors.
- The primary government's total net position increased due to operations by \$9,233. 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 \$79,876, an increase of \$4,368 in comparison with the prior year. Approximately 20.1 percent of this total amount, \$16,070 is available for spending at the government's discretion (*unrestricted fund balance*).
- A blended component unit of the county (the Municipal Building Authority) acquired no additional new debt this year. The Municipal Building Authority has decreased its total debt by \$597. Leaving a Total MBA Debt at Year-end of \$8,310.
- At the end of the current year, unreserved fund balance for the General Fund was \$16,070, or 75.7 percent of total General Fund expenditures and transfers.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Uintah County's basic financial statements. Uintah County's basic financial statements comprise 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 liabilities, 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).

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

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. 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 six legally separate special service district; for highways and bridges, Recreation, 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 statement.

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, enterprise 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 balance 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 18 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, B-Road Fund, Municipal Services Fund, Debt Service, and Capital Projects Fund, all of which are considered to be major funds. Data from the other 13 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
Management's Discussion and Analysis
For the Year Ended December 31, 2021

Uintah County adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided for the General Fund and major special revenue funds 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 2 types of proprietary funds comprised of an internal service fund and enterprise funds, which 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 outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Uintah County's own programs. The accounting 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.

Component Units

The County reports six 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.

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.

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 comparisons.

The combining statements referred to earlier in connection with component units, non-major governmental funds and the enterprise fund 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 exceeded liabilities by \$441,376 at the close of the most recent fiscal year.

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

By far the largest portion of Uintah County's net position (77 percent) reflects its 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 investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of Uintah County's net position (14 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$42,048, may be used to meet the government's on-going 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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 88,395,627	\$ 84,169,659	\$ 23,706,612	\$ 24,098,551	\$ 112,102,239	\$ 108,268,210
Capital assets	365,548,044	362,163,967	9,069,864	9,146,850	374,617,908	371,310,817
Deferred outflows	6,632,056	7,064,835	177,723	199,756	6,809,779	7,264,591
Total assets	460,575,727	453,398,461	32,954,199	33,445,157	493,529,926	486,843,618
Current and other liabilities	4,518,911	5,766,348	192,797	271,704	4,711,708	6,038,052
Long-term liabilities	38,687,577	44,811,526	251,425	430,878	38,939,002	45,242,404
Deferred inflows	8,082,872	3,080,701	242,729	140,149	8,325,601	3,220,850
Total liabilities	51,289,360	53,658,575	686,951	842,731	51,976,311	54,501,306
Net position:						
Net investment in capital asset	330,212,338	324,542,510	9,069,864	9,146,850	339,282,202	333,689,360
Restricted	39,655,478	38,792,372	20,390,151	20,696,342	60,045,629	59,488,714
Unrestricted	39,418,551	36,405,004	2,629,510	2,559,478	42,048,061	38,964,482
Total net position	409,286,367	399,739,886	32,089,525	32,402,670	441,375,892	432,142,556
Total liabilities and net position:	\$ 460,575,727	\$ 453,398,461	\$ 32,776,476	\$ 33,245,401	\$ 493,352,203	\$ 486,643,862

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

Governmental Activities

Governmental activities increased Uintah County's net position by \$9,233. Key elements of this increase are as follows:

Table 2
Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 8,872,454	\$ 6,890,476	\$ 1,264,275	\$ 1,125,158	\$ 10,136,729	\$ 8,015,634
Operating grants and contributions	9,737,411	10,474,403	-	-	9,737,411	10,474,403
Capital grants and contributions	1,860,360	7,040,089	-	-	1,860,360	7,040,089
General revenues:						
Property taxes	19,059,033	19,395,852	-	-	19,059,033	19,395,852
Sales taxes	5,376,446	3,354,270	931,690	718,420	6,308,136	4,072,690
Grants & contr.-not restricted	4,111,519	3,873,628	25,000	20,025	4,136,519	3,893,653
Gain (loss) on sale of assets	33,904	115,235	-	-	33,904	115,235
Miscellaneous	279,442	1,023,256	103,346	439,637	382,788	1,462,893
Total revenues	<u>49,330,569</u>	<u>52,167,209</u>	<u>2,324,311</u>	<u>2,303,240</u>	<u>51,654,880</u>	<u>54,470,449</u>
Expenses:						
General government	16,377,974	14,818,086	-	-	16,377,974	14,818,086
Public safety	12,006,427	13,703,155	-	-	12,006,427	13,703,155
Public health	1,275,875	4,477,826	-	-	1,275,875	4,477,826
Highways and public improvements	2,802,796	9,592,537	-	-	2,802,796	9,592,537
Parks, recreation, and public property	3,122,218	2,515,480	-	-	3,122,218	2,515,480
Conservation and economic developm	3,159,339	7,876,898	-	-	3,159,339	7,876,898
Interest on long-term debt	1,039,459	1,189,997	-	-	1,039,459	1,189,997
Care Center	-	-	400,000	600,000	400,000	600,000
Western Park	-	-	1,456,771	1,548,696	1,456,771	1,548,696
Landfill	-	-	639,321	750,083	639,321	750,083
Telecommunications	-	-	141,364	183,624	141,364	183,624
Total expenses	<u>39,784,088</u>	<u>54,173,979</u>	<u>2,637,456</u>	<u>3,082,403</u>	<u>42,421,544</u>	<u>57,256,382</u>
Increase in net assets before transfers	9,546,481	(2,006,770)	(313,145)	(779,163)	9,233,336	(2,785,933)
Transfers	-	(567,204)	-	567,204	-	-
Change in net position	<u>9,546,481</u>	<u>(2,573,974)</u>	<u>(313,145)</u>	<u>(211,959)</u>	<u>9,233,336</u>	<u>(2,785,933)</u>
Net position - beginning	<u>399,739,886</u>	<u>401,897,481</u>	<u>32,402,670</u>	<u>32,614,629</u>	<u>432,142,556</u>	<u>434,512,110</u>
Prior period adjustment	-	416,379	-	-	-	416,379
Net position - ending	<u>\$ 409,286,367</u>	<u>\$ 399,739,886</u>	<u>\$ 32,089,525</u>	<u>\$ 32,402,670</u>	<u>\$ 441,375,892</u>	<u>\$ 432,142,556</u>

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

For the most part, increases in expenses closely paralleled inflation and growth in the demand for services, a few of the more significant changes are listed below:

- Capital grants and contributions decreased by \$5,180
- Operating grants and contributions decreased by \$737
- Property taxes decreased by \$336
- Sales tax increased by \$2,022
- Non restricted grants and contributions decreased by \$238

Business-type activities

Business-type activities decreased Uintah County's net assets by \$313. Key elements of this increase 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* fund balance may serve as a useful measure 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 \$79,876, an increase of \$4,368 in comparison with the prior year. Approximately 43 percent of this amount (\$34,169) constitutes *unassigned and assigned fund balances*, which is available for spending at the government's discretion. The remainder of fund balance is *restricted and committed* to indicate that it is not available for new spending. 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 \$16,070. 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. Unreserved fund balance represents 75.7 percent of total General Fund expenditures and transfers.

Enterprise funds

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

Total unrestricted net position of the enterprise funds at the end of the year amounted to \$2,630.

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget expenditures of \$6,838 can be briefly summarized as follows:

- \$35 decrease in general government
- \$212 increase in public safety
- \$166 increase in public health
- \$1,323 increase in highways and public improvements
- \$369 increase in parks, recreation and public property
- \$4,805 increase in conservation and economic development
- \$0 change in transfers
- \$0 change in capital outlay

The increase of \$6,838 was funded by general property taxes, sales tax, grants and use of unrestricted fund balance. During the year, however, actual revenues were less than budgeted revenues by \$5,234 and actual expenditures were less than budgeted expenditures by \$8,800. The overall operating increase in the general fund, fund balance was \$3,565.

Capital Assets

Uintah County's investment in capital assets for its government-wide activities as of December 31, 2021, amounts to \$374,618 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, equipment, and infrastructure, highways, bridges and construction in progress (CIP). The total decrease in Uintah County's investment in government-wide capital assets for the current year was \$3,307.

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

- Equipment purchases of \$1,717 and dispositions of \$970.
- Rights of Way increased by \$372
- Improvement purchases of \$1,348
- Land donation of \$22

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 utilizes 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.

Uintah County
Management's Discussion and Analysis
For the Year Ended December 31, 2021

The following table summarizes capital assets, net of accumulated depreciation, as of December 31, 2021:

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

	Government Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 15,171,421	\$ 15,148,886	\$ 6,315,656	\$ 6,315,656	\$ 21,487,077	\$ 21,464,542
Water rights	282,780	282,780	-	-	282,780	282,780
Rights of way	3,422,400	3,050,400	-	-	3,422,400	3,050,400
Artifacts and collections	-	-	35,405	35,405	35,405	35,405
Construction in Progress	107,999	-	-	-	107,999	-
Buildings	76,683,979	78,574,958	1,594,758	1,735,148	78,278,737	80,310,106
Improv. other than buildings	25,486,108	25,068,836	708,697	769,470	26,194,805	25,838,306
Machinery and equipment	4,621,222	4,551,941	415,348	291,169	5,036,570	4,843,110
Infrastructure (bridges)	3,035,358	3,185,866	-	-	3,035,358	3,185,866
Infrastructure (roads)	236,736,777	232,300,300	-	-	236,736,777	232,300,300
Total	\$ 365,548,044	\$ 362,163,967	\$ 9,069,864	\$ 9,146,848	\$ 374,617,908	\$ 371,310,815

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 outstanding of \$33,925. The debt represents revenue bonds secured by specified revenue sources and general obligation (G.O.) bonds backed by the full faith of the County. Total long-term debt as of December 31, 2021 was \$41,192.

Table 4
Outstanding Debt at Year-end

	Government Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
G.O. bonds	\$ 25,615,000	\$ 27,065,000	\$ -	\$ -	\$ 25,615,000	\$ 27,065,000
Bond premium	2,202,762	2,372,205	-	-	2,202,762	2,372,205
Revenue bonds	8,310,352	8,906,852	-	-	8,310,352	8,906,852
Compensated abs.	1,866,791	1,861,600	127,041	150,833	1,993,832	2,012,433
Termination benefits	1,102,698	1,102,698	-	-	1,102,698	1,102,698
NPL	1,654,958	5,237,970	96,826	279,234	1,751,784	5,517,204
Tax refund	188,459	311,701	-	-	188,459	311,701
Closure liability	-	-	27,558	811	27,558	811
Total	\$40,941,020	\$46,858,026	\$ 251,425	\$ 430,878	\$41,192,445	\$47,288,904

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 \$67,116. On December 31, 2021 Uintah County had \$25,615 general obligation debt.

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

Uintah County
Management’s Discussion and Analysis
For the Year Ended December 31, 2021

Economic Factors and Next Year’s Budgets and Rates:

- The Uintah Basin Railway is in the final design and permitting stages for completing a railway that will connect the Uintah Basin with the national rail network. In Late 2021, the Surface Transportation Board granted final approval for the construction and operation of the Uintah Basin Railway. This license went into effect on January 14, 2022. The railway will provide new infrastructure to help solve freight transportation challenges. The railway will impact the region in multiple ways. The Uintah Basin Railway will assist in providing economic stability with the creation and retention of well-paying jobs. The railway will increase opportunities for the Basin’s main industries such as mining, oil and gas, and agriculture and livestock. Economic diversification will result from the Railway.

- The unemployment rate in Uintah County continued to decrease from the highs seen in April 2020. Job growth, resulting from the easing of the effects of the COVID-19 pandemic, saw the unemployment rate end 2021 at 4.4%, nearly half of the rate at the end of 2020. While the unemployment rate continues to be among the highest in the State of Utah, Uintah County saw the State’s largest decrease in the unemployment rate from the end of 2020 to the end of 2021. In another positive sign of the county’s economic fortunes, 845 jobs were added in 2021, including 224 jobs in the mining sector.

- Building Permits:

Buidling Permits	Residential	Commercial	Non-residential
2021	67	13	\$ 4,244,275
2020	48	13	\$ 4,706,444
	19	-	\$ (462,169)

- The unemployment rates:

Unemployment Rates	Uintah County	State of Utah	National Avg
2021	4.5%	2.4%	3.5%
2020	8.1%	3.3%	6.7%
Change	-3.6%	-0.9%	-3.2%

Uintah County paid of one long-term debt during 2021. The last principal payment for the Northeastern Counseling building was made in the amount of \$32,500.

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 office 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
Government-Wide Statement of Net Position
For the Year Ended December 31, 2021

	Primary Government			Component Units
	Governmental	Business-type	Totals	
	Activities	Activities		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
ASSETS:				
Cash and cash equivalents	\$ 68,626,538	\$ 2,898,459	\$ 71,524,997	\$ 26,667,609
Investments	-	-	-	6,772,246
Accounts receivable, net	264,494	42,378	306,872	2,010,868
Taxes receivable	6,183,405	189,162	6,372,567	-
Due from other governments	1,489,147	-	1,489,147	788,227
Inventory	-	14,323	14,323	104,136
Prepaid expenses	-	-	-	257,086
Restricted cash and investments	9,327,041	20,384,567	29,711,608	3,404,398
Capital lease receivable form component units:				
Current portion	167,001	-	167,001	-
Noncurrent portion	2,338,001	-	2,338,001	-
Other investments	-	-	-	1,575
Capital Assets:				
Non-depreciable	18,984,600	6,351,060	25,335,660	2,353,257
Depreciable, net of accumulated depreciaton	346,563,444	2,718,804	349,282,248	43,176,837
Net pension asset	-	-	-	95,371
Total capital assets, net	<u>365,548,044</u>	<u>9,069,864</u>	<u>374,617,908</u>	<u>45,530,094</u>
Total Assets	<u>453,943,671</u>	<u>32,598,753</u>	<u>486,542,424</u>	<u>85,631,610</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows - refunding bonds	3,316,482	-	3,316,482	-
Deferred outflows - pensions	3,315,574	177,723	3,493,297	1,460,285
Total deferred outflows of resources	<u>\$ 6,632,056</u>	<u>\$ 177,723</u>	<u>\$ 6,809,779</u>	<u>\$ 1,460,285</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:				
LIABILITIES:				
Warrants outstanding	\$ 1,021,286	\$ 55,750	\$ 1,077,036	\$ -
Accounts payable	795,450	122,920	918,370	2,176,086
Salaries Payable	13,091	6,981	20,072	537,567
Accrued liabilities	280,918	7,146	288,064	294,296
Client trust payable	-	-	-	86,471
Deposit payable	-	-	-	800
Unearned revenue	-	-	-	1,882,606
Accrued interest payable	154,723	-	154,723	14,382
Due within one year	2,253,443	-	2,253,443	1,747,620
Due in more than one year	33,874,671	-	33,874,671	7,602,418
Tax refund liability	188,459	-	188,459	-
Termination benefits liability	1,102,698	-	1,102,698	-
Closure and post closure costs payable	-	27,558	27,558	-
Compensated absences	1,866,791	127,041	1,993,832	306,233
Net pension liability	1,654,958	96,826	1,751,784	310,635
Total Liabilities	<u>43,206,488</u>	<u>444,222</u>	<u>43,650,710</u>	<u>14,959,114</u>
Deferred inflows of resources - grants	3,470,456	-	3,470,456	20,395
Deferred inflows of resources - pensions	4,612,416	242,729	4,855,145	2,494,049
Total liabilities and deferred inflows of resources	<u>8,082,872</u>	<u>242,729</u>	<u>8,325,601</u>	<u>2,514,444</u>
NET POSITION				
Net investment in capital assets	330,212,338	9,069,864	339,282,202	42,481,327
Restricted for:				
Assessing and collecting	2,067,079	-	2,067,079	-
ARPA Grant	818	-	818	-
Cemeteries	426,619	-	426,619	-
Flood control	1,913,826	-	1,913,826	-
Library	2,725,462	-	2,725,462	-
Tri-county health	(44,925)	-	(44,925)	-
Transient room	240,207	-	240,207	-
Food service	528,229	-	528,229	-
Class "B" roads	13,044,898	-	13,044,898	-
Municipal building authority	7,947,779	-	7,947,779	-
Tort liability	1,215,409	-	1,215,409	-
Debt service	1,461,035	-	1,461,035	638,455
Permanent funds	8,129,042	-	8,129,042	-
Uintah care center	-	20,144,304	20,144,304	-
Landfill post closure reserve	-	245,847	245,847	-
Unrestricted	39,418,551	2,629,510	42,048,061	26,498,555
Total net position	<u>\$ 409,286,367</u>	<u>\$ 32,089,525</u>	<u>\$ 441,375,892</u>	<u>\$ 69,618,337</u>

