

UINTAH COUNTY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

**UINTAH COUNTY
 BASIC FINANCIAL STATEMENTS
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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Uintah County
Vernal, Utah 84078

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Uintah County, Utah (the County) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, which represent 59.38 percent, 50.57 percent and 69.2 percent, respectively, of the assets, net position and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion insofar as it relates to the amounts included for Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards, generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Summary of Opinions

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

Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units

The financial statements of the Uintah County Animal Control & Shelter Special Service District (the District) has not been audited, and we were not engaged to audit the District's financial statements as part of our audit of the Uintah County's basic financial statements. The District's financial activities are included in the County's basic financial statements as a discretely presented component unit and represent 1.23 percent, 1.58 percent, and 2.03 percent of the assets, net position, and revenues, respectively, of the County's aggregate discretely presented component units.

Qualified Opinion

In our opinion, based on our audit and the reports of other auditors, except for the possible effects of the matter discussed in the "Basis for Qualified Opinion on the Aggregate Discretely Presented Component Units" paragraph, the financial statements referred to above present fairly in all material respects, the financial position of the aggregate discretely presented component units of the County as of December 31, 2018, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of American require that the management's discussion and analysis, budgetary comparison, infrastructure assets reported using the modified approach, the schedule of proportionate share of the net pension liability, schedule of contributions and notes to required supplementary information on pages 5 through 13 and pages 80 through 87 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 2019, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Uintah County's internal control over financial reporting and compliance.

SMUIN, RICH & MARSING



Price, Utah

June 28, 2019

**UINTAH COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2018**

This discussion of Uintah County's financial performance provides an overview of the County's financial activities for the year ending December 31, 2018. This report is in conjunction with the County's financial statements. All amounts, unless otherwise indicated, are expressed in **thousands of dollars**.

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

Financial Highlights

- The assets and deferred outflows of resources of Uintah County exceeded its liabilities and deferred inflow of resources as of the close of the most recent year by \$432,931 (*net position*). of this amount, \$47,502 (*unrestricted net position*) may be used to meet the governments' ongoing obligations to citizens and creditors.
- The government's total net position increased due to operations by \$6,450. The revenues were greater than budgeted amounts 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 \$74,532, an increase of \$4,194 in comparison with the prior year. Approximately 59 percent of this total amount, \$43,985 is available for spending at the government's discretion (*unrestricted fund balance*).
- A component unit of the County, the Municipal Building Authority (MBA), acquired no additional new debt this year. The MBA also paid off the 2007B bond with an interest rate of 0%. The Municipal Building Authority has made additional principal payments on the 2008B bonds of \$1,764. This will save substance interest on the bonds that have an interest rate of 2.5%. The Municipal Building Authority has decreased its total debt by \$2,521. Leaving a total Municipal Building Authority debt at year-end of \$20,002.
- At the end of the current year, unassigned fund balance for the general fund was \$16,888 or 91.80 percent of total general fund expenditures and transfers.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Uintah County's basic financial statements. Uintah County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Uintah County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Uintah County include general government, public safety, public health, highways and public improvements, parks and recreation, and economic development. The business-type activities of Uintah County are Uintah Care Center, Western Park, Tele-Communication, and Landfill.

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

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

Fund financial statements

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

Governmental funds

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

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

Uintah County maintains nineteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and capital projects fund all of which are considered to be major funds. Data from the other seventeen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

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

Proprietary funds

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

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

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

Fiduciary funds

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

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

Notes to the financial statements

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

Component Units

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

Other information

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

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Uintah County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$432,931 at the close of the most recent fiscal year.

By far the largest portion of Uintah County's net position (77.26 percent) is reflected in net investment in capital assets (e.g. land, building, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. Uintah County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Uintah County's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of Uintah County's net position (11.76 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$47,502) may be used to meet the government's ongoing obligations to citizens and creditors.

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

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Current and other assets	\$ 82,344	\$ 83,046	\$ 23,311	\$ 23,759	\$ 105,655	\$ 106,805
Capital assets	373,955	374,018	9,539	9,318	383,494	383,336
Deferred outflows of resources	12,456	10,213	531	372	12,987	10,585
Total assets and deferred outflows of resources	\$ 468,755	\$ 467,277	\$ 33,381	\$ 33,449	\$ 502,136	\$ 500,726
Long-term liabilities	\$ 66,175	\$ 59,600	\$ 742	\$ 631	\$ 66,917	\$ 60,231
Current and other liabilities	7,169	4,279	143	167	7,312	4,446
Deferred inflows of resources	1,341	2,947	85	171	1,426	3,118
Total liabilities and deferred inflows of resources	\$ 74,685	\$ 66,826	\$ 970	\$ 969	\$ 75,655	\$ 67,795
Net position:						
Net investment in capital assets,	\$ 321,433	\$ 325,205	\$ 9,489	\$ 9,293	\$ 330,922	\$ 334,498
Restricted	27,294	30,548	20,265	20,383	47,559	50,931
Unrestricted (deficit)	45,343	44,698	2,657	2,804	48,000	47,502
Total net position	\$ 394,070	\$ 400,451	\$ 32,411	\$ 32,480	\$ 426,481	\$ 432,931

Governmental activities

Governmental wide activities increased Uintah County's net position by \$6,450 from operations. Key elements of this increase are as follows:

Table 2
Change in Net Position

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Revenues						
Program Revenues:						
Charges for services	\$ 6,478	\$ 7,143	\$ 1,153	\$ 1,165	\$ 7,631	\$ 8,308
Operating grants and contrib.	4,399	4,492			4,399	4,492
Capital grants and contrib.	17,456	9,316			17,456	9,316
General Revenues:						
Property taxes	17,282	16,221			17,282	16,221
Sales taxes	5,593	5,700	824	844	6,417	6,544
Grants & contrib.-not restrict.	3,157	3,112			3,157	3,112
Other general revenues	1,745	2,376	356	534	2,101	2,910
Total revenues	<u>\$ 56,110</u>	<u>\$ 48,360</u>	<u>\$ 2,333</u>	<u>\$ 2,543</u>	<u>\$ 58,443</u>	<u>\$ 50,903</u>
Program expenses						
General government	\$ 9,047	\$ 10,079			\$ 9,047	\$ 10,079
Public safety	10,560	13,357			10,560	13,357
Public health	4,248	4,542			4,248	4,542
Highways and public improve.	3,692	5,771			3,692	5,771
Parks and recreation	3,531	3,962			3,531	3,962
Conservation & econ. dev.	1,948	1,988			1,948	1,988
Capital outlay	295	31			295	31
Interest on long term-debt	1,835	1,748			1,835	1,748
Western Park			\$ 1,548	\$ 1,836	1,548	1,836
Care Center			300	300	300	300
Landfill			552	704	552	704
Tele-communications			176	135	176	135
Total expenses	<u>\$ 35,156</u>	<u>\$ 41,478</u>	<u>\$ 2,576</u>	<u>\$ 2,975</u>	<u>\$ 37,732</u>	<u>\$ 44,453</u>
Excess (deficiency) before transfers	\$ 20,954	\$ 6,882	\$ (243)	\$ (432)	\$ 20,711	\$ 6,450
Transfers	(59)	(500)	59	500		
Change in net position	<u>\$ 20,895</u>	<u>\$ 6,382</u>	<u>\$ (184)</u>	<u>\$ 68</u>	<u>\$ 20,711</u>	<u>\$ 6,450</u>
Net position - beginning	\$ 372,979	\$ 394,069	\$ 32,434	\$ 32,412	\$ 405,413	\$ 426,481
Prior period adjustment	195		162		357	
Net position - ending	<u>394,069</u>	<u>400,451</u>	<u>32,412</u>	<u>32,480</u>	<u>426,481</u>	<u>432,931</u>
Change in net position	<u>\$ 20,895</u>	<u>\$ 6,382</u>	<u>\$ (184)</u>	<u>\$ 68</u>	<u>\$ 20,711</u>	<u>\$ 6,450</u>

- Charges for services increased by \$677.
- Operating & Capital Grants and contributions decreased by \$8,047.