Utah County
Government-wide Statement of Activities
For the Year Ended December 31, 2021

	Net (Expense) Revenue and Changes in Net Position						
	Program Revenues			Primary Government			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT:							
Governmental activities:							
General government	\$ 16,377,974	\$ 3,644,882	\$ 966,892	\$ -	\$ (11,766,200)	\$ -	\$ (11,766,200)
Public safety	12,006,427	1,684,131	411,344	130,208	(9,780,744)	-	(9,780,744)
Public health	1,275,875	285,394	50,744	781,926	(157,811)	-	(157,811)
Highways and public improvements	2,802,796	854,211	7,970,272	845,582	6,867,269	-	6,867,269
Parks, recreation, and public property	3,122,218	6,464	63,518	-	(3,052,236)	-	(3,052,236)
Community and economic development	3,159,339	2,397,372	274,641	102,644	(384,682)	-	(384,682)
Interest and fiscal charges	1,039,459	-	-	-	(1,039,459)	-	(1,039,459)
Total Governmental Activities	\$ 39,784,088	\$ 8,872,454	\$ 9,737,411	\$ 1,860,360	(19,313,863)	-	(19,313,863)
Business-type activities:							
Western Park	1,456,771	278,907	-	-	(1,177,864)	-	(1,177,864)
Landfill	639,321	843,815	-	-	204,494	-	204,494
Telecommunications	141,364	141,553	-	-	189	-	189
Total Business-type Activities	2,237,456	1,264,275	-	-	(973,181)	-	(973,181)
Total Primary Government	42,021,544	10,136,729	9,737,411	1,860,360	(19,313,863)	(973,181)	(20,287,044)
COMPONENT UNITS:							
Utah Transportation Special Service District	3,706,355	-	148,691	1,565,828	-	-	(1,991,836)
Tri-County Mental Health & Sub. Abuse	9,314,056	6,999,113	3,119,785	859,450	-	-	1,664,292
Utah Recreation District	4,975,759	1,859,467	-	-	-	-	(3,116,292)
Utah Health Care Special Service District	6,611,047	4,410,068	198,319	370,978	-	-	(1,631,682)
Animal Control Special Service District	717,011	46,425	757,958	-	-	-	87,372
Utah Impact Mitigation Special Service Dist.	1,929,964	-	65,000	-	-	-	(1,864,964)
Fire Suppression Special Service District	2,022,587	432,282	60,337	-	-	-	(1,529,968)
Total component units	\$ 29,276,779	\$ 13,747,355	\$ 4,350,090	\$ 2,796,256	-	-	(8,383,078)
General Revenues:							
Property Taxes					18,496,935	-	18,496,935
Delinquent taxes					562,098	-	562,098
Sales taxes					5,376,446	931,690	6,308,136
Payment in lieu of tax					4,111,519	-	4,111,519
Intergovernmental					-	25,000	25,000
Mineral lease revenue					-	-	12,887,579
Contribution to other governments					(400,000)	-	(400,000)
Earnings on investments					232,297	97,193	329,490
Gain (loss) on sale of assets					33,904	-	33,904
Miscellaneous					47,145	6,153	53,298
Total general revenues and special items					28,860,344	660,036	29,520,380
Change in Net Position					9,546,481	(313,145)	9,233,336
Net Position - Beginning					399,739,886	32,402,670	432,142,556
Net Position - Ending					\$ 409,286,367	\$ 32,089,525	\$ 441,375,892
							\$ 69,618,337

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

Uintah County
Balance Sheet – Governmental Funds
As of December 31, 2021

	Major Governmental Funds							
	Special Revenue Funds						Other Governmental Funds	Total Governmental Funds
	General Fund	Municipal Service Funds	Class "B" Roads Fund	Municipal Building Authority	Capital Projects			
ASSETS								
Cash and cash equivalents	\$ 13,300,300	\$ 4,544,649	\$ 12,065,737	\$ 6,601,041	\$ 17,472,521	\$ 14,202,683	\$ 68,186,931	
Accounts receivable, net	-	103,710	-	148,608	-	12,135	264,453	
Taxes receivable	3,510,658	-	211,937	-	-	2,460,810	6,183,405	
Due from other governments	721,923	-	767,224	-	-	-	1,489,147	
Restricted cash and investments	-	-	-	1,198,130	-	8,128,911	9,327,041	
Total Assets	\$ 17,532,881	\$ 4,648,359	\$ 13,044,898	\$ 7,947,779	\$ 17,472,521	\$ 24,804,539	\$ 85,450,977	
LIABILITIES								
Warrants outstanding	\$ 697,355	\$ 121,329	\$ -	\$ -	\$ 104,726	\$ 91,136	\$ 1,014,546	
Accounts payable	562,346	60,967	-	-	-	172,137	795,450	
Salaries payable	-	-	-	-	-	13,091	13,091	
Accrued liabilities	202,312	57,783	-	-	-	20,823	280,918	
Deferred inflows of resources	-	-	-	-	-	3,470,456	3,470,456	
Total Liabilities	1,462,013	240,079	-	-	104,726	3,767,643	5,574,461	
FUND BALANCE:								
Restricted For:								
Assessing and collecting	-	-	-	-	-	2,067,079	2,067,079	
ARPA Grant	-	-	-	-	-	818	818	
Cemeteries	-	-	-	-	-	426,619	426,619	
Flood Control	-	-	-	-	-	1,913,826	1,913,826	
Library	-	-	-	-	-	2,725,462	2,725,462	
Tri-County health	-	-	-	-	-	(44,925)	(44,925)	
Transient room	-	-	-	-	-	240,207	240,207	
Food service	-	-	-	-	-	528,229	528,229	
Class "B" roads	-	-	13,044,898	-	-	-	13,044,898	
Municipal Building Authority	-	-	-	7,947,779	-	-	7,947,779	
Tort liability	-	-	-	-	-	1,215,409	1,215,409	
Debt service	-	-	-	-	-	1,461,035	1,461,035	
Permanent funds	-	-	-	-	-	8,129,042	8,129,042	
Committed:								
Municipal services	-	4,408,280	-	-	-	-	4,408,280	
Regional History Center	-	-	-	-	-	222,232	222,232	
911 emergency service	-	-	-	-	-	1,421,415	1,421,415	
Assigned:								
Historical preservation	-	-	-	-	-	65,376	65,376	
Drug Court	-	-	-	-	-	30,259	30,259	
Cemeteries	-	-	-	-	-	634,813	634,813	
Capital Projects	-	-	-	-	17,367,795	-	17,367,795	
Unassigned								
Total fund equity	16,070,868	4,408,280	13,044,898	7,947,779	17,367,795	21,036,896	79,876,516	
Total liabilities and fund equity	\$ 17,532,881	\$ 4,648,359	\$ 13,044,898	\$ 7,947,779	\$ 17,472,521	\$ 24,804,539	\$ 85,450,977	

Uintah County
Reconciliation of Total Governmental Fund Balances to
Government-wide Net Position
As of December 31, 2021

Total fund balances - governmental fund types:	<u>\$ 79,876,516</u>
Amount reported in the governmental activities on the statement of net position are different because:	
Capital Assets used in the governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. These assets consists of:	365,548,044
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.	2,505,002
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.	432,908
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	(39,076,103)
Net position of governmental activities	<u><u>\$ 409,286,367</u></u>

Uintah County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year ended December 31, 2021

	Major Governmental Funds						
	Special Revenue Funds						Total Governmental Funds
	General Fund	Municipal Services Fund	Class "B" Roads Fund	Municipal Building Authority	Capital Projects	Other Governmental Funds	
REVENUES							
Taxes	\$ 13,172,772	\$ 1,261,686	\$ 1,641,514	\$ -	\$ -	\$ 9,173,308	\$ 25,249,280
Assessing and collecting	2,352,748	-	-	-	-	-	2,352,748
Charges for services	4,052,277	690,684	-	501,000	14,250	552,962	5,811,173
Fines and forfeitures	268,539	-	-	-	-	-	268,539
Highways and public improvements	3,329,404	-	-	-	-	-	3,329,404
Intergovernmental revenues	2,362,094	3,674,097	4,528,401	-	845,582	155,911	11,566,085
Licenses and permits	157,380	282,614	-	-	-	-	439,994
Interest income	40,497	13,599	36,242	26,645	58,670	56,644	232,297
Miscellaneous	-	12,983	11,500	-	-	22,662	47,145
Total Revenues	25,735,711	5,935,663	6,217,657	527,645	918,502	9,961,487	49,296,665
EXPENDITURES							
Current:							
General government	8,786,294	777,363	-	1,974	-	2,918,074	12,483,705
Public safety	7,132,055	4,796,896	-	-	-	96,755	12,025,706
Public health	173,049	-	-	-	-	673,113	846,162
Highways and public improvements	3,688,050	65,881	4,008,251	-	-	-	7,762,182
Parks, recreation, and public property	383,159	-	-	-	-	1,927,429	2,310,588
Conservation and economic development	1,538,876	-	-	-	-	1,722,347	3,261,223
Capital outlay	-	-	-	-	961,575	-	961,575
Debt Service:							
Principal retirement	-	-	-	596,500	-	1,450,000	2,046,500
Interest and fiscal charges	-	-	-	-	-	1,039,459	1,039,459
Total Expenditures	21,701,483	5,640,140	4,008,251	598,474	961,575	9,827,177	42,737,100
Excess Revenues Over (Under)							
Expenditures	4,034,228	295,523	2,209,406	(70,829)	(43,073)	134,310	6,559,565
Other financing sources (uses)							
Sale of fixed assets	11,651	22,253	-	-	-	-	33,904
Contributions to other governments	-	-	-	-	-	(2,225,788)	(2,225,788)
Transfers in	-	-	-	-	-	880,554	880,554
Transfers (out)	(480,554)	-	-	-	-	(400,000)	(880,554)
Total other financing sources (uses)	(468,903)	22,253	-	-	-	(1,745,234)	(2,191,884)
Excess of Revenues and Other Sources							
Over (Under) Expenditures and Other Uses	3,565,325	317,776	2,209,406	(70,829)	(43,073)	(1,610,924)	4,367,681
Fund Balances - Beginning	12,505,543	4,090,504	10,835,492	8,018,608	17,410,868	22,647,820	75,508,835
Fund Balances - Ending	\$ 16,070,868	\$ 4,408,280	\$ 13,044,898	\$ 7,947,779	\$ 17,367,795	\$ 21,036,896	\$ 79,876,516

Uintah County
Reconciliation of the Statement of Revenues, Expenditures, and Changed in Fund Balances
of Governmental Funds to the Government-wide Statement of Activities
For the Year ended December 31, 2021

Net changes in fund balances - total governmental funds \$ 4,367,681

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

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

Capital Outlays	14,129,085	
Less: depreciaiton expense	<u>(12,378,987)</u>	
Difference between expenditures and depreciaiton		<u>1,750,098</u>

The net effect of various miscellaneous transactions involving capital assets:

Transfers or (Loss) on sale of capital assets		<u>1,633,979</u>
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The governmental fund reports bond proceeds as an other financing source, while repayment of the bond principal is reported as an expenditures. In the statement of activities, bond proceeds are shown as debt and repayment of bond principle reduces outstanding debt. 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	
Repayment of bond principal	<u>2,046,500</u>	
		<u>2,215,943</u>

Pension expense reported in the goverenment-wide statement of activities does not require the use of current financial resources and therefore is not reported as an expense in governmental funds.		<u>1,135,251</u>
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To reduce charges for service revenue for payment made on contract receivable.		<u>(193,392)</u>
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Repayment of loan principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the government-wide statement of net position.		<u>123,242</u>
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Compensated absences are not accrued as an expense in governmental funds; however, this expense is reported in the statement of activities.		<u>(5,191)</u>
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The net loss of the internal service fund is reported with governmental activities.		<u>(1,481,130)</u>
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Change in net position of governmental activities		<u><u>\$ 9,546,481</u></u>
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Uintah County
Statement of Proprietary Net Position
As of December 31, 2021

	Business-Type Activities - Enterprise Funds					
	Major Funds					
	Care Center	Western Park	Landfill	Telecommunications	Total BTAs	Internal Service Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:						
Current Assets:						
Cash and cash equivalents	\$ -	\$ 957,441	\$ 1,647,984	\$ 293,034	\$ 2,898,459	\$ 439,607
Accounts receivable, net	-	828	33,960	7,590	42,378	41
Taxes receivable	-	189,162	-	-	189,162	-
Inventory	-	14,323	-	-	14,323	-
Restricted cash and cash equivalents	20,144,304	-	240,263	-	20,384,567	-
Total Current Assets	<u>20,144,304</u>	<u>1,161,754</u>	<u>1,922,207</u>	<u>300,624</u>	<u>23,528,889</u>	<u>439,648</u>
Non-Current Assets:						
Capital assets:						
Non-depreciable	-	6,299,760	51,300	-	6,351,060	-
Depreciable, net of accumulated depreciation	-	2,331,059	302,593	85,152	2,718,804	-
Total capital assets	-	8,630,819	353,893	85,152	9,069,864	-
Total Assets	<u>20,144,304</u>	<u>9,792,573</u>	<u>2,276,100</u>	<u>385,776</u>	<u>32,598,753</u>	<u>439,648</u>
Deferred outflows or resources - pensions	-	111,345	66,378	-	177,723	-
Total assets and deferred outflows of resources:	<u>-</u>	<u>111,345</u>	<u>66,378</u>	<u>-</u>	<u>177,723</u>	<u>439,648</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:						
Current Liabilities:						
Warrants outstanding	-	49,168	5,366	1,216	55,750	6,740
Accounts payable	-	105,591	11,636	5,693	122,920	-
Salaries payable	-	4,597	2,384	-	6,981	-
Accrued liabilities	-	4,565	2,581	-	7,146	-
Total Current Liabilities	<u>-</u>	<u>163,921</u>	<u>21,967</u>	<u>6,909</u>	<u>192,797</u>	<u>6,740</u>
Noncurrent Liabilities:						
Closure/post closure liability	-	-	27,558	-	27,558	-
Net pension liability	-	68,008	28,818	-	96,826	-
Compensated absences	-	67,353	59,688	-	127,041	-
Total Noncurrent Liabilities	<u>-</u>	<u>299,282</u>	<u>138,031</u>	<u>6,909</u>	<u>444,222</u>	<u>6,740</u>
Deferred inflows or resources - pensions	-	140,371	102,358	-	242,729	-
Total liabilities and deferred inflows of resources:	<u>-</u>	<u>439,653</u>	<u>240,389</u>	<u>6,909</u>	<u>686,951</u>	<u>6,740</u>
NET POSITION						
Net investment in capital assets	-	8,630,819	353,893	85,152	9,069,864	-
Restricted for:						
Uintah care center	20,144,304	-	-	-	20,144,304	-
Healthcare	-	-	245,847	-	245,847	-
Landfill post closure reserve	-	-	1,502,349	293,715	2,629,510	-
Unrestricted	-	833,446	-	-	833,446	-
Total net position	<u>\$ 20,144,304</u>	<u>\$ 9,464,265</u>	<u>\$ 2,102,089</u>	<u>\$ 378,867</u>	<u>\$ 32,089,525</u>	<u>\$ 432,908</u>

Utah County
Statement of Revenues, Expenses, and Changes in Fund Net Assets—Proprietary Funds
As of December 31, 2021