For the most part, increases in expenses covered the major functions of the County.

Business-type activities

Business-type activities increased Uintah County's net position by \$68. Key elements of this decrease are shown in Table 2 Change in Net Position.

Financial Analysis of the Government's Funds

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

Governmental funds

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

At the end of the year, Uintah County's governmental funds reported combined ending fund balances of \$74,532, an increase of \$4,194, in comparison with the prior year. Approximately 51.14 percent of this amount (\$38,115) constitutes *unassigned and assigned fund balances*, which is available for spending at the government's discretion. The remainder of fund balances are *restricted and committed* to indicate that they are not available for new spending because it has already been restricted or committed. The general fund is the chief operating fund of Uintah County. At the end of the current year, unassigned fund balance of the general fund was \$16,888. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 91.80 percent of total general fund expenditures and transfers.

Proprietary funds

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

Total unrestricted net position of the Government-wide proprietary financial statements at the end of the year amounted to \$2,804.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget of \$1,235 can be briefly summarized as follows:

- \$773 decrease in general government
- \$94 increase in public safety
- \$0 change in public health
- \$170 increase in highways and public improvements
- \$1,720 increase in transfers to other funds
- \$6 increase in parks, recreation and public property
- \$18 increase in conservation and economic development

The increase in the general fund budget for the function of general government, was thought to be necessary because of reduced expenditures anticipated in the departments of recorder, treasurer and GIS and Surveyor departments. The remaining functions in the general fund had increases in their respective budgets of public safety, highways and public improvements, and conservation and economic development, because of anticipated greater increases in the level of spending in these functions. Public safety expenditures were down as compared to budget numbers as were also the categories of Highways and public improvements, and Parks Recreation and Public Property, while the other functions expenditures as compared to budgets were fairly close. The budget for general fund revenues increased a small amount due to the anticipation of increases in delinquent taxes. Most of the other categories of revenues received small increases as compared to the original budget. During the year, however, actual total revenues were greater than budgeted revenues by \$539 and actual expenditures were less than budgeted expenditures by \$1,751. The overall operating increase in general fund, fund balance was \$10.

Capital Asset and Debt Administration

Capital Assets

Uintah County's investment in capital assets for its governmental activities as of December 31, 2018, amounts to \$374,018 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, equipment, and infrastructure, which includes roads, highways, bridges and construction in progress. The total net decrease in Uintah County's investment in government-wide capital assets for the current year was \$158.

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

- Capital asset purchases of \$5,589 and dispositions of \$52 for governmental activities along with depreciation of \$5,474 are the transactions that account for the net change (increase) in capital assets of governmental activities of \$63.
- In the business-type activities the County had a small amount of spending on capital assets for the year ending December 31, 2018 in the amount of \$14. The County did have \$235 of depreciation during the current year. The county had no disposition of capital assets of business type assets that had not been fully depreciated. The transactions reflected a net decrease in capital assets for business-type funds of \$221.

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

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2018	2017	2018	2017	2018
Right of ways	\$ 3,050	\$ 3,050			\$ 3,050	\$ 3,050
Land	14,708	14,708	\$ 6,316	\$ 6,316	21,024	21,024
Water rights	281	281			281	281
Buildings	87,231	85,049	2,156	2,016	89,387	87,065
Improvements other than buildings	24,989	28,176	955	894	25,944	29,070
Equipment	4,372	3,545	112	92	4,484	3,637
Infrastructure	239,324	239,209			239,324	239,209
	<u>\$ 373,955</u>	<u>\$ 374,018</u>	<u>\$ 9,539</u>	<u>\$ 9,318</u>	<u>\$ 383,494</u>	<u>\$ 383,336</u>

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

Long-term debt

At the end of the current year, Uintah County had total bonded debt and notes payable outstanding of \$49,762. The debt represents revenue bonds secured by specified revenue sources and G.O. bonds backed by the full faith of the County. Total long-term liabilities as of December 31, 2018 were \$62,097.

Table 4
Outstanding Debt at Year-end

	Governmental Activities		Business-type Activities		Totals	
	2017	2018	2017	2018	2017	2018
Bond premium	\$ 2,881	\$ 2,711			\$ 2,881	\$ 2,711
Bonds payable	53,482	49,737	\$ 50	\$ 25	53,532	49,762
Compensated Abs	2,104	1,876	179	304	2,283	2,180
Termination liab.	1,005	1,486			1,005	1,486
Net pension liab.	8,535	5,631	538	327	9,073	5,958
Total debt	<u>\$ 68,007</u>	<u>\$ 61,441</u>	<u>\$ 767</u>	<u>\$ 656</u>	<u>\$ 68,774</u>	<u>\$ 62,097</u>

State statutes limit the amount of general obligation debt a governmental entity may issue to two percent of its total fair market value of taxable property in the county. The current debt limitation for Uintah County is \$88,637. At this time Uintah County has \$29,760 in general obligation debt.

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

Economic Factors and Next Year’s Budgets and Rates

- The Seven County Infrastructure Coalition is in the process of developing a travel corridor that will connect Uintah County with I-70. The proposed project would construct 35 miles of paved roadway linking Seep Ridge Road in southern Uintah County, Utah to I-70 in Grand County, Utah. From Seep Ridge Road at the Uintah/Grand County border, the proposed project route follows the existing unpaved segments of Seep Ridge Road and Book Cliffs road along the ridge of the East Tavaputs Plateau. From the ridge, the proposed project route approximately follows existing dirt roads down the Book Cliffs mountain range through Brusher Canyon and East Canyon. It will go into Grand Valley, located south of the Book Cliffs mountain range. The proposed project route travels in a southerly direction and connects with I-70 at the existing Cisco/Danish Flat interchange (I-70 Exit 214).
- The Seven County Infrastructure Coalition is in the developmental stages of completing a railway that will connect the Uintah Basin with the national rail network. The railway will provide the long understood need for a cost-effective solution for additional transportation infrastructure in the Uintah Basin. The Uintah Basin Railway will provide economic stability to communities in the Uintah Basin by creating well-paying jobs and increasing opportunities for the Basin’s primary industries: mining, oil and gas, and agriculture and livestock.
- Building permits:

Building Permits	Residential	Commercial	Non-residential
2017	34	20	\$4,843,662
2018	82	18	\$3,889,216
Change	48	-2	-\$954,446

- The unemployment rates:

Unemployment rates	Uintah County	State of Utah	National Average
2017	5.1%	3.1%	4.1%
2018	4.7%	3.2%	3.9%
Change	-0.4%	0.1%	-0.2%