Business-Type Activities - Enterprise Funds						
Major Funds						
	Care Center	Western Park	Landfill	Telecommunications	Total BTAs	Internal Service Fund
Operating Revenues:						
Charges for sales and services	\$ -	\$ 278,907	\$ 843,815	\$ 141,553	\$ 1,264,275	\$ 136,527
Total Operating Revenues	-	278,907	843,815	141,553	1,264,275	136,527
Operating Expenses:						
Employee salaries and benefits	-	498,232	412,087	-	910,319	-
Temporary staffing	-	242,736	-	-	242,736	-
Office supplies	-	5,827	666	-	6,493	-
Other supplies and services	-	135,896	1,677	26,181	163,754	-
Contractual services	-	-	38,412	-	38,412	1,621,233
Utilities	-	170,867	9,038	-	179,905	-
Fuel and oil	-	14,404	50,534	-	64,938	-
Repairs and maintenance	-	131,568	54,028	177	185,773	-
Depreciation	-	216,594	53,920	25,276	295,790	-
Miscellaneous	-	3,201	5,999	-	9,200	-
Advertising	-	2,656	-	-	2,656	-
Event costs	-	20,009	-	-	20,009	-
Travel	-	586	-	-	586	-
Telephone and internet	-	14,195	1,723	89,730	105,648	-
State assessment	-	-	11,237	-	11,237	-
Total operating expenses	-	1,456,771	639,321	141,364	2,237,456	1,621,233
Operating Income	-	(1,177,864)	204,494	189	(973,181)	(1,484,706)
Nonoperating Revenues (Expenses):						
Taxes	38	931,652	-	-	931,690	-
Investment earnings	87,271	2,922	6,079	921	97,193	3,576
Miscellaneous revenue	-	6,135	18	-	6,153	-
Grant revenue	-	25,000	-	-	25,000	-
Contribution to other governments	(400,000)	-	-	-	(400,000)	-
Total Nonoperating Revenues (Expenses)	(312,691)	965,709	6,097	921	660,036	3,576
Change in net position	(312,691)	(212,155)	210,591	1,110	(313,145)	(1,481,130)
Total net position - beginning	20,456,995	9,676,420	1,891,498	377,757	32,402,670	1,914,038
Total net position - ending	\$ 20,144,304	\$ 9,464,265	\$ 2,102,089	\$ 378,867	\$ 32,089,525	\$ 432,908

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

Uintah County
Statement of Cash Flows—Proprietary Funds
As of December 31, 2021

	Business-Type Activities - Enterprise Funds					
	Major Funds					Internal Service Fund
	Care Center	Western Park	Landfill	Telecommunications	Total BTA's	
Cash Flows From Operating Activities:						
Receipts from customers	\$ -	\$ 226,317	\$ 819,880	\$ 154,839	\$ 1,201,036	\$ 136,486
Payments to suppliers	-	(674,250)	(263,198)	(146,059)	(1,083,507)	(1,614,493)
Payments to employees	-	(564,080)	(427,825)	-	(991,905)	-
Net cash provided (used) by operating activities	<u>-</u>	<u>(1,012,013)</u>	<u>128,857</u>	<u>8,780</u>	<u>(874,376)</u>	<u>(1,478,007)</u>
Cash Flows From Non-Capital Financing Activities:						
Tax revenue	38	931,652	-	-	931,690	-
Miscellaneous revenue	-	6,135	18	-	6,153	-
Contribution to other governments	(400,000)	-	-	-	(400,000)	-
Grant revenue	-	25,000	-	-	25,000	-
Net cash provided (used) by non-operating activities	<u>(399,962)</u>	<u>962,787</u>	<u>18</u>	<u>-</u>	<u>562,843</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities:						
Purchase of capital assets	-	-	(210,505)	(8,300)	(218,805)	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>(210,505)</u>	<u>(8,300)</u>	<u>(218,805)</u>	<u>-</u>
Cash Flows From Investing Activities:						
Interest and dividends received	87,271	2,922	6,079	921	97,193	3,576
Net cash provided (used) by investing activities	<u>87,271</u>	<u>2,922</u>	<u>6,079</u>	<u>921</u>	<u>97,193</u>	<u>3,576</u>
Net increase (decrease) in cash and cash equivalents	(312,691)	(46,304)	(75,551)	1,401	(433,145)	(1,474,431)
Cash and cash equivalents, July 1	20,456,995	1,003,745	1,963,798	291,633	23,716,171	1,914,038
Cash and cash equivalents, June 30	<u>\$ 20,144,304</u>	<u>\$ 957,441</u>	<u>\$ 1,888,247</u>	<u>\$ 293,034</u>	<u>\$ 23,283,026</u>	<u>\$ 439,607</u>
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income	\$ -	\$ (1,177,864)	\$ 204,494	\$ 189	\$ (973,181)	\$ (1,484,706)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	-	216,594	53,920	25,276	295,790	-
(Increase) decrease in accounts receivable	-	(54,206)	(23,935)	13,286	(64,855)	(41)
(Increase) decrease in inventories	-	1,616	-	-	1,616	-
(Increase) decrease in net pension resources	-	(33,292)	(24,502)	-	(57,794)	-
Increase (decrease) in warrants payable	-	4,749	(2,813)	(2,407)	(471)	6,740
Increase (decrease) in accounts payable	-	61,472	(113,552)	(27,564)	(79,644)	-
Increase (decrease) in salaries payable	-	198	(974)	-	(776)	-
Increase (decrease) in accrued liabilities	-	1,276	708	-	1,984	-
Increase (decrease) in closure/post closure liability	-	-	26,747	-	26,747	-
Increase (decrease) in compensated absences	-	(32,556)	8,764	-	(23,792)	-
Total adjustments	<u>-</u>	<u>165,851</u>	<u>(75,637)</u>	<u>8,591</u>	<u>98,805</u>	<u>6,699</u>
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ (1,012,013)</u>	<u>\$ 128,857</u>	<u>\$ 8,780</u>	<u>\$ (874,376)</u>	<u>\$ (1,478,007)</u>

Uintah County
Statement of Fiduciary Net Position
As of December 31, 2021

	<u>GIRT Trust</u>	<u>OPEB Trust</u>	<u>Custodial Funds</u>
ASSETS			
Cash and cash equivalents	\$ 189,745	\$ -	\$ 15,444,691
Taxes receivable	-	-	932,928
Restricted cash and investments	-	-	304,342
Total assets	<u>189,745</u>	<u>-</u>	<u>16,681,961</u>
LIABILITIES			
Warrants outstanding	-	-	416,021
Due to other funds	-	-	4,546,214
Total liabilities	<u>-</u>	<u>-</u>	<u>4,962,235</u>
NET POSITION			
Restricted:			
GIRT Trust	189,745	-	-
Other postemployment benefits	-	-	5,850,624
Total net position	<u>\$ 189,745</u>	<u>\$ -</u>	<u>\$ 5,850,624</u>

Uintah County
Statement of Changes in Fiduciary Net Position
As of December 31, 2021

	<u>GIRT Trust</u>	<u>OPEB Trust</u>	<u>Custodial Funds</u>
ADDITIONS			
Contributions:			
Private and public contributions	\$ 13,052	\$ -	\$ 52,616,552
Interest income	598	-	283,983
Miscellaneous	-	-	555,173
Total additions	<u>13,650</u>	<u>-</u>	<u>53,455,708</u>
DEDUCTIONS			
Miscellaneous	4,532	261,536	-
Tax distributions	-	-	55,750,994
Total deductions	<u>4,532</u>	<u>261,536</u>	<u>55,750,994</u>
Change in net position	9,118	(261,536)	(2,295,286)
Net position - beginning	<u>180,627</u>	<u>261,536</u>	<u>8,145,910</u>
Net position - ending	<u>\$ 189,745</u>	<u>\$ -</u>	<u>\$ 5,850,624</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies

The financial statements of Uintah County (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant policies of the County are described below.

A. Reporting Entity

Uintah County, Utah (the County) operates under a three-member County Commission form of government. The County provides the following services: County-wide 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.

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Municipal Building Authority of Uintah County (MBA) – The MBA was created by the County Commission as a body politic and corporate for the purpose of financing, owning, leasing, 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 direction.

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 includes the financial date of these entities.

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 person within the Mental Health District. The County Commissioners within the District appoint members of the board of directors. The District has a fiscal year end June 30, 2020, which was audited, and their report issued under separate cover. An audit report can be obtained from their administrative office in Vernal, Utah.

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 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 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 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 the County Commissioners of Uintah County. The purpose of the District is to oversee, administer,

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Discrete Component Units (Continued)

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 and provide funding for educational scholarships 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.

B. Government-Wide and Fund Financial Accounting

The County’s basic financial statements consist of government-wide statements, including a Statement of Net Position, Statement of Activities, along with separate fund financial statements.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Accounting (Continued)

Government- Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all 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.

Fund Financial Statements

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

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

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.

Government 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.

Municipal Services Fund – The Municipal Services Fund provides services to the unincorporated County residences, i.e., law enforcement, building and zoning, etc.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

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

Government Fund Financial Statements (Continued)

Class “B” Roads – The Class “B” Roads Fund is used to account for maintenance of County roads.

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.

In accordance with GASB 84, the County reports Cemetery Board Funds as a non-major fund beginning in 2020 rather than a fiduciary fund.

The County’s non-major governmental funds include other special revenue funds, the 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 in that they both use the economic resources measurement focus and the accrual basis of accounting.

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:

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.

Western Park Fund – The Western Park Fund accounts for the resource and expenditures in the operating and maintaining of the Western Park Conference Center, Western Park Arena, and related facilities associated with the activities at the arena.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

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

Proprietary Fund Financial Statements (Continued)

Landfill Fund – The Landfill Fund was created for the operation of the Uintah County Landfill. The fund receives all funds generated by the used of the landfill and the expending of money for the operation and maintenance of the facility.

The County’s non-major proprietary funds include the Telecom Fund. The Telecom Fund accounts for the resources used in maintaining tele-communication services 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 has the following types of fiduciary funds.

Private Purpose – The County has a private purpose trust fund. The GIRT Trust fund is interest received by the County from a private contribution, which is used to help under privileged children.

Custodial Funds – Custodial Funds are used to account for assets held by the County as an agent for other governments, private organizations, or individuals. Custodial Funds include Treasurer’s Tax Collection and Special Deposits. Custodial Funds are custodial in nature and are presented using the accrual basis of accounting now required under GASB 84.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

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

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

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 custodial 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.)

E. Assets, Liabilities, and Net Position

Cash and Cash Equivalents

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, and Net Position (Continued)

Investments

Investments are recorded at fair value based upon quoted market prices at December 31, 2021. The difference between cost and fair value is recognized as unrealized gain or (loss) in the financial statements.

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.

Accounts Receivable

Material receivables in governmental funds and government activities include revenue accruals such as property tax, grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions that are collectible but not available are deferred. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available at the fund level.

Proprietary type funds, business-type activities, and material receivables consist of all revenues earned at year-end and not yet received.

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, and Net Position (Continued)

Capital Assets (Continued)

When constructing capital assets, interest expense incurred relating to governmental or proprietary activities is not 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:

<u>Asset Category</u>	<u>Years</u>
Buildings	20-40
Improvements	15-40
Equipment	4-10
Infrastructure (bridges)	40

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.

Accounts and Warrants Payable

Accounts and warrants payable in the governmental and proprietary activities includes the payables recorded by the County at December 31, 2021 related to normal monthly expenditures and capital expenditures for all funds.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, and Net Position (Continued)

Salaries Payable and Accrued Liabilities

Salaries payables consist of wages earned by employees and accrued liabilities consist of payroll liabilities such as FICA, retirement, and health insurance which had not yet been paid at December 31, 2021.

Compensated Absences

Accrued unused Paid Time Off (PTO), which has vested to the employee, is reported as a liability in the government-wide financial statements for governmental activities and for proprietary funds.

The following is a description of the County's policy related to Paid Time Off and Sick Leave Reserve:

- *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 11 or more years. Employees may accumulate earned but unused PTO up to 600 hours. Any amount of accumulated PTO over six hundred hours and not used at the end of the year will be forfeited by the employee. The remaining 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 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.

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1—Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, and Net Position (Continued)

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 and deductions from URS' 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.

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 current outstanding debt obligations incurred for the purpose of purchasing or construction of 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.

Unrestricted net position classification is all net position that is not restricted or part of net investment in capital assets.

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, committed, assigned, and unassigned. The classification of these fund balances are defined as follows:

- Non-spendable Fund Balance – Fund balances are reported as non-spendable 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 they 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.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 1 — Summary of Significant Accounting Policies (Continued)

E. Assets, Liabilities, and Net Position (Continued)

Net Position/Fund Balances (Continued)

- Assigned Fund Balance – Fund balances are recorded 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 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 amount, 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 be budgeted.

F. Use of Estimates

The preparation of 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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Effect of COVID-19

The COVID-19 Pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the County and financial results of our operation will depend on future developments, including the duration and spread of the outbreak within the markets in which we operate. At this point, the extent to which COVID-19 may impact the County is uncertain.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 2 – Deposits and Investments

A. Cash and Cash Equivalents

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

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 institution that is insured by the Federal Deposit Insurance Corporation (FDIC). Deposits in excess of the insured amount are uninsured and uncollateralized. At December 31, 2021, the County’s primary government deposits were \$12,115,962, of which \$700,045 were FDIC insured.

B. Restricted Cash and Investments

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

Government Funds:		
Municipal Building Authority	1,198,130	
Permanent Funds	8,128,911	
Total	\$ 9,327,041	
 Enterprise Funds:		
Care Center	\$ 20,144,304	
Landfill	240,263	
Total	\$ 20,384,567	

- Tri-County Health Fund – These are funds that have been restricted and set aside in a reserve account for future use.

Note 2 – Deposits and Investments (Continued)

Uintah County
Notes to the Financial Statements
December 31, 2021

B. Restricted Cash and Investments (Continued)

- 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.
- 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 Fund – 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.

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 in handling its investment transactions. 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.

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.

Uintah County
Notes to the Financial Statements
December 31, 2021

B. Restricted Cash and Investments (Continued)

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, and 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.0

Fair Value of Investments

Investments are carried at fair value. The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognized 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

The following table sets forth the recurring fair value measurements of investments:

<u>Investment Type - Debt Securities</u>	<u>12/31/2021</u>	<u>Fair Value Measurement Level</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money Market Mutual Funds	\$ 6,759,282	\$ 6,759,282	\$ -	\$ -
U.S. Agencies	6,898,248	6,898,248	-	-
Corporate Bonds	12,681,228	12,681,228	-	-
Utah Public Treasurer's Investment Fund	63,932,150	-	63,932,150	-
Total Investments	\$ 90,270,908	\$ 26,338,758	\$ 63,932,150	\$ -

Note 2 – Deposits and Investments (Continued)

Uintah County
Notes to the Financial Statements
December 31, 2021

B. Restricted Cash and Investments (Continued)

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, 2021 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.

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 five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 2 – Deposits and Investments (Continued)

B. Restricted Cash and Investments (Continued)

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

<u>Investment Type - Debt Securities</u>	<u>12/31/2021</u>	<u>Investment Maturities (in years)</u>		
		<u>Less than 1</u>	<u>1-5</u>	<u>6 or more</u>
Money Market Mutual Funds	\$ 6,759,282	\$ 6,759,282	\$ -	\$ -
U.S. Agencies	6,898,248	2,254,449	4,643,799	-
Corporate Bonds	12,681,228	6,251,678	6,429,550	-
Utah Public Treasurer's Investment Fund	63,932,150	63,932,150	-	-
Total Investments	\$ 90,270,908	\$ 79,197,559	\$ 11,073,349	\$ -

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.

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

<u>Investment Type - Debt Securities</u>	<u>12/31/2021</u>	<u>Quality Ratings</u>		
		<u>A- or better</u>	<u>BBB+</u>	<u>Unrated</u>
Money Market Mutual Funds	\$ 6,759,282	\$ -	\$ -	\$ 6,759,282
U.S. Agencies	6,898,248	6,898,248	-	-
Corporate Bonds	12,681,228	11,980,832	700,396	-
Utah Public Treasurer's Investment Fund	63,932,150	-	-	63,932,150
Total Investments	\$ 90,270,908	\$ 18,879,080	\$ 700,396	\$ 70,691,432

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 five to ten percent depending upon the total dollar amount held in the portfolio.