Requests for Information

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

UINTAH COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	
<u>ASSETS</u>				
Cash and cash equivalents	\$ 63,341,619	\$ 3,123,190	\$ 66,464,809	\$ 27,327,737
Investments				6,271,568
Taxes receivable	6,299,203	141,010	6,440,213	
Accounts receivable - net	36,989	38,114	75,103	943,590
Contract receivable - current portion	199,500		199,500	
Internal balances	(57,554)	57,554		
Due from other governmental units	1,530,139		1,530,139	2,325,514
Inventory		15,323	15,323	113,692
Prepaid expenses				3,114
Restricted cash and cash equivalents	8,778,561	20,382,814	29,161,375	5,982,438
Contract receivable - noncurrent portion	2,907,834		2,907,834	
Other investments				322,911
Net pension asset	10,614	615	11,229	25,732
Capital assets (net of accumulated depreciation):				
Land	14,708,241	6,315,656	21,023,897	2,280,267
Rights of Way	3,050,400		3,050,400	
Water rights	280,995		280,995	39,990
Buildings	85,049,041	2,015,931	87,064,972	41,823,679
Improvements other than buildings	28,175,930	894,406	29,070,336	1,615,179
Equipment	3,544,857	91,908	3,636,765	1,932,577
Infrastructure	239,208,405		239,208,405	
Work in progress				48,761
Total assets	\$ 457,064,774	\$ 33,076,521	\$ 490,141,295	\$ 91,056,749
Deferred outflows - refunding bonds	3,790,266		3,790,266	
Deferred outflows of resources related to pensions	6,422,576	372,513	6,795,089	2,476,238
Total assets and deferred outflows of resources	\$ 467,277,616	\$ 33,449,034	\$ 500,726,650	\$ 93,532,987
<u>LIABILITIES</u>				
Accounts payable	\$ 916,313	\$ 62,175	\$ 978,488	\$ 2,094,944
Warrants payable	603,021	36,166	639,187	
Salaries payable	379,486	19,741	399,227	687,412
Accrued liabilities	384,830	24,594	409,424	
Client trust payable				74,388
Deposit payable				1,780
Unearned revenue				80,875
Bond interest payable	154,723	47	154,770	137,728
Revenue and G.O. bonds payable - Due within one year	1,840,500	25,000	1,865,500	3,112,000
Capital lease payable - Due within one year				239,500
Revenue and G.O. bonds payable - Due in more than one year	50,607,443		50,607,443	18,396,000
Capital lease payable - Due in more than one year				3,257,893
Termination benefits liability	1,486,542		1,486,542	
Compensated absences	1,875,576	304,058	2,179,634	510,086
Net pension liability	5,630,615	326,580	5,957,195	2,835,812
Total liabilities	\$ 63,879,049	\$ 798,361	\$ 64,677,410	\$ 31,428,418
Deferred inflows from other resources				25,814
Deferred inflows of resources related to pensions	2,947,219	170,940	3,118,159	1,806,418
Total liabilities and deferred inflows of resources	\$ 66,826,268	\$ 969,301	\$ 67,795,569	\$ 33,260,650

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

UINTAH COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	
<u>NET POSITION</u>				
Net invested in capital assets	\$ 325,205,469	\$ 9,292,900	\$ 334,498,369	\$ 39,016,703
Restricted for:				
Class "B" roads	8,013,947		8,013,947	
Statutory minimum				126,699
Client trust				74,388
Capital projects				(137,350)
Uintah Care Center		20,187,091	20,187,091	
Municipal building authority	2,832,620		2,832,620	
Flood control	1,711,098		1,711,098	
Transient room	657,361		657,361	
Food services	428,520		428,520	
Tort liability	1,112,599		1,112,599	
Library	4,406,934		4,406,934	
Landfill post closure reserve		169,430	169,430	
Permanent funds	7,490,246		7,490,246	
Tri-County Health	1,484,828		1,484,828	
Assessing and collecting	1,252,381		1,252,381	
Debt Service	1,157,089	26,377	1,183,466	5,828,459
Unrestricted	44,698,256	2,803,935	47,502,191	15,363,438
Total net position	<u>\$ 400,451,348</u>	<u>\$ 32,479,733</u>	<u>\$ 432,931,081</u>	<u>\$ 60,272,337</u>