At December 31, 2021, the County held more than five percent of total investments in securities of Corporate Bonds (\$12,681,228), U.S. Agencies (\$6,898,248) and Utah Public Treasurer's Investment Fund (\$63,932,150) which represent 14, 8, and 71 percent, respectively of the County's total investments.

Utah County
Notes to the Financial Statements
December 31, 2021

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, 2021 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 \$90,271. Of this amount \$63,932, were held by the Utah Public Treasurer's Investment Fund where the underlying securities were uninsured.

Note 3 – Capital Assets

Capital asset activity related to the primary government for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 15,148,886	\$ 22,535	\$ -	\$ 15,171,421
Rights of way	3,050,400	372,000	-	3,422,400
Water rights	282,780	-	-	282,780
Construction-in-progress	-	107,999	-	107,999
Total assets not being depreciated	<u>18,482,066</u>	<u>502,534</u>	<u>-</u>	<u>18,984,600</u>
Capital assets being depreciated:				
Buildings	106,896,617	-	1,042,693	107,939,310
Improvements other than buildings	34,959,819	1,348,289	1,324,059	37,632,167
Machinery and equipment	22,657,720	1,618,882	(969,723)	23,306,879
Infrastructure (Bridges)	9,581,393	-	-	9,581,393
Infrastructure (Roads)	238,256,718	10,659,380	-	248,916,098
Total assets being depreciated	<u>412,352,267</u>	<u>13,626,551</u>	<u>1,397,029</u>	<u>427,375,847</u>
Less accumulated depreciation:				
Buildings	(28,321,659)	(2,753,385)	(180,287)	(31,255,331)
Improvements other than buildings	(9,890,983)	(1,914,121)	(340,955)	(12,146,059)
Machinery and equipment	(18,105,779)	(1,338,070)	758,192	(18,685,657)
Infrastructure (Bridges)	(6,395,527)	(150,508)	-	(6,546,035)
Infrastructure (Roads)	(5,956,418)	(6,222,903)	-	(12,179,321)
Total accumulated depreciation	<u>(68,670,366)</u>	<u>(12,378,987)</u>	<u>236,950</u>	<u>(80,812,403)</u>
Total capital assets being depreciated, net	<u>343,681,901</u>			<u>346,563,444</u>
Governmental activities capital assets, net	<u>\$ 362,163,967</u>			<u>\$ 365,548,044</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 3 – Capital Assets (Continued)

Business-type activities:

Capital assets not being depreciated:				
Land	\$ 6,315,656	\$ -	\$ -	\$ 6,315,656
Artifacts and other collections	35,405	-	-	35,405
Total assets not being depreciated	<u>6,351,061</u>	<u>-</u>	<u>-</u>	<u>6,351,061</u>
Capital assets being depreciated:				
Buildings	5,074,258	-	-	5,074,258
Improvements other than buildings	1,424,494	-	-	1,424,494
Machinery and equipment	2,556,580	98,435	623,465	3,278,480
Total assets being depreciated	<u>9,055,332</u>	<u>98,435</u>	<u>623,465</u>	<u>9,777,232</u>
Less accumulated depreciation:				
Buildings	(3,339,110)	(140,390)	-	(3,479,500)
Improvements other than buildings	(655,024)	(60,773)	-	(715,797)
Machinery and equipment	(2,265,411)	(94,625)	(503,096)	(2,863,132)
Total accumulated depreciation	<u>(6,259,545)</u>	<u>(295,788)</u>	<u>(503,096)</u>	<u>(7,058,429)</u>
Total capital assets being depreciated, net	<u>2,795,787</u>			<u>2,718,803</u>
Business-type activities capital assets, net	<u><u>\$ 9,146,848</u></u>			<u><u>\$ 9,069,864</u></u>

For the year ended December 31, 2021, depreciation expense was charged to the following activities in the Statement of Activities:

Governmental Activities:

General government	\$ 902,236
Public safety	1,775,350
Public health	434,118
Highways and public improvements	6,919,725
Parks and recreation	2,317,490
Conservation and economic development	30,068
	<u>\$ 12,378,987</u>

Business-type activities:

Western Park	\$ 216,592
Landfill	53,920
Telecom	25,276
	<u>295,788</u>
	<u>\$ 12,674,775</u>

Note 4 – Capital Lease Receivable from Component Units

The County has two capital lease 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

Uintah County
Notes to the Financial Statements
December 31, 2021

note receivable with Northeastern Counseling Center in the amount of \$32,500 and is to receive a final annual payment of \$32,500 in 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 \$2,839,000 with annual payments in the amount of \$167,000. The final payment from Uintah Recreation District will be received in 2037.

Note 5 – Long-Term Debt

The following table summarized the changes in long-term debt for the year ended December 31, 2021:

	Balance 12/31/2020	Additions	Reductions	Ending Balance	Due Within One Year
Primary Government					
Governmental Activities:					
General obligation bonds:					
2015 Series Refunding Bonds	\$ 27,065,000	\$ -	\$ 1,450,000	\$ 25,615,000	\$ 1,520,000
Unamortized bond premium	2,372,205	-	169,443	2,202,762	169,443
Total general obligation bonds	<u>29,437,205</u>	<u>-</u>	<u>1,619,443</u>	<u>27,817,762</u>	<u>1,689,443</u>
Reveue bonds:					
2000D Revenue Bonds - Public health	32,500	-	32,500	-	-
2005 Revenue Bonds - Parks	225,000	-	45,000	180,000	45,000
2006A Revenue Bonds - Recreation	2,839,000	-	167,000	2,672,000	167,000
2007C Revenue Bonds - Landfill	251,000	-	32,000	219,000	32,000
2007D Revenue Bonds - Public health	1,299,000	-	77,000	1,222,000	77,000
2011A Rvenue Bonds - Airport	370,765	-	36,000	334,765	36,000
2011B Revenue Bonds - Airport	289,587	-	57,000	232,587	57,000
2014 Revenue Bonds - Parks	3,600,000	-	150,000	3,450,000	150,000
Total revenue bonds	<u>8,906,852</u>	<u>-</u>	<u>596,500</u>	<u>8,310,352</u>	<u>564,000</u>
Total bonds	<u>38,344,057</u>	<u>-</u>	<u>2,215,943</u>	<u>36,128,114</u>	<u>2,253,443</u>
Taxrefund liability (Note 7)	311,701	-	123,242	188,459	123,242
Termination benefits (Note 8)	1,102,698	-	-	1,102,698	-
Net pension liability	5,237,970	-	3,583,012	1,654,958	-
Compensated absences	1,861,600	5,191	-	1,866,791	-
Total	<u>\$ 46,858,026</u>	<u>\$ 5,191</u>	<u>\$ 5,922,197</u>	<u>\$ 40,941,020</u>	<u>\$ 2,376,685</u>
Business-Type Activities:					
Closure liability (Note 6)	\$ 811	\$ 26,747	\$ -	\$ 27,558	\$ -
Net pension liability	279,234	-	182,408	96,826	-
Compensated absences	150,833	-	23,792	127,041	-
Total Business-type Long-Term Debt	<u>\$ 430,878</u>	<u>\$ 26,747</u>	<u>\$ 206,200</u>	<u>\$ 251,425</u>	<u>\$ -</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 5 – Long-Term Debt (Continued)

Debt service requirements as of December 31, 2021 were as follows:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	2,376,685	946,638	\$ 3,323,323
2023	2,475,220	870,638	3,345,858
2024	2,408,443	790,888	3,199,331
2025	2,493,443	707,138	3,200,581
2026	2,486,030	619,138	3,105,168
2027-2031	12,428,765	2,089,740	14,518,505
2032-2036	8,940,000	431,214	9,371,214
2037-2041	984,000	-	984,000
2042-2046	450,000	-	450,000
	<u>\$ 35,042,586</u>	<u>\$ 6,455,394</u>	<u>\$ 41,497,980</u>

A. General Obligations Bonds

A description of the General Obligation Bonds payable at December 31, 2021 is as follows:

2015 Series Refunding Bond

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. In connection with this advance refunding, 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 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, began in December of 2016 with principal payments ranging from \$1,185,000 to \$2,390,000 annually. The bonds carry an interest rate ranging from 2.25% to 5.0%. Interest and principal payments began on December 15, 2016, and continue until December 15, 2034, when both principal and interest payments are made. The repayment schedule is as follows:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	1,520,000	946,638	2,466,638
2023	1,595,000	870,638	2,465,638
2024	1,675,000	790,888	2,465,888
2025	1,760,000	707,138	2,467,138
2026	1,850,000	619,138	2,469,138
2027-2031	10,245,000	2,089,740	12,334,740
2032-2034	6,970,000	431,214	7,401,214
	<u>\$ 25,615,000</u>	<u>\$ 6,455,394</u>	<u>\$ 32,070,394</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 5 – Long-Term Debt (Continued)

A. General Obligation Bonds (Continued)

Unamortized Bond Premium – 2015 Series Refunding Bond

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 19 years. Each year \$169,443 will be amortized and reported as interest income.

Deferred Outflows – Refunding Bonds

Also, associated with the refunding bonds of 2015, deferred outflows 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 outflows 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.

B. Revenue Bonds

A description of the Revenue Bonds payable at December 31, 2021 is as follows:

2000D Revenue Bonds – Public Health

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 zero percent 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. Total repayment will be completed in 2021.

2005 Revenue Bonds – Parks

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>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 45,000	\$ -	\$ 45,000
2023	45,000	-	45,000
2024	45,000	-	45,000
2025	45,000	-	45,000
	<u>\$ 180,000</u>	<u>\$ -</u>	<u>\$ 180,000</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 5 – Long-Term Debt (Continued)

B. Revenue Bonds (Continued)

2006A Revenue Bonds – Recreation

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 zero percent 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 originally owned approximately 37 percent of the new recreation center building which was later contributed to the Recreation District. Repayment of principal begins October 1, 2008 and ending October 1, 2037. The principal payments equal \$167,000 per annum. The repayment schedule is as follows:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 167,000	\$ -	\$ 167,000
2023	167,000	-	167,000
2024	167,000	-	167,000
2025	167,000	-	167,000
2026	167,000	-	167,000
2027-2031	835,000	-	835,000
2032-2036	835,000	-	835,000
2037	334,000	-	334,000
	<u>\$ 2,839,000</u>	<u>\$ -</u>	<u>\$ 2,839,000</u>

2007C Revenue Bonds – Landfill

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>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 32,000	\$ -	\$ 32,000
2023	32,000	-	32,000
2024	32,000	-	32,000
2025	32,000	-	32,000
2026	32,000	-	32,000
2027-2028	59,000	-	59,000
	<u>\$ 219,000</u>	<u>\$ -</u>	<u>\$ 219,000</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 5 – Long-Term Debt (Continued)

B. Revenue Bonds (Continued)

2007D Revenue Bonds – Public Health

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>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 77,000	\$ -	\$ 77,000
2023	77,000	-	77,000
2024	77,000	-	77,000
2025	77,000	-	77,000
2026	77,000	-	77,000
2027-2031	385,000	-	385,000
2032-2036	385,000	-	385,000
2037	67,000	-	67,000
	<u>\$ 1,222,000</u>	<u>\$ -</u>	<u>\$ 1,222,000</u>

2011A Revenue Bonds – Airport

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>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 36,000	\$ -	\$ 36,000
2023	36,000	-	36,000
2024	36,000	-	36,000
2025	36,000	-	36,000
2026	36,000	-	36,000
2027-2031	154,765	-	154,765
	<u>\$ 334,765</u>	<u>\$ -</u>	<u>\$ 334,765</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 5 – Long-Term Debt (Continued)

B. Revenue Bonds (Continued)

2011B Revenue Bonds – Airport

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>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 57,000	\$ -	\$ 57,000
2023	57,000	-	57,000
2024	57,000	-	57,000
2025	57,000	-	57,000
2026	4,587	-	4,587
	<u>\$ 232,587</u>	<u>\$ -</u>	<u>\$ 232,587</u>

2014 Revenue Bonds – Parks

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 bond. The first principal payment will be made on January 1, 2016. Principal payments will continue each January 1, until 2044 at which time, the bonds will be paid in full.

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 150,000	\$ -	\$ 150,000
2023	150,000	-	150,000
2024	150,000	-	150,000
2025	150,000	-	150,000
2026	150,000	-	150,000
2027-2031	750,000	-	750,000
2032-2036	750,000	-	750,000
2037-2041	750,000	-	750,000
2042-2046	450,000	-	450,000
	<u>\$ 3,450,000</u>	<u>\$ -</u>	<u>\$ 3,450,000</u>

Uintah County
Notes to the Financial Statements
December 31, 2021

B. Annual Debt Service Requirements

Annual debt service requirement to maturity for both general obligation and revenue bonds are as follows:

<u>Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 2,084,000	\$ 946,638	\$ 3,030,638
2023	2,159,000	870,638	3,029,638
2024	2,239,000	790,888	3,029,888
2025	2,324,000	707,138	3,031,138
2026	2,316,587	619,138	2,935,725
2027-2031	12,428,765	2,089,740	14,518,505
2032-2036	8,940,000	431,214	9,371,214
2037-2041	1,151,000	-	1,151,000
2042-2046	450,000	-	450,000
	<u>\$ 34,092,352</u>	<u>\$ 6,455,394</u>	<u>\$ 40,547,746</u>

Note 6 – 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, 2021, closure and post-closure costs are estimated at \$377,910 for the Uintah County Municipal Landfill and \$52,248 for the Lapoint Landfill. As of December 31, 2021, \$26,747 has been accrued in connection with the cumulative landfill use to date. The County has set aside an amount of \$240,263 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 .2339 percent and .0079 percent, respectively.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 7 – Tax Refund Liability

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 \$2,811,029. Uintah County's portion to be refunded to Anadarko amounted to \$727,304. 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 \$103,901. 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. As of December 31, 2021, the County owed \$188,459 to Anadarko.

Note 8 – 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 five percent per year as a percentage of the 90 percent 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 percent of the 90 percent health insurance benefit. This benefit is available to employees only until they qualify for Medicare. For the year ended December 31, 2021, the County paid \$0 of termination benefits. At December 31, 2021, 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 \$1,102,698. To determine this benefit the County has discounted expected future benefits at a discount rate of 1.086 percent and used healthcare cost trend rate of 4.845 percent.

Uintah County
Notes to the Financial Statements
December 31, 2021

Note 9 – Restrictions: Fund Balance & Net Position

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

Governmental Funds

\$2,067,079 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.

\$818 has been restricted in the ARPA Grant Fund to be used for the purpose of separating specific ARPA grant money and its's expenses.

\$1,913,826 has been restricted in the Flood Control Funds to be used for the purpose of helping offset the costs of flooding in the County.

\$2,725,462 has been restricted in the Library Fund for the purpose of covering the operation and maintenance of the Library.

\$(44,925) 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.

\$240,207 has been restricted through collection of transient room tax to be used to help promote economic development and tourism.

\$528,229 has been restricted through the collection of sales tax to be used for the promotion of tourism and food services in the County.

\$13,044,898 has been restricted in the "B" Road Fund for the purpose of maintaining, improving, repairing or replacement of "B" roads in Uintah County.

\$7,947,779 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.

\$1,215,409 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.

\$1,461,035 has been restricted in the Debt Service Fund for the purpose of meeting the payment requirement of principal and interest on General Obligation debt.

\$8,129,042 has been restricted in the Tax Stability Fund for the purpose of providing funding for the County during hard economic times.

\$426,619 has been restricted in the Cemetery Board Funds for the purpose of providing maintenance and care for the local cemeteries.

Uintah County
Notes to the Financial Statements
December 31, 2021

Proprietary Funds

\$20,144,304 has been restricted due to a special sales tax to be used for the Uintah Care Center for current and future operation of the facility.

\$245,847 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.

The County has also reported various restrictions of net position in the Government-wide financial statements. The net position restrictions are the comprised of the same amounts nature as those that have been restricted in the fund financial statements.

Note 10 – 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); is a multiple employer, cost sharing, public employee retirement system.
- Public Safety Retirement System (Public Safety System) is a 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.

Utah County
Notes to the Financial Statements
December 31, 2021

Note 10 – Pension Plans (Continued)

General Information about the Pension Plan (Continued)

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.

Summary of Benefits by System

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

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
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% to 4% depending on the employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years any 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 any age 60* 10 years age 62* 4 years age 65	1.50% per year to June 2020 2.00% per year July 2020 to present	Up to 2.5%

*Actuarial reductions are applied.

** All post-retirement cost-of-living adjustments (COLA) are non-compounding and are based on the original benefit expect for Judges, which is 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.

Utah County
Notes to the Financial Statements
December 31, 2021

Note 10 – 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, 2021 are as follows:

	<u>Employee</u>	<u>Employer</u>	<u>Employer 401(k)</u>
Contributory System:			
11-Local Governmental Division Tier 1	6.00	14.46	N/A
111-Local Governmental Division Tier 2	N/A	16.07	0.62
Noncontributory System			
15-Local Government Division Tier 1	N/A	18.47	N/A
Public Safety Retirement System			
Contributory			
122- Tier 2 DB Hybrid Public Safety	2.27	25.83	N/A
No 43- Other Division A Noncontributory Tier 1			
Tier 2 DC Only			
211- Local Government	N/A	6.69	10.00
222- Public Safety	N/A	11.83	14.00

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

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

<u>System</u>	<u>Employer Contributions</u>	<u>Employee Contributions</u>
Noncontributory System	\$ 790,356	N/A
Public Safety System	620,630	-
Tier 2 Public Employees System	525,432	-
Tier 2 Public Safety and Firefighter	481,355	42,303
Tier 2 DC Only System	66,463	N/A
Tier 2 DC Public Safety and Firefighter System	11,128	N/A
Total	\$ 2,495,364	\$42,303

Uintah County
Notes to the Financial Statements
December 31, 2021

Contribution Rate Summary (Continued)

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 System.

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

Note 10 – Pension Plans (Continued)

At December 31, 2021, we reported a net pension asset of \$0 and a net pension liability of \$1,751,785.

(Measurement Date): December 31, 2020					
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2019	Change (Decrease)
Noncontributory System	\$ -	\$ 376,676	0.7343429%	0.7807513%	-0.0464084%
Contributory System	-	-	0%	0%	0%
Public Safety System	-	1,261,004	1.5188406%	1.5125909%	0.0062497%
Firefightewr System	-	-	0%	0%	0%
Judges Retirement System	-	-	0%	0%	0%
Governors & Legislators Plan	-	-	0%	0%	0%
Tier 2 Public Employees System	-	32,976	0.2292772%	0.2494871%	-0.0202099%
Tier 2 Public Safety and Fire Fighter System	-	81,129	0.9045054%	0.9557272%	-0.0512218%
Total Net Pension Asset / Liability	\$ -	\$ 1,751,785			

The net pension asset and liability were measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2021, we recognized pension expense of \$1,298,986.

Uintah County
Notes to the Financial Statements
December 31, 2021

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Relating to Pensions (Continued)

At December 31, 2021, 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	\$ 809,742	\$ 16,346
Changes in assumptions	60,564	95,028
Net difference between projected and actual earnings on pension plan investments	-	4,528,235
Changes in proportion and differences between contributions and proportionate share of contributions	127,628	215,537
Contributions subsequent to the measurement date	2,495,364	-
Total	\$ 3,493,298	\$ 4,855,146

Note 10 – Pension Plans (Continued)

\$2,495,364 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, 2020.

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

Year Ended December 31,	Deferred Outflows (inflows) of Resources
2021	\$ (1,083,132)
2022	(555,658)
2023	(1,594,506)
2024	(737,122)
2025	15,871
Thereafter	97,336

Uintah County
Notes to the Financial Statements
December 31, 2021

Actuarial Assumptions

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and 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	37%	6.30%	2.33%
Debt securities	20%	0.00%	0.00%
Real assets	15%	6.19%	0.93%
Private equity	12%	9.50%	1.14%
Absolute return	16%	2.75%	0.44%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.84%
		Inflation	2.50%
		Expected arithmetic nominal return	7.34%

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

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

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

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 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 (5.95 percent) or 1 percentage point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 6,530,442	\$ 376,676	\$ (4,753,414)
Public Safety System	5,323,770	1,261,004	(2,037,954)
Tier 2 Public Employees System	554,895	32,976	(366,277)
Tier 2 Public Safety and Firefighter	382,498	81,129	(159,231)
Total	\$ 12,791,605	\$ 1,751,785	\$ (7,316,876)

Note 10 – Pension Plans (Continued)

Defined Contribution Savings Plan

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

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>401(k) Plan</i>					
Employer Contributions	\$ 464,834	\$ 867,735	\$ 842,806	\$ 817,284	\$ 828,845
Employee Contributions	\$ 498,499	\$ 755,362	\$ 497,303	\$ 539,704	\$ 468,705
<i>457 Plan</i>					
Employer Contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Contributions	\$ 277,794	\$ 512,093	\$ 158,564	\$ 173,543	\$ 146,065
<i>Roth IRA Plan</i>					
Employer Contributions	N/A	N/A	N/A	N/A	N/A
Employee Contributions	\$ 82,696	\$ 105,555	\$ 94,225	\$ 82,527	\$ 61,940

Note 11 – Interfund Activity

Transfers to and from other funds during the year ended December 31, 2021 were as follows:

	<u>Transfers from Other Funds</u>	<u>Transfers to Other Funds</u>	<u>Net Transfers In (Out)</u>
Governmental Funds:			
General fund	\$ -	\$ (480,554)	\$ (480,554)
Cemetery association	410,554	-	410,554
Drug court	70,000	-	70,000
Transient room tax	400,000	-	400,000
Food service tax	-	(400,000)	(400,000)
	<u>880,554</u>	<u>(880,554)</u>	<u>-</u>

A transfer from the Food Service Tax Fund in the amount of \$400,000 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 \$70,000, to help cover costs of drug rehab and the operation of the program.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Note 12 – 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 December 31, 2021 is as follows:

	Care Center	Western Park	Landfill	Telecommunicaitons
Operating Revenues:				
Charges for sales and services	\$ -	\$ 278,907	\$ 843,815	\$ 141,553
Depreciation expense	-	216,594	53,920	25,276
Operating income (loss)	-	(1,177,864)	204,494	189
Tax revenues	38	931,652	-	-
Change in Net Position	(312,691)	(212,155)	210,591	1,110
Property, plant and equipmnt:				
Additions	-	-	210,505	8,300
Deletions	-	-	-	(120,369)
Current assets	20,144,304	1,161,754	1,922,207	300,624
Current liabilities	-	163,921	21,967	6,909
Net working capital	20,144,304	997,833	1,900,240	293,715
Total assets	<u>20,144,304</u>	<u>9,792,573</u>	<u>2,276,100</u>	<u>385,776</u>
Total net position	<u>\$ 20,144,304</u>	<u>\$ 9,464,265</u>	<u>\$ 2,102,089</u>	<u>\$ 378,867</u>

Note 13 – 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.

Note 14 – 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.

Note 15 – 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.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Note 16 – 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, 2021, 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, 2021, the County had cash of \$8,128,911 in their Tax Stability Trust Fund.

Note 17 – Subsequent Events

The County commissioners have approved the budget to defease the General Obligation (GO) Bonds. The GO Bonds are scheduled to be defeased on August 17, 2022, if the County proceeds as anticipated.

REQUIRED SUPPLEMENTARY INFORMATION

Uintah County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – General Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over(Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 10,445,100	\$ 10,866,852	\$ 13,172,772	\$ 2,305,920
Assessing and collecting	2,538,000	2,538,000	2,352,748	(185,252)
Charges for services	4,414,032	4,579,532	4,052,277	(527,255)
Fines and forfeitures	274,200	274,200	268,539	(5,661)
Highways and public improvements	3,800,000	3,850,000	3,329,404	(520,596)
Intergovernmental revenues	2,024,864	7,598,984	2,362,094	(5,236,890)
Licenses and permits	105,500	105,500	157,380	51,880
Interest income	50,000	50,000	40,497	(9,503)
Transfers in	50,000	50,000	-	(50,000)
Miscellaneous	384,258	1,068,748	11,651	(1,057,097)
Total Revenues	<u>24,085,954</u>	<u>30,981,816</u>	<u>25,747,362</u>	<u>(5,234,454)</u>
Expenditures				
Current:				
General government	10,756,560	10,721,178	8,786,294	(1,934,884)
Public safety	7,536,575	7,748,210	7,132,055	(616,155)
Public health	8,000	174,000	173,049	(951)
Highways and public improvements	3,082,300	4,404,958	3,688,050	(716,908)
Parks, recreation, and public property	155,300	523,855	383,159	(140,696)
Conservation and economic development	1,304,350	6,109,046	1,538,876	(4,570,170)
Capital outlay	100,000	100,000	-	(100,000)
Transfer out	1,200,569	1,200,569	480,554	(720,015)
Total Expenditures	<u>24,143,654</u>	<u>30,981,816</u>	<u>22,182,037</u>	<u>(8,799,779)</u>
Excess of Revenues Over (Under) Expenditures	<u>(57,700)</u>	<u>-</u>	<u>3,565,325</u>	<u>3,565,325</u>
Net Change in Fund Balance			3,565,325	
Fund Balance Beginning of Year			<u>12,505,543</u>	
Fund Balance End of Year			<u>\$ 16,070,868</u>	

Uintah County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Municipal Services Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		with Final Budget Over(Under)
Revenues				
Taxes	\$ 1,039,139	\$ 1,220,166	\$ 1,261,686	\$ 41,520
Charges for services	668,940	684,940	690,684	5,744
Intergovernmental revenues	3,245,790	3,250,289	3,674,097	423,808
Licenses and permits	151,000	168,500	282,614	114,114
Interest income	14,500	14,500	13,599	(901)
Sale of fixed assets	-	-	22,253	22,253
Miscellaneous	5,800	630,080	12,983	(617,097)
Total Revenues	<u>5,125,169</u>	<u>5,968,475</u>	<u>5,957,916</u>	<u>(10,559)</u>
Expenditures				
Current:				
General government	756,750	814,205	777,363	(36,842)
Public safety	4,330,519	5,060,070	4,796,896	(263,174)
Highways and public improvements	94,200	94,200	65,881	(28,319)
Total Expenditures	<u>5,181,469</u>	<u>5,968,475</u>	<u>5,640,140</u>	<u>(328,335)</u>
Excess of Revenues Over (Under) Expenditures	<u>(56,300)</u>	<u>-</u>	<u>317,776</u>	<u>317,776</u>
Net Change in Fund Balance			317,776	
Fund Balance Beginning of Year			<u>4,090,504</u>	
Fund Balance End of Year			<u>\$ 4,408,280</u>	

Uintah County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual – Class “B” Fund
For the Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over(Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 600,000	\$ 600,000	\$ 1,641,514	\$ 1,041,514
Intergovernmental revenues	3,800,000	3,800,000	4,528,401	728,401
Interest income	-	-	36,242	36,242
Miscellaneous	-	-	11,500	11,500
Total Revenues	<u>4,400,000</u>	<u>4,400,000</u>	<u>6,217,657</u>	<u>1,817,657</u>
Expenditures				
Current:				
Highways and public improvements	4,400,000	4,400,000	4,008,251	(391,749)
Total Expenditures	<u>4,400,000</u>	<u>4,400,000</u>	<u>4,008,251</u>	<u>(391,749)</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>2,209,406</u>	<u>2,209,406</u>
Net Change in Fund Balance			2,209,406	
Fund Balance Beginning of Year			10,835,492	
Fund Balance End of Year			<u>\$ 13,044,898</u>	

Uintah County
Schedule of Proportionate Share of the Net Pension Liability
Utah Retirement System Measurement Date
For the Year Ended December 31, 2021

	Year End 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 the Total Pension Liability (Asset)
Noncontributory Retirement System	2015	-	\$0	\$0	0.00%	0.0%
	2016	0.2506316%	\$14,182	\$1,898,137	74.72%	87.8%
	2017	0.8826751%	\$56,679	\$6,967,170	81.35%	87.3%
	2018	0.8193346%	\$35,898	\$6,405,346	56.04%	91.9%
	2019	0.7679920%	\$56,553	\$6,039,416	93.64%	87.0%
	2020	0.7807513%	\$2,942,549	\$6,172,099	47.68%	93.7%
	2021	0.7343429%	\$376,676	\$5,687,301	6.62%	99.2%
Contributory Retirement System	2015	15.8036918%	\$4,558,473	\$7,326,899	62.20%	94.0%
	2016	14.8657144%	\$10,448,432	\$5,253,545	198.88%	85.7%
	2017	0.0695969%	\$22,836	\$16,699	136.75%	92.9%
	2018	0.0000000%	\$0	\$0	0.00%	98.2%
	2019	0.0000000%	\$0	\$9,318	0.00%	91.2%
	2020	0.0000000%	\$0	\$2,533	0.00%	0.0%
	2021	0.0000000%	\$0	\$0	0.00%	0.0%
Public Safety System	2015	1.5674182%	\$1,971,159	\$2,204,621	89.40%	90.5%
	2016	1.6947110%	\$3,035,653	\$2,428,017	125.03%	87.1%
	2017	1.6468326%	\$3,341,878	\$2,398,853	139.31%	86.5%
	2018	1.4926527%	\$2,341,462	\$2,138,980	109.47%	90.2%
	2019	1.4548833%	\$3,742,811	\$2,005,492	186.63%	84.7%
	2020	1.5125909%	\$2,428,643	\$1,971,192	123.21%	90.9%
	2021	1.5188406%	\$1,261,004	\$1,985,488	63.51%	95.5%
Tier 2 Public Employees Retirement System	2015	0.3965269%	(\$12,018)	\$1,945,554	-0.60%	103.5%
	2016	0.3968809%	(\$866)	\$2,564,073	-0.03%	100.2%
	2017	0.3619962%	\$40,830	\$2,968,659	1.36%	95.1%
	2018	0.2946904%	\$25,982	\$2,883,680	0.90%	97.4%
	2019	0.2534581%	\$108,551	\$2,961,377	3.67%	90.8%
	2020	0.2494871%	\$56,112	\$3,468,028	1.62%	96.5%
	2021	0.2292772%	\$32,976	\$3,665,451	0.90%	4.50%
Tier 2 Public Safety and Firefighters Retirement System	2015	1.4499515%	(\$21,449)	\$600,529	-3.60%	120.5%
	2016	1.4339945%	(\$20,951)	\$853,242	-2.46%	110.7%
	2017	1.0918107%	(\$9,478)	\$902,067	-1.05%	103.6%
	2018	0.9704407%	(\$1,129)	\$1,024,083	-1.10%	103.0%
	2019	0.9366188%	\$23,468	\$1,253,194	1.87%	95.6%
	2020	0.9557272%	\$89,900	\$1,575,282	5.71%	89.6%
	2021	0.9045054%	\$81,129	\$1,803,428	4.50%	93.1%

* In accordance with paragraph 81 of 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 10 year schedule will need to be built prospectively. The schedule above is only for the prior 7 years.