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

**UINTAH COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Function/Programs	PROGRAM REVENUES			NET (EXPENSE) REVENUE & CHANGES IN NET POSITION			COMPONENT UNITS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT BUSINESS-TYPE ACTIVITIES	
Primary government:							
Governmental activities:							
General government	\$ 10,079,556	\$ 860,451	\$ 303,992	\$	\$ (8,915,113)	\$	\$ (8,915,113)
Public safety	13,357,023	4,274,797	717,434	750,000	(7,614,792)		(7,614,792)
Public health	4,542,295	1,058,264	2,624,235		(859,796)		(859,796)
Highways and public improvements	5,771,149	227,517	8,409	8,566,565	3,031,342		3,031,342
Parks and recreation	3,961,738	352,490	566,562		(3,042,686)		(3,042,686)
Conservation and economic development	1,987,566	369,230	271,315		(1,347,021)		(1,347,021)
Capital outlay	30,820				(30,820)		(30,820)
Interest on long-term debt	1,747,817				(1,747,817)		(1,747,817)
Total governmental activities	\$ 41,477,964	\$ 7,142,749	\$ 4,491,947	\$ 9,316,565	\$ (20,526,703)	\$	\$ (20,526,703)
Business-type activities:							
Western Park	\$ 1,836,395	\$ 275,884			\$ (1,560,511)	\$	\$ (1,560,511)
Landfill	703,992	715,749			11,757		11,757
Telecommunications	134,789	173,097			38,308		38,308
Total business-type activities	\$ 2,675,176	\$ 1,164,730	\$	\$	\$ (1,510,446)	\$	\$ (1,510,446)
Total primary government	\$ 44,153,140	\$ 8,307,479	\$ 4,491,947	\$ 9,316,565	\$ (20,526,703)	\$ (1,510,446)	\$ (22,037,149)
Component Units:							
Utah Transportation Special Service District	\$ 9,145,256	\$ 114,262		\$ 13,343,881			\$ 4,312,887
Tri-County Mental Health & Sub. Abuse	7,016,354	4,396,006					255,444
Utah Recreation District	6,259,257	1,527,576					(4,731,681)
Utah Health Care Spec. Serv. Dist.	8,526,296	5,363,922					(488,453)
Animal Control Special Service District	794,590	81,499					(713,091)
Utah Impact Mitigation Special Service Dist	2,109,589		65,000				(2,044,589)
Fire Suppression Special Service District	1,834,894	166,050	8,928				(1,659,916)
Total component units	\$ 35,686,236	\$ 11,649,315	\$ 5,623,641	\$ 13,343,881	\$	\$	\$ (5,069,399)
General revenues:							
Property taxes				\$ 15,590,586			\$ 15,590,586
Delinquent taxes				630,077			630,077
Sales taxes				5,699,653	\$ 843,617		6,543,270
Transient room tax				514,920			514,920
Aviation fuel tax				22,351			22,351
Payment in lieu of taxes				3,111,566			3,111,566
Grants and contributions not restricted to specific programs					16,500		16,500
Mineral lease revenue				36,519			36,519
Contribution to other governments					(300,000)		(300,000)
Unrestricted investment earnings				1,643,774	495,143		2,138,917
Gain/(Loss) on disposal of assets				64,034			64,034
Miscellaneous				95,045	23,192		118,237
Penalties paid				(500,000)			(500,000)
Transfers							
Special item - sale of airport equipment					500,000		500,000
Total general revenues, special items and transfers				\$ 26,908,525	\$ 1,578,452	\$	\$ 28,486,977
Change in net position				\$ 6,381,822	\$ 68,006	\$ 6,449,828	\$ 7,723,354
Net position - beginning				\$ 394,069,526	\$ 32,411,727	\$ 426,481,253	\$ 52,548,983
Net position - ending				\$ 400,451,348	\$ 32,479,733	\$ 432,931,081	\$ 60,272,337