Uintah County
Schedule of Contributions
Utah Retirement System
For the Year Ended December 31, 2021

	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
<i>Noncontributory System</i>	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%
	2018	1,105,581	1,105,581	-	5,994,469	18.44%
	2019	1,137,262	1,137,262	-	6,172,651	18.42%
	2020	1,047,633	1,047,633	-	6,298,398	16.63%
	2021	790,356	790,356	-	4,531,137	17.44%
<i>Contributory System</i>	2014	1,015,312	1,015,312	-	7,328,915	13.85%
	2015	759,296	759,296	-	5,253,545	14.45%
	2016	2,415	2,415	-	16,699	14.46%
	2017	-	-	-	-	0.00%
	2018	43,272	43,272	-	209,018	20.70%
	2019	-	-	-	-	0.00%
	2020	-	-	-	-	0.00%
	2021	-	-	-	-	0.00%
<i>Public Safety System</i>	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%
	2018	621,606	621,606	-	1,966,606	31.61%
	2019	637,174	637,174	-	1,969,488	32.35%
	2020	634,312	634,312	-	1,985,488	31.95%
	2021	620,630	620,630	-	1,953,600	31.77%
<i>Tier 2 Public Employees System*</i>	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%
	2018	436,909	436,909	-	2,848,947	15.34%
	2019	544,460	544,460	-	3,489,972	15.60%
	2020	578,279	578,279	-	3,785,192	15.28%
	2021	525,432	525,432	-	3,296,416	15.94%
<i>Tier 2 Public Safety and Firefighter System*</i>	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%
	2018	274,053	274,053	-	1,199,053	22.86%
	2019	362,362	362,362	-	1,568,199	23.11%
	2020	443,892	443,892	-	1,806,098	24.58%
	2021	481,355	481,355	-	1,863,538	25.83%
<i>Tier 2 Public Employees DC Only System*</i>	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%
	2018	33,640	33,640	-	488,284	6.89%
	2019	39,947	39,947	-	595,109	6.71%
	2020	58,554	58,554	-	787,862	7.43%
	2021	66,463	66,463	-	839,607	7.92%
<i>Tier 2 Public Safety and Firefighter DC Only System</i>	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%
	2018	5,030	5,030	-	42,520	11.83%
	2019	6,041	6,041	-	51,063	11.83%
	2020	9,672	9,672	-	81,762	11.83%
	2021	11,128	11,128	-	94,068	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. This will need to be built prospectively. The schedule above is only for the last eight years. Contributions as a percentage of covered-payroll may be different than the board certified rate due to rounding and other administrative issues.

Uintah County
Notes to Required Supplementary Information
For the Year Ended December 31, 2021

Changes in Assumptions:

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

Budgetary Comparison Schedules:

The budgetary comparison schedule present in this section of the report is for the County’s General Fund.

Budgeting and Budgetary Control:

Budgets for the General Fund are legally required and are prepared and adopted on the modified accrual basis of accounting.

Original budgets represent the revenue estimates and spending authority authorized by the County Council prior to the beginning of the year. Final budgets represent the original budget amounts plus any amendment made to the budget during the year by the Council through formal resolution. Final budgets do not include unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

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SUPPLEMENTARY INFORMATION

Utah County
Combining Statement of Net Positions
Component Units
For the Year Ended December 31, 2021

	Utah Basin		Utah		Utah County		Utah Fire		Total
	Tri-County Health & Substance Abuse Authority	Mental Health	Recreation Special Service District	Transportation Special Service District	Health Care Special Service District	Animal Control & Shelter Special Service District	Mitigation Special Service District	Suppression Special Service District	
Cash and cash equivalents	\$ 7,060,630	\$ -	\$ 2,503,603	\$ 14,571,226	\$ 703,563	\$ 638,590	\$ 143,414	\$ 1,046,583	\$ 26,667,609
Investments	6,772,246	-	-	-	834,789	-	-	-	6,772,246
Accounts receivable, net	3,510	-	-	1,015,204	-	-	91,667	65,698	2,010,868
Inventory	-	-	-	-	104,136	-	-	-	104,136
Prepaid expenses	251,555	-	-	-	-	-	5,531	-	257,086
Due from other governments	350,394	250,000	-	-	-	62,833	-	125,000	788,227
Restricted cash and investments	86,471	39,000	-	3,106,010	-	-	172,917	-	3,404,398
Other investments	1,575	-	-	-	-	-	-	-	1,575
Net Pension Asset	-	-	-	-	-	-	-	95,371	95,371
Capital assets:									
Non-depreciable	403,401	1,463,800	-	-	350,000	-	-	136,056	2,353,257
Depreciable, net of accumulated depreciation	3,161,623	12,030,741	-	-	6,428,977	492,561	16,453,401	4,609,534	43,176,837
Total capital assets, net	3,565,024	13,494,541	-	-	6,778,977	492,561	16,453,401	4,745,590	45,530,094
Total assets	18,091,405	16,287,144	18,692,440	18,692,440	8,421,465	1,193,984	16,866,930	6,078,242	85,631,610
Deferred outflows - related to pensions	485,635	230,142	13,796	13,796	591,439	59,656	29,897	49,720	1,460,285
Total assets and deferred outflows of resources	\$ 18,577,040	\$ 16,517,286	\$ 18,706,236	\$ 18,706,236	\$ 9,012,904	\$ 1,253,640	\$ 16,896,827	\$ 6,127,962	\$ 87,091,895

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Accounts payable	\$ 1,798,619	\$ 82,471	\$ 7,975	\$ 157,627	\$ 15,696	\$ 4,490	\$ 109,208	\$ 2,176,086	
Salaries payable	346,776	-	-	190,791	-	-	-	537,567	
Accrued liabilities	-	52,285	5,198	188,023	33,116	6,078	9,596	294,296	
Deposit payable	-	-	-	-	800	-	-	800	
Unearned revenue	-	133,563	1,749,043	-	-	-	-	1,882,606	
Accrued interest payable	-	-	14,066	-	-	316	-	14,382	
Client trust payable	86,471	-	-	-	-	-	-	86,471	
Bonds payable - Due within one year	45,279	39,000	1,016,900	-	-	-	-	1,239,179	
Capital lease payable - Due within one year	321,480	186,961	-	-	-	-	-	508,441	
Bonds payable - Due in more than one year	-	73,000	5,077,000	-	-	-	-	5,150,000	
Capital lease payable - Due in more than one year	-	2,452,418	-	-	-	-	-	2,452,418	
Net pension liability	119,916	50,798	4,091	116,299	11,808	5,789	1,934	310,635	
Compensated absences	-	159,639	-	113,910	-	20,652	12,032	306,233	
Total Liabilities	2,718,541	3,230,135	7,874,273	7,666,650	61,420	175,325	132,770	14,959,114	
Deferred inflows of resources	-	-	-	20,395	-	-	-	-	20,395
Deferred inflows - related to pensions	861,571	387,837	56,510	957,317	102,145	50,237	78,432	2,494,049	
Total liabilities and deferred inflows of resources	3,580,112	3,617,972	7,930,783	7,744,362	163,565	225,562	211,202	17,473,558	

NET POSITION

Net investment in capital assets	3,198,265	10,855,162	-	6,778,977	492,561	16,315,401	4,840,961	42,481,327
Restricted for:								
Client trusts	-	-	-	-	-	-	-	-
Debt service	86,471	39,000	340,067	-	-	172,917	-	638,455
Unrestricted/Unassigned	11,712,192	2,005,152	10,435,386	489,565	597,514	182,947	1,075,799	26,498,555
Total Net Position	\$ 14,996,928	\$ 12,899,314	\$ 10,775,453	\$ 7,268,542	\$ 1,090,075	\$ 16,671,265	\$ 5,916,760	\$ 69,618,337

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

Utah County
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2021

Function/Programs	Net (Expenses) Revenue & Change in Net Position											
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Utah Basin Tri-County Mental Health & Substance Abuse Authority	Utah Recreation Special Service District	Utah Transportation Special Service District	Utah Health Care Special Service District	Utah County Shelter Special Service District	Utah Impact Mitigation Special Service District	Utah Fire Suppression Special Service District	Total
Governmental activities:												
Utah Transportation SSD:												
Highways and public improvements	\$ 3,652,197	\$ -	\$ 148,691	\$ 1,565,828	-	-	\$ (1,937,678)	\$ -	\$ -	\$ -	\$ -	\$ (1,937,678)
Interest on long term liabilities	54,158	-	-	-	-	-	(54,158)	-	-	-	-	(54,158)
Utah Impact Mitigation SSD:												
Community and economic development	1,913,489	-	65,000	-	-	-	-	-	(1,848,489)	-	-	(1,848,489)
Interest on long-term liabilities	16,475	-	-	-	-	-	-	-	(16,475)	-	-	(16,475)
Utah Fire Suppression SSD												
General government	519,934	-	-	-	-	-	-	-	-	(519,934)	-	(519,934)
Public Safety	1,502,653	432,282	60,337	-	-	-	-	-	-	(1,010,034)	-	(1,010,034)
Total governmental activities	7,658,906	432,282	274,028	1,565,828	-	(1,991,836)	-	-	(1,864,964)	(1,529,968)	-	(5,386,768)
Business-type activities:												
Utah Basin Tri-County Mental Health & Substance Abuse Authority	9,314,056	6,999,113	3,119,785	859,450	1,664,292	-	-	-	-	-	-	1,664,292
Utah Recreation SSD	4,975,759	1,859,467	-	-	-	(3,116,292)	-	-	-	-	-	(3,116,292)
Utah Health Care SSD	6,611,047	4,410,068	198,319	370,978	-	-	(1,631,682)	-	-	-	-	(1,631,682)
Utah County Animal Control & Shelter SSD	717,011	46,425	757,958	-	-	-	-	87,372	-	-	-	87,372
Total business-type activities	21,617,873	13,315,073	4,076,062	1,230,428	1,664,292	(3,116,292)	(1,631,682)	87,372	(1,864,964)	-	-	(2,906,310)
Total Component Units	\$ 29,276,779	\$ 13,747,355	\$ 4,350,090	\$ 2,796,256	\$ 1,664,292	\$ (3,116,292)	\$ (1,631,682)	\$ 87,372	\$ (1,864,964)	\$ (1,529,968)	\$ -	\$ (8,383,078)
General Revenues:												
Mineral lease revenue						3,030,000	999,996	-	1,100,004	1,500,068	-	12,887,579
Contribution to other governments					680,235	-	400,000	-	-	407,175	-	1,487,410
Investment earnings					46,948	9,156	2,137	2,069	4,410	3,243	-	16,694
Miscellaneous					392,402	10,825	2,708	-	348	22,593	-	542,691
Total General Revenues					1,119,585	3,049,981	1,515,948	2,069	1,104,762	1,933,079	-	15,034,374
Change in Net Position					2,783,877	(66,311)	(113,734)	89,441	(760,202)	403,111	-	6,651,296
Net Position - Beginning					12,213,051	12,965,625	7,384,276	1,000,634	17,431,467	5,513,649	-	62,867,041
Net Position - Ending					\$ 14,996,928	\$ 12,899,314	\$ 7,268,542	\$ 1,090,075	\$ 16,671,265	\$ 5,916,760	\$ -	\$ 69,618,337

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

Uintah County
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

Special Revenue Funds

	Assessing and Collecting	Flood Control	Library	Tri-County Health	Transient Room	Food Service Tax	Drug Court	ARPA Grant Funds
ASSETS								
Cash and cash equivalents	\$ 1,265,084	\$ 1,905,198	\$ 2,329,371	\$ (186,692)	\$ 328,591	\$ 430,424	\$ 67,100	\$ 3,471,274
Accounts receivable, net	-	-	54	-	-	-	80	-
Taxes receivable	801,995	8,628	431,699	143,532	79,676	104,055	-	-
Restricted cash and investments	-	-	-	-	-	-	-	-
Total Assets	2,067,079	1,913,826	2,761,124	(43,160)	408,267	534,479	67,180	3,471,274
LIABILITIES AND FUND BALANCES								
Warrants payable	-	-	12,461	1,765	67,424	-	688	-
Accounts payable	-	-	9,971	-	84,508	6,250	694	-
Salaries payable	-	-	5,823	-	4,954	-	414	-
Accrued liabilities	-	-	7,407	-	11,174	-	8	-
Total Liabilities	-	-	35,662	1,765	168,060	6,250	1,804	3,470,456
FUND BALANCE								
Restricted:								
Assessing and Collecting	2,067,079	-	-	-	-	-	-	-
ARPA Grants	-	-	-	-	-	-	-	818
Cemeteries	-	-	-	-	-	-	-	-
Flood Control	-	1,913,826	-	-	-	-	-	-
Library	-	-	2,725,462	-	-	-	-	-
Tri-County Health	-	-	-	(44,925)	-	-	-	-
Transient Room	-	-	-	-	240,207	-	-	-
Food Service	-	-	-	-	-	528,229	-	-
Tort Liability	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-
Permanent Funds	-	-	75	-	-	-	-	-
Committed:								
Regional History Center	-	-	-	-	-	-	-	-
911 Emergency Service	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-

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

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

Special Revenues										
	Assessing and Collecting	Flood Control	Library	Tri-County Health	Transient Room	Food Service Tax	Drug Court			
REVENUES										
Taxes	\$ 2,746,075	\$ 30,656	\$ 1,492,943	\$ 493,771	\$ 762,816	\$ 586,664	\$ -			
Charges for services	-	-	14,754	-	307,849	-	16,288			
Intergovernmental revenues	-	-	65,420	13,444	-	-	30,000			
Interest income	8,407	6,337	8,499	1,393	656	1,768	314			
Miscellaneous	-	-	3,275	1,350	3,412	-	11			
Total Revenues	2,754,482	36,993	1,584,891	509,958	1,074,733	588,432	46,613			
EXPENDITURES										
Current:										
General government	2,372,088	17,772	-	-	-	-	-			
Public safety	-	-	-	-	-	-	96,755			
Public health	-	-	-	533,365	-	139,748	-			
Parks, recreation, and public property	-	759	1,414,227	-	-	-	-			
Conservation and economic development	-	-	-	-	1,722,347	-	-			
Debt Service:										
Principal retirement	-	-	-	-	-	-	-			
Interest and fiscal charges	-	-	-	-	-	-	-			
Total Expenditures	2,372,088	18,531	1,414,227	533,365	1,722,347	139,748	96,755			
Excess Revenues Over (Under)	382,394	18,462	170,664	(23,407)	(647,614)	448,684	(50,142)			
Expenditures										
Other financing sources (uses)										
Contributions to Other Government Entities	-	-	-	(2,225,788)	-	-	-			
Transfers in	-	-	-	-	400,000	-	70,000			
Transfers (out)	-	-	-	-	-	(400,000)	-			
Total Other Financing Sources and Uses	-	-76	-	(2,225,788)	400,000	(400,000)	70,000			
Excess of Revenues and Other Sources	382,394	18,462	170,664	(2,249,195)	(247,614)	48,684	19,858			
Over (under) expenditures and other uses	1,684,685	1,895,364	2,554,798	2,204,270	487,821	470,545	45,518			
Fund Balances - Beginning										
The notes to the financial statements are an integral part of this statement.										