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

**UINTAH COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	GENERAL FUND	CAPITAL PROJECTS	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash and cash equivalents	\$ 14,552,858	\$ 20,945,586	\$ 25,451,627	\$ 60,950,071
Receivables (net):				
Accounts			36,989	36,989
Taxes	3,473,067		2,826,136	6,299,203
Due from other governments	389,729	319,723	820,687	1,530,139
Restricted cash and investments			8,678,561	8,678,561
	<u>\$ 18,415,654</u>	<u>\$ 21,265,309</u>	<u>\$ 37,814,000</u>	<u>\$ 77,494,963</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 298,850	\$ 330,655	\$ 270,868	\$ 900,373
Warrants payable	278,004	6,410	118,221	402,635
Salaries payable	245,952		133,534	379,486
Accrued liabilities	250,566		134,264	384,830
	<u>\$ 1,073,372</u>	<u>\$ 337,065</u>	<u>\$ 656,887</u>	<u>\$ 2,067,324</u>
Deferred inflows of resources - taxes	454,600		440,887	895,487
	<u>\$ 1,527,972</u>	<u>\$ 337,065</u>	<u>\$ 1,097,774</u>	<u>\$ 2,962,811</u>
Fund balances:				
Restricted:				
Class "B" Road			\$ 8,013,947	\$ 8,013,947
Municipal Building Authority			2,832,620	2,832,620
Tri-County Health			1,484,828	1,484,828
Permanent funds			7,490,246	7,490,246
Assessing and collecting			1,252,381	1,252,381
Flood control			1,711,098	1,711,098
Transient room			657,361	657,361
Food service			428,520	428,520
Tort liability			1,112,599	1,112,599
Library			4,406,934	4,406,934
Debt Service			1,157,089	1,157,089
Committed:				
Municipal Services			4,159,666	4,159,666
Regional History Center			214,243	214,243
911 emergency service			1,495,960	1,495,960
Assigned:				
Historical preservation			29,090	29,090
Drug court			17,651	17,651
Capital Projects		\$ 20,928,244		20,928,244
Perpetual care			251,993	251,993
Unassigned:				
General fund	\$ 16,887,682			16,887,682
	<u>\$ 16,887,682</u>	<u>\$ 20,928,244</u>	<u>\$ 36,716,226</u>	<u>\$ 74,532,152</u>
Total fund balances	<u>\$ 16,887,682</u>	<u>\$ 20,928,244</u>	<u>\$ 36,716,226</u>	<u>\$ 74,532,152</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 18,415,654</u>	<u>\$ 21,265,309</u>	<u>\$ 37,814,000</u>	<u>\$ 77,494,963</u>

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

**UINTAH COUNTY
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018**

Total fund balances - governmental fund types: \$ 74,532,152

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

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

Land	\$	14,708,241
Water rights		280,995
Rights of Way		3,050,400
Buildings		85,049,041
Improvements other than buildings		28,175,930
Equipment		3,544,857
Infrastructure		<u>239,208,405</u>
Total		374,017,869

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

Deferred charge on bonding	\$	3,790,266
Revenue and G.O. bonds payable - > one year		(50,457,443)
Revenue and G.O. bonds payable - due within one year		(1,990,500)
Bond interest payable		(154,723)
Net pension liability		(5,630,615)
Termination benefit liability		(1,486,542)
Deferred inflows of resources related to pensions		(2,947,219)
Deferred outflows of resources related to pensions		6,422,576
Compensated absences		<u>(1,875,576)</u>
Total		(54,329,776)

The net pension asset is not an available resources, therefore, is not reported in the governmental funds. 10,614

Long-term contracts for sale of capital assets creates a long-term contract receivable. In the fund statements, collections on these receivables are shown as revenue. In the government-wide financial statements the contract receivable is capitalized and payments are applied against the contract receivable. This is the balance of contract receivables outstanding. 3,107,334

Internal service funds are used by management to charge the costs of information systems to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. 2,275,222

Deferred tax revenue reduced and reported as income because revenue has been earned but was received over 60 days after the end of the year. 895,487

Accumulated effect of crossover amounts charged in prior years to business type activities from Internal Service Fund activity. (57,554)