Uintah County
Combining Statement of Cemetery Board Funds
For the Year Ended December 31, 2021

	Avalon Cemetery	Dryfork Cemetery	Gusher Cemetery	Hayden Cemetery	Jensen Cemetery	LaPoint Cemetery	Leota Cemetery	Maeser Cemetery	Rockpoint Cemetery	Tridell Cemetery	Total Cemetery Funds
ASSETS											
Cash and cash equivalents	\$ 3,195	\$ 52,668	\$ 632	\$ 4,286	\$ 88,166	\$ 5,028	\$ 3,632	\$ 137,446	\$ 124,585	\$ 6,981	\$ 426,619
Total Assets	<u>3,195</u>	<u>52,668</u>	<u>632</u>	<u>4,286</u>	<u>88,166</u>	<u>5,028</u>	<u>3,632</u>	<u>137,446</u>	<u>124,585</u>	<u>6,981</u>	<u>426,619</u>
FUND BALANCE											
Restricted:											
Total Cemeteries	<u>\$3,195</u>	<u>\$52,668</u>	<u>\$ 632</u>	<u>\$ 4,286</u>	<u>\$88,166</u>	<u>\$ 5,028</u>	<u>\$3,632</u>	<u>\$137,446</u>	<u>\$124,585</u>	<u>\$ 6,981</u>	<u>\$426,619</u>

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

Uintah County
Combining Statement of Changes in Cemetery Board Funds
For the Year Ended December 31, 2021

	Avalon Cemetery	Dryfork Cemetery	Gusher Cemetery	Hayden Cemetery	Jensen Cemetery	LaPoint Cemetery	Leota Cemetery	Maeser Cemetery	Rockpoint Cemetery	Tridell Cemetery	Cemetery Funds
ADDITIONS											
Contributions:											
Charges for services	\$ 310	\$ -	\$ -	\$ -	\$ 6,300	\$ 3,900	\$ 600	\$ 13,109	\$ 26,520	\$ 3,900	\$ 54,639
Interest income	-	175	2	24	284	11	12	445	383	18	1,354
Total Revenues	<u>310</u>	<u>175</u>	<u>2</u>	<u>24</u>	<u>6,584</u>	<u>3,911</u>	<u>612</u>	<u>13,554</u>	<u>26,903</u>	<u>3,918</u>	<u>55,993</u>
DEDUCTIONS											
Cemetery maintenance	-	-	-	6,768	-	-	-	-	12,429	304	19,501
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,429</u>	<u>304</u>	<u>19,501</u>
Change in net position	310	175	2	(6,744)	6,584	3,911	612	13,554	14,474	3,614	36,492
Fund Balances - Beginning	2,885	52,493	630	11,030	81,582	1,117	3,020	123,892	110,111	3,367	390,127
Fund Balances - Ending	<u>\$ 3,195</u>	<u>\$ 52,668</u>	<u>\$ 632</u>	<u>\$ 4,286</u>	<u>\$ 88,166</u>	<u>\$ 5,028</u>	<u>\$ 3,632</u>	<u>\$ 137,446</u>	<u>\$ 124,585</u>	<u>\$ 6,981</u>	<u>\$ 426,619</u>

Uintah County
Schedule of Current Taxes Levied, Collected, and Treasurer's Relief
For the Year Ended December 31, 2021

ENTITY	YEAR-END REAL PROPERTY VALUE	YEAR-END CENTRALLY ASSESSED PROPERTY VALUE	TOTAL ADJUSTED REAL & CENTRALLY ASSESSED RDA VALUE	TOTAL ADJUSTED REAL			YEAR-END PERSONAL PROPERTY VALUE	PERSONAL PROPERTY RDA VALUE	TOTAL ADJUSTED PERSONAL PROPERTY VALUE (6-7)	TOTAL ADJUSTED VALUE (5+8)	CURRENT YEAR REAL ASSESSED PROPERTY TAX RATE	PRIOR YEAR PROPERTY TAX RATE	CENTRALLY ASSESSED PROPERTY TAXES CHARGED (3*10)
				(2+3-4)	(5+8)	(6-7)							
Uintah County Funds:													
County General	\$ 1,874,463,047	\$ 1,980,162,351	\$ -	\$ 3,854,625,398	\$ -	\$ 109,163,886	\$ -	\$ 109,163,886	\$ 3,963,789,284	0.002970	0.002885	\$ 5,567,155	\$ 5,881,082
Assessing and Collecting - State	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.000012	0.000012	22,494	23,762
Assessing and Collecting - County	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.000655	0.000637	1,227,773	1,297,006
Total County Funds									6,817,422			7,201,850	
Cities and Towns:													
UINTAH SCHOOL DIST	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.005691	0.005543	10,667,569	11,269,104
STATE SUPP SCHOOLS	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.001661	0.001628	3,113,483	3,289,050
STATE CHARTER SCHOOL LEVY	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.000174	0.000152	326,157	344,548
Total Cities and Towns									14,107,209			14,902,702	
Other Special Districts:													
ASHLEY VALLEY WATER	835,340,685	58,788,621	-	894,129,306	-	44,814,398	-	44,814,398	938,943,704	0.000176	0.000176	147,020	10,347
BALLARD WATER	83,983,537	12,130,604	-	96,114,141	-	6,499,867	-	6,499,867	102,614,008	0.000571	0.000547	47,955	6,927
CENTRAL UTAH WATER	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.000400	0.000400	749,785	792,065
JENSEN WATER	95,485,721	34,551,891	-	130,037,612	-	3,684,529.00	-	3,684,529.00	133,722,141	0.000771	0.000791	73,619	26,640
JOHNSON WATER	5,791,751	23,500,199	-	29,291,950	-	-	-	-	29,291,950	0.000000	0.000000	-	-
MAESER WATER	181,149,546	7,788,786	-	188,938,332	-	634,484.00	-	634,484.00	189,572,816	0.000448	0.000461	81,155	3,489
MOSQUITO ABATEMENT	1,874,463,047	1,980,162,351	-	3,854,625,398	-	109,163,886	-	109,163,886	3,963,789,284	0.000267	0.000260	500,482	528,703
OURAY PARK	15,380,361	76,873,320	-	92,253,681	-	21,350.00	-	21,350.00	92,275,031	0.001032	0.000915	15,873	79,333
TRIDELL-LAPOINT	49,265,779	13,136,558	-	62,402,337	-	608,807.00	-	608,807.00	63,011,144	0.000671	0.000668	33,057	8,815
UINTAH WATER CONSERV	1,759,334,491	1,914,468,634	-	3,673,803,125	-	102,664,019	-	102,664,019	3,776,467,144	0.000563	0.000549	990,505	1,077,846
Total Other Special Districts									2,639,451			2,534,164	
GRAND TOTALS									\$ 24,250,117			\$ 24,696,360	

Utah County
Schedule of Current Taxes Levied, Collected, and Treasurer's Relief
For the Year Ended December 31, 2021

ENTITY	PERSONAL PROPERTY TAXES CHARGED (8x11)	TAXES CHARGED (12+13)	UNPAID TAXES	ABATEMENTS	OTHER	TOTAL RELIEF	TAXES COLLECTED (14-18)	ANNUAL COLLECTION RATE	REALLOCATION OF PERSONAL PROPERTY	FEE-IN-LIEU OF AGED BASED REVENUE	MISC. COLLECTIONS	DELINQUENT & REDEMPTION TAXES	INTEREST & PENALTIES PAID (SUBTRACT)	TAX INCREMENT PAID (SUBTRACT)	Refunds (Subtract)	Total Disbursed
Utah County Funds:																
County General	\$ 314,938	\$ 11,763,175	\$ 50,121	\$ 66,144	\$ 198,621	\$ 314,886	\$ 11,448,289	97.32%	\$ 1,619	\$ 561,814	\$ 59,270	\$ 373,780	\$ 198,848	\$ 39,143	\$ 195,651	12,408,826
Assessing and Collecting - State	1,310	47,565	203	267	845	1,315	46,250	97.24%	(77)	2,270	276	1,377	94	-	779	49,411
Assessing and Collecting - County	69,537	2,594,317	11,054	14,587	43,906	69,547	2,524,770	97.32%	173	123,901	16,764	76,925	5,260	-	39,599	2,708,194
Total County Funds	385,785	14,405,058	61,378	80,998	243,372	385,748	14,019,310	97.32%	1,715	687,985	76,310	452,082	204,202	236,029	15,166,432	
UNTAH SCHOOL DIST	605,095	22,541,769	96,039	126,742	382,272	605,053	21,936,716	97.32%	(542)	1,076,528	135,517	727,775	51,071	75,005	353,968	23,498,092
STATE SUPP SCHOOLS	177,719	6,580,252	28,030	36,992	112,689	177,711	6,402,541	97.30%	(2,657)	314,200	31,463	212,089	14,925	-	112,329	6,860,232
STATE CHARTER SCHOOL LEVY	16,593	687,298	2,936	3,875	9,779	16,590	670,708	97.59%	4,267	32,915	8,943	16,695	1,077	2,293	4,834	727,478
Cities and Towns:	799,407	29,809,318	127,005	167,609	504,740	799,354	29,009,964	95.94%	1,068	1,423,643	175,923	956,559	67,073	471,131	31,085,801	
VERNAL CITY	24,016	452,187	1,300	3,271	10,003	14,574	437,613	96.78%	1,220	30,740	3,487	34,709	2,539	9,120	-	501,188
NAPLES CITY	8,666	78,741	253	619	3,470	4,342	74,399	94.49%	(291)	6,658	854	3,224	191	-	-	85,035
BALLARD CITY	16,750	267,182	2,266	1,177	9,878	13,321	248,861	94.92%	383	8,789	2,171	24,443	1,837	-	10,326	276,158
Total Cities and Towns	49,432	793,110	3,819	5,067	23,351	32,237	760,873	95.94%	1,312	46,187	6,512	62,376	4,567	10,326	862,381	
Other Special Districts:																
ASHLEY VALLEY WATER	7,887	165,254	1,250	1,801	5,958	9,009	156,245	94.55%	(508)	16,562	4,522	10,994	793	-	-	188,608
BALLARD WATER	3,555	58,437	547	255	2,298	3,100	55,337	94.70%	57	2,030	532	5,228	392	-	1,669	61,907
CENTRAL UTAH WATER	43,666	1,585,516	6,750	8,908	28,014	43,672	1,541,844	97.25%	(2,587)	75,665	7,988	51,858	3,639	-	27,182	1,651,225
JENSEN WATER	2,914	103,173	1,513	967	919	3,399	99,774	96.71%	(414)	6,168	1,365	3,504	137	-	-	110,534
JOHNSON WATER	-	-	-	-	-	-	-	0.00%	-	-	-	-	-	-	-	-
MASER WATER	292	84,937	471	1,514	1,789	3,774	81,163	95.56%	(443)	10,862	1,048	2,367	127	-	-	95,124
MOSQUITO ABATEMENT	28,383	1,057,568	4,506	5,946	17,937	28,389	1,029,179	97.32%	(12)	50,507	6,234	32,671	2,268	-	16,764	1,104,083
OURAY PARK	20	95,225	1	296	588	885	94,340	99.07%	64	1,070	895	1,017	59	-	-	97,445
TRIDELL-LAPOINT	407	42,279	570	395	1,908	2,873	39,406	93.20%	(71)	4,445	551	2,550	170	-	-	47,051
UNTAH WATER CONSERV	56,363	2,124,714	8,666	12,034	34,020	54,720	2,069,994	97.42%	(181)	103,360	13,350	60,681	4,147	-	31,998	2,219,353
Total Other Special Districts	143,487	5,317,102	24,274	32,116	93,431	149,821	5,167,281	97.18%	(4,095)	270,669	36,485	170,870	11,732	77,613	5,575,329	
Total	\$ 1,378,111	\$ 50,324,588	\$ 216,476	\$ 285,790	\$ 864,894	\$ 1,367,160	\$ 48,957,428		\$ -	\$ 2,428,484	\$ 295,230	\$ 1,641,887	\$ 287,574	\$ -	\$ 795,099	\$ 52,689,943

Uintah County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Direct or Pass-Through Grantors Contract	Expenditures	Passed Through to Subrecipients	Non-cash assistance
U.S. Department of Agriculture					
<i>Direct Programs</i>					
NRCS	10.904	NR198D43xxxxC004	102,644	102,644	-
USDA	10.025		8,400	-	-
Subtotal Direct Programs			111,044	102,644	-
Institute of Museum and Library Services					
<i>Passed through State of Utah</i>					
ARPA	45.310	220142	17,844	-	-
ARPA	45.310		9,711	-	-
ARPA	45.310		9,552	-	-
Children and Teen Book Enhancement Mini-Grant	45.310		3,000	-	-
Subtotal Pass-through Programs			40,107	-	-
Total U.S. Department of Agriculture			151,151	102,644	-
U.S. Department of Homeland Security					
<i>Passed-through State of Utah</i>					
Hazardous Materials Emergency Preparedness Grant	97.042	21HMEP	2,500	-	-
Emergency Management Performance Grant	97.067	EMPG-2020-DEM-053	25,776	-	-
Emergency Management Performance Grant	97.067	EMPG-2021	25,121	-	-
State Homeland Security Program	97.067	DEM-2018-SHSP-005	28,546	-	-
State Homeland Security Program		DEM-2019-SHSP-005	28,462	-	-
State Homeland Security Program		DEM-2020-SHSP-005	11,000	-	-
Subtotal passed-through State of Utah			121,405	-	-
Total U.S. Department of Homeland Security			121,405	-	-
U.S. Department of Justice					
<i>Direct Program</i>					
Bullet Proof Vest	16.607		8,235	-	-
Bullet Proof Vest	16.607	2018BUBX18087352	13,093	-	-
Subtotal Direct Programs			21,328	-	-
<i>Passed through Utah Department of the National Children's Alliance</i>					
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758		7,000	-	-
Subtotal passed-through Utah Department of Commission on Criminal and Juvenile Justice			7,000	-	-
<i>Passed through Utah Department of Commission on Criminal and Juvenile Justice:</i>					
JAG - Justice Assistance Grant	16.738	19A185	4,354	-	-
Internet Crimes Against Children (ICAC)	16.543	COVID Carryover	3,211	-	-
Internet Crimes Against Children (ICAC) FY2021	16.543		9,900	-	-
Internet Crimes Against Children (ICAC) FY2022	16.543		4,012	-	-
Victims of Crime	16.575	19-VOCA0165 / 20VOCA065	192,636	-	-
Victims of Crime	16.575	21/22VOCA15	35,871	-	-
Victims of Crime	16.575	19-VOCA0165 / 20VOCA065	111,455	-	-
Victims of Crime	16.575	21/22VOCA67	44,134	-	-
Subtotal passed-through UDCCJJ			405,573	-	-
Total U.S. Department of Justice			433,901	-	-

Uintah County
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

U.S. Department of Interior

Direct Program

VFAST

Contract

M-19-D81-0-000051

5,068

-

-

Subtotal Direct Programs

5,068

-

-

U.S. Department of Housing and Urban Development

Passed-through the State of Utah

Community Development Block Grant

14,228

211197

47,697

-

-

Subtotal passed-through the State of Utah

47,697

-

-

Total U.S. Department of Interior

52,765

-

-

U.S. Department of Transportation

Direct Program

Ground Water Mitigation

20.106

AIP-3-49-0037-038-2020

12,785

12,785

-

Passed-through State of Utah

Runway Relocation

20.106

AIP 3-49-0037-34-2017

325,632

325,632

-

Master Plan Update

20.106

AIP 3-49-0037-035-2019

45,008

45,008

-

* Airport CARES Act

20.106

AIP 3-49-0037-039-2020

1,043,853

1,043,853

-

Airport CARES Response Grant Program

20.106

AIP 3-49-0037-041-2021

222,890

222,890

-

Subtotal passed-through State of Utah of Department of Transportation

1,637,383

1,637,383

-

Total U.S. Department of Transportation

1,650,168

1,650,168

-

U.S. Department of Treasury

Passed-through State of Utah

* CARES ACT

21.019

136,047

-

-

* CARES ACT

21.019

370,776

-

-

Subtotal passed-through State of Utah

506,823

-

-

Total U.S. Department of Treasury

506,823

-

-

Total Expenditures of Federal Awards

2,916,212

1,752,812

-

* Denotes a major program

Uintah County
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Reporting Entity

Uintah County, for purpose of the financial statements, includes all of the funds of the primary government as defined by Governmental Accounting Standards Board.

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes federal grant activity of the County under programs of the federal government for the year ended December 31, 2021. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). All awards are identified on the schedule as direct or indirect. Because the schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net asset or cash flows of the County.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule of Federal Awards reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

Loans Outstanding

The County did not have any federally insured loans outstanding at year-end.



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

Honorable County Commission
Uintah County
Vernal, Utah 84078

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, each major fund, and the aggregate remaining fund information of Uintah County, Utah, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Uintah County's basic financial statements and have issued our report thereon dated August 26, 2022.

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 Uintah County's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
August 26, 2022



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

Honorable County Commission
Uintah County
Vernal, Utah 84078

Report On Compliance with General State Compliance Requirements

We have audited Uintah County’s compliance with the applicable general 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, 2021.

State compliance requirements were tested for the year ended December 31, 2021 in the following areas:

- Budgetary Compliance
- Fund Balance
- Justice Courts
- Restricted Taxes and Other Related Revenues
- Fraud Risk Assessment
- Government Fees

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on Uintah 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 Uintah 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 requirement 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 compliance requirements referred to above for the year ended December 31, 2021.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide*.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the 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 auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance*

Audit Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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.

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah

August 26, 2022



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

Honorable County Commission
Uintah County
Vernal, Utah 84078

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAMS

Opinion on Compliance for Each Major Federal Program

We have audited Uintah County, Utah'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 Uintah County's major federal programs for the year ended December 31, 2021. Uintah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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, 2021.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit Compliance

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

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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies in material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we identified deficiencies in internal control that we consider material weaknesses as described in the current year findings as UG-2021.2. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Larson & Company, PC

Larson & Company, PC

Spanish Fork, Utah
August 26, 2022

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Summary of the Auditor's Results

- 1- Type of auditor's report issued on whether the financial statements were prepared in accordance with generally accepted accounting principles was an unmodified opinion
- 2- No reportable conditions related to the audit of the financial statements are reported in the Auditor's Report on Internal Controls and Compliance with Laws and Regulations, however, significant deficiencies were identified and reported in the schedule of findings and questioned costs hereafter.
- 3- No instances of noncompliance material to the financial statements of the County were disclosed during the audit.
- 4- Material weaknesses relating to the audit of the major federal award program are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with Uniform Guidance.
- 5- The independent auditor's report on compliance for the major federal award programs for the County, expresses an unmodified opinion.
- 6- The audit disclosed audit findings that are required to be reported under 2 CFR section 200.516(a).
- 7- The programs tested as a major program include:
 - Coronavirus, Aid, Relief, and Economic Security Act or the CARES Act 21.019
 - Airport Improvement Program 20.106
- 8- The threshold for distinguishing Types A and B programs is \$750,000 of federal awards expended.
- 9- The County did not qualify as a low-risk auditee.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Financial Statement/Control Findings

UG 2021.1 Submission of Single Audit Report to FAC

Criteria: Submission of single audit reports to Federal Audit Clearinghouse (FAC) is nine months after year-end. If submission is delayed, an extension or waiver should be applied for the relevant fiscal year.

Condition: Per the FAC website, the submission date of the FY2020 single audit report for the fiscal year ended December 31, 2020 was October 6, 2021. This is beyond the 9-month due date from the fiscal year end. No extensions/waivers application were noted.

Cause of condition: This is due to an oversight on the management and staff.

Potential effect of condition: Noncompliance with Federal requirements, and inability to be considered not high-risk for the next two audit periods at a minimum.

Recommendation: We recommend that the single audit report be submitted on or before the 9-month due date. If, however, certain circumstances prevent the County from submitting the report by this date, the County should apply for an extension to submit the report after the original due date.

Client response: The County will submit the single audit to the Federal Audit Clearinghouse (FAC) within the time frame and, if not, the County will apply for an extension to submit.

UG-2021.2 Coronavirus Relief Fund Activities Allowable or Unallowable (Material weakness)

Federal Agency: US Department of Treasury

Grant title: Coronavirus, Aid, Relief, and Economic Security Act

Grant CFDA: 21.019

Criteria: Per 2 CFR 200 Subparts D & E, the entity must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the management of the Federal award is in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. Expenditures under the coronavirus relief fund were to provide direct payments to state, territorial, tribal, and certain eligible local governments to cover:

1. Necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19)
2. Costs that were not account for in the government's most recently approved budget as of March 27, 2020; and
3. Costs that were incurred during the period that begins on March 1, 2020; and ends on December 31, 2021

Treasury guidance also specifies that real property improvements and acquisitions and equipment acquisitions must be "necessary due to the COVID-19 public health emergency". In addition, "a government must (1) determine that it is not able to meet the need arising from the public health emergency in a cost-effective manner by leasing property or equipment or by improving property already owned and (2) maintain documentation to support this determination.

In providing grants to small businesses the Treasury has stated the "the prime recipient of CRF payments must maintain and make available to Treasury OIG upon request all documents and financial records sufficient to establish compliance with subsection 601(d) of the Social Security Act, as amended (42 U.S.C. 801(d)). The prime recipient is responsible for maintaining documentation to demonstrate that the small business was impacted by the public health emergency and was thus eligible for the CRF funds.

Condition: The County distributed \$129,500 in small business economic recovery grants. However, the County failed to demonstrate how these businesses had been adversely affected by the pandemic. The County did not require these businesses to submit any financial reports that specified their profit/loss or had any procedures that would verify the accuracy of the information provided by these businesses. In addition, the County made numerous distributions to companies owned by elected officials or their family members. As discussed in the minutes, there was only one instance where the commissioners recused themselves from approving a warrant for a small business receiving CRF funds. A total amount of \$30,000 was

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

distributed to companies owned by those charged with governance or their immediate family members. The County did not require the commissioners to file conflict of interest statements for the year, as these elected officials sat on the committee and directed these disbursements, and none of these were disclosed.

In addition, \$300,482 of CRF funds were used to purchase equipment for the Buckskin Hills Ski & Snow Tubing Hill (Hill) – an outdoor recreational facility. The 2021 Office of Management & Budget (OMB) Compliance Supplement requires documentation for all equipment purchases justifying why “more cost-effective methods such as leasing or improving equipment already owned, would not meet the needs of the public health emergency.” The County did not maintain the required documentation for the equipment purchases.

Cause of condition: The questioned costs resulted from the override of controls by Commissioners and member of the assigned committee. Members of the committee and Commissioners disregarded or misinterpreted federal grant requirements. Additionally, the County did not appear to have any policies and procedures over federal awards as required by federal regulations (2 CFR 200 subparts D&E), which contributed to the misinterpretation and disregard of grant compliance requirements.

Potential effect of condition: Noncompliance with federal award requirements, questioned costs of allowable expenditures, potential loss of future federal awards, and a general diminishing of public trust in County governance and its management.

Questioned costs: At a minimum, questioned costs are \$429,982 of CRF funds expended during 2021 as noted above.

Recommendation: The County must establish written general policies and procedures over the expenditure of federal awards. Written policies, procedures and controls over the expenditure of federal awards related to specific awards granted to the County, which are contained in all grant agreements. Compliance requirements should be discussed when any federal awards are expended. The County should require conflict of interest statements be signed at a minimum on an annual basis by governance and management. Along with the retention of conflict-of-interest statements, documentation should be retained to document the recusal of individuals when discussions or decisions are made regarding parties that are related to those individuals. The County should also retain any and all documentation related to discussion of, allowability and purpose of expenditures of federal awards. This documentation should be sufficient for an external party to reasonably assess allowability, accuracy, and appropriateness of those expenditures.

Client response: In general, the County disputes the finding of the Auditor. The information provided by the Auditor in support of its findings is incorrect and incomplete. The U.S. Department of Treasury investigated Uintah County’s program and found no corrective action was necessary. The Utah Governor’s Office of Planning and Budget reviewed the County’s processes and found an extremely small (approximately 1%) of its small business grants had documentation issues. The County has responded to the Office of Planning and Budget as to how it will address those situations.

The Auditor’s finding with respect to conflicts of interest statements is false. See response to **IC-2020.2**.

The Auditor’s statement in **Cause of Condition** are inaccurate with respect to questioned costs and the auditor has provided not evidence to the contrary. As for policies and procedures over federal awards, the county accepted the invitation of the Office of the State Auditor to obtain the appropriate training in federal grant tracking and compliance.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Status of prior findings

SC-2020.1 Open and public meetings act

Criteria: *Utah Code 52-4-202(1)(a)(i)* A public body shall give not less than 24 hours public notice of each meeting.

Condition: As part of our testing of the open and public meetings act, we are required to select two public meetings and document the County's compliance. One of those meetings selected did not give at least 24 hours' notice on the Utah Public Notice Website. The agenda for the meeting was posted to the website 9 days after the meeting was held.

Status of finding: Finding appears to have been addressed and corrected.

SC-2020.2 Open and public meetings act

Criteria: *Utah Code 17-36* requires counties to provide a 7-day notice of the public hearing wherein the budget will be discussed and adopted, as well as making the budget available to the public for inspection at least 10 days prior to adoption.

Condition: Uintah County's 2021 final budget was adopted on December 28, 2020. Notices for the budget public hearings were posted to the UPN website on October 28, for the November meeting to discuss the budget, however, no notice was posted to the UPN website for the public hearing wherein the budget was adopted. The county didn't provide a 7-day notice prior to the meeting of December 30, 2020.

Status of finding: County disagreed with finding in the prior period. However, no issues related to the open and public meetings act were noted during 2021. This appears to have been addressed and corrected.

IC-2020.1 Control environment (Significant deficiency)

Criteria: In accordance with the Green Book and COSO, the control environment is the foundation for an internal control system. It provides the discipline and structure, which affect the overall quality of internal control. It influences how objectives are defined and how control activities are structured. Those charged with governance and management establish and maintain an environment throughout the County that sets a positive attitude towards internal controls.

Condition: Although control systems are designed and implemented over financial reporting, the County lacks a policy and/or controls regarding the control environment that are non-financial controls.

Status of finding: The County disagreed with this finding in the prior period. The County maintains that references to the Green Book and COSO model are inappropriate to a local government in the State of Utah. However, the COSO model was adopted by the Green Book, and the Green Book has also been adopted by the Utah State Auditor's office as the guidance for internal controls for local governments. Therefore, these are applicable to the County. In our review of internal controls at the County, there continues to be a lack of internal controls that we consider significant to the financial operations and financial reporting of the county. This finding has not been resolved to the satisfaction of the Auditor.

Client response to the status of finding: This seems to be a repeat from the previous audit. Although the Auditor has introduced a chain of reason as to why the County must adopt the COSO and Green Book it still has produced no statutory authority for its finding.

Perhaps this finding could be more persuasive if it were to provide more concrete examples as to the perceived existing problems and a corresponding solution. The Auditor also needs to realize the majority of elected officials are minimally educated, minimally qualified and hesitant to leave their comfort zone. Plain English would be more helpful.

The statements made by the Auditor in the Condition: and Status of finding: discussion seem disjointed. The statement in the Condition: states in part, "Although control systems are designed and implemented over financial reporting ..." While in the Status of finding: we find the statement "...there continues to be a lack of internal controls that we consider significant to the financial operations and financial reporting of the county".

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

There have been additional controls added with respect to financial and general operational processes and reporting with several more on the way in 2022. However, the Auditor must be aware of the resistance to change from elected officials and employees. Draining the swamp can be time consuming and difficult. Uintah County stands poised to elect officials who ran on platforms which return to “the old ways”.

IC-2020.2 Conflicts of interest (Significant deficiency)

Criteria: In accordance with the Green Book and COSO, documentation and disclosure of conflicts of interest by both governance and management is a critical control especially within a governmental entity that is entrusted with public funds.

Condition: It was noted that those charged with governance and key members of management did not sign and document conflicts of interest during the period under audit.

Status of finding: Conflict of interest statements were not signed in 2021 as was the case in 2020. As noted in current finding UG-2021.2, the lack of conflict of interest statements contributed to the noncompliance related to CRF funds. See also status of finding response in finding IC-2020.1 above regarding the reference to Green Book and COSO.

Client response to the status of finding: This finding is wholly and unequivocally false. The County has to wonder how the Auditor arrived at this conclusion. In a matter of minutes it is possible to walk into the Human Resources Office and have them produce a data base containing the names, dates and a PDF of the signed forms for 2021. If there is some dimension to the statement besides name, title, declaration, date and signature the finding of the auditor fails to make that identification. There is the possibility that if we read the Auditor’s Status of finding: literally, the county did not singe the statements but did obtain signatures. Unless there is some other piece of information the Auditor can supply as to why our statements don’t qualify as statements, the county may want to discuss a reduction in what we agreed to pay to the Auditor. We would also have to wonder what other findings might contain inaccuracies.

IC-2020.3 Information technology policies and procedures (Significant deficiency)

Criteria: In order to prevent unwarranted access, prevent fraudulent behavior, unauthorized management override, and to protect sensitive data, there must be written policies and procedures regarding information technology (IT) in place and followed. The COSO model outlines the principles that should be addressed within the policies and procedures.

Condition: When communicating with members of management and those charged with governance, we noted that significant policies and procedures related to IT have not been implemented. More specifically, policies addressing access controls, off-site data back-up and storage, separation of duties in relation to design vs. testing when reporting system is modified, termination of access, and the ability to change and override transactions by those who are not authorized to make those changes within the system.

Status of finding: Finding has not been addressed and corrected. The County has not yet adopted and implemented IT policies. These are still in draft form and are still being reviewed.

Client response to status of finding: The County disagrees in part and agrees in part with the Auditor on this finding. It is untrue that County has not yet developed IT policies. There have been some policies in place for some time and others that are recent. There are additional policies which are in final review as the last step to implementation and which will have immediate impacts. Other policies in final review are more strategic in nature.

A change in personnel in the IT Department was a major step in putting momentum behind the development of some of the more pressing policies. It should be acknowledged that there is never an end to developing IT policy because of the changing face of IT.

There have been recent events wherein an office or a department lost critical information for which they were responsible through simple mismanagement. As far as IT was concerned, the Clerk/Auditor’s system was functioning as it was designed to function. The Clerk/Auditor did not identify any problems to IT concerning the system managing its official records. As it turned out the Clerk/Auditor was managing one part of the database but ignoring another. Once it was discovered IT began the development of a solution and a policy we hope will prevent a repeat episode.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

IC-2020.4 Financial reporting year-end closing and financial statement preparation (Significant deficiency)

Criteria: Best practices, COSO principles, and properly functioning controls required that management and governance properly close financial reporting periods shortly after those periods, typically less than 60 days. Accounting standards and governmental auditing standards also require that a member of governance have the skills, knowledge, and experience (SKE) to either prepare financial statements and accompanying notes or assume responsibility for those statements.

Condition: Currently, the county relies on the auditor to prepare financial statements and related notes to the financial statements

Status of finding: Finding has been addressed and mostly corrected. Management prepared all closing entries and basic financial statements. Management still relies on the Auditor for assistance with the financial statement notes and disclosures.

Client response to the status of finding: This finding has been addressed and corrected. Improvements will be continually made.

UG-2020.1 Questioned costs (Material weakness)

Grant title: Coronavirus, Aid, Relief, and Economic Security Act

Grant CFDA: 20.019

Criteria: Per 2 CFR 200 Subparts D&E, the County must establish and maintain effective internal controls over the Financial Award that provides reasonable assurance that the management of the federal award is in compliance with Federal statutes, regulations and the terms and conditions of the federal award.

Condition: The County distributed \$3,495,267 in economic recovery grants to small businesses within the County. In review of these disbursements, we noted that there was a lack of documentation on how the assigned committee determined the financial need of the businesses and how they had been adversely affected by the COVID-19 pandemic. The committee did not require that these businesses submit financial reports that specified their financial need, nor did they document any other procedures that verified the accuracy of the information that the businesses did provide. In addition to a lack of due diligence on the part of the committee, it was noted that the County distributed \$127,000 of that amount to parties, that in appearance or actuality, are related to or owned by Commissioners of the County. As noted in finding IC-2020.2 the County did not require or maintain conflict of interest statements by Commissioners or key management, as some of these members were also members of the committee assigned to distribute the grants. There is also no record or documentation that any of these members recused themselves in decisions regarding approval of and amounts paid to related parties.

Cause of condition: The questioned costs resulted from the override of controls by Commissioners and member of the assigned committee. Members of the committee and Commissioners disregarded or misinterpreted federal grant requirements. Additionally, the County did not appear to have any policies and procedures over federal awards as required by federal regulations (2 CFR 200 subparts D&E), which contributed to the misinterpretation and disregard of grant compliance requirements.

Status of finding: See current year finding UG-2021.2

Client response to status of finding: See finding response to UG-2021.2

UG-2020.2 Preparation of the Schedule of Expenditures of Federal Awards

Criteria: In accordance with generally accepted accounting principles, management is responsible for the preparation of the schedule of expenditures of federal awards (SEFA) in a format appropriate for presentation as supplementary information in the annual financial report. Additionally, management should ensure that the SEFA is properly prepared in relation to the expenditures and revenue recognized in the current period financial reports.

Condition: Currently, county personnel do not have sufficient experience and training to ensure that the SEFA is prepared in an appropriate format required by generally accepted accounting principles, and tied back to revenues and expenditures contained in the financial reporting system.

Uintah County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

Status of finding: Finding has been addressed and corrected. Management now prepares the schedule of expenditures of federal awards.

Auditor Concluding Comment

The Uintah County Commission's disagreement with the findings and questioned costs noted above shows the general lack of understanding of the scope and purpose of the financial statement audit and compliance audits contained herein. The County infers on multiple occasions that the burden of proof lies with the auditor. County officials also seem to be more concerned with legal matters and terminology, which in this situation confuses the intent of the findings and recommendations. Contained in both compliance reports herein, the auditor is not engaged to determine legal compliance nor opine on legal matters. The findings and recommendations are intended to improve the financial operations, internal controls, and general overall environment of the County. Based on the responses provided by County Officials, the Auditor is concerned that findings and questioned costs will not be addressed and corrected in an appropriate manner.