Net position of government activities \$ 400,451,348

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

UINTAH COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	GENERAL FUND	CAPITAL PROJECT	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Taxes	\$ 12,674,251		\$ 10,286,307	\$ 22,960,558
Licenses and permits	119,238		220,464	339,702
Intergovernmental revenues	878,437	\$ 4,484,374	11,508,785	16,871,596
Charges for services	4,109,996	14,250	2,687,320	6,811,566
Fines and forfeitures	275,981			275,981
Interest income	256,882	454,105	702,097	1,413,084
Miscellaneous	91,242		127,392	218,634
Total revenues	\$ 18,406,027	\$ 4,952,729	\$ 25,532,365	\$ 48,891,121
EXPENDITURES:				
Current:				
General government	\$ 5,764,158		\$ 3,755,675	\$ 9,519,833
Public safety	6,912,553		4,496,229	11,408,782
Highways and public improvements	936,287		3,230,598	4,166,885
Public health	434,630		3,750,235	4,184,865
Parks, recreation, and public property	446,041		2,486,812	2,932,853
Conservation and economic development	499,865		1,476,847	1,976,712
Capital outlay		\$ 4,719,217		4,719,217
Debt Service:				
Principal retirement			3,745,500	3,745,500
Interest and fiscal charges			1,542,483	1,542,483
Total expenditures	\$ 14,993,534	\$ 4,719,217	\$ 24,484,379	\$ 44,197,130
Excess revenues over (under) expenditures	\$ 3,412,493	\$ 233,512	\$ 1,047,986	\$ 4,693,991
OTHER FINANCING SOURCES (USES):				
Transfers in		\$ 1,000,000	\$ 2,302,300	\$ 3,302,300
Transfers out	\$ (3,402,300)		(400,000)	(3,802,300)
Total other financing sources (uses)	\$ (3,402,300)	\$ 1,000,000	\$ 1,902,300	\$ (500,000)
Excess of revenues and other sources over (under) expenditures and other uses	\$ 10,193	\$ 1,233,512	\$ 2,950,286	\$ 4,193,991
FUND BALANCES - beginning of year	16,877,489	19,694,732	33,765,940	70,338,161
FUND BALANCES - end of year	\$ 16,887,682	\$ 20,928,244	\$ 36,716,226	\$ 74,532,152

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

UINTAH COUNTY
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

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

Net changes in fund balances - total governmental funds \$ 4,193,991

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

General government	\$	110,695
Public safety		218,401
Highways		512,943
Parks and recreation		15,908
Conservation & Economic Development		28,022
Capital Projects Fund		4,688,397
		4,688,397

Total assets shown as expenditures	\$	5,574,366
Less: depreciation		(5,474,541)
		99,825

Difference between expenditures and depreciation 99,825

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

Adjust miscellaneous revenue for sale of capital assets	\$	(81,879)
Gain on disposal of capital assets		44,676
		(37,203)

Net change in capital asset transactions (37,203)

The governmental fund reports bond proceeds as an other financing source, while repayment of the bond principal is reported as an expenditure. 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
Amortization of difference in net carrying amount and reacquisition price refunding bonds		(236,892)
Repayment of bond principal		3,745,500
Change in bond interest expense		31,558
		3,709,609

3,709,609

Governmental funds do not accrue net pension assets or liabilities. In the statement of activities the net effect of reporting pension activity reduced pension expense. (706,642)

To reduce charges for service revenue for payment made on contract receivable (199,500)

The net change in termination benefits and payable (481,079)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Increase in compensated absences) 228,553

Tax revenue increased because revenue had been earned and reported in the current year but collected and to be reported as revenue in subsequent years (deferred tax revenue). (525,322)

The net income (loss) of certain activities of internal service funds is reported with governmental activities. 99,590

Change in net position of governmental activities \$ 6,381,822

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

**UINTAH COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>					INTERNAL SERVICE FUND
	<u>WESTERN PARK</u>	<u>CARE CENTER</u>	<u>LANDFILL FUND</u>	<u>NONMAJOR FUNDS</u>	<u>TOTAL BTAs</u>	
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>						
Current assets:						
Cash and cash equivalents	\$ 1,043,524		\$ 1,918,401	\$ 161,265	\$ 3,123,190	\$ 2,391,548
Receivables - net						
Accounts	5,224		12,298	20,592	38,114	
Taxes	140,926	\$ 84			141,010	
Inventory	15,323				15,323	
Restricted cash and investments	26,377	20,187,007	169,430		20,382,814	100,000
Total current assets	\$ 1,231,374	\$ 20,187,091	\$ 2,100,129	\$ 181,857	\$ 23,700,451	\$ 2,491,548
Noncurrent assets:						
Net pension asset	\$ 376		\$ 239		\$ 615	
Land	6,264,356		51,300		6,315,656	
Buildings	5,027,467		46,791		5,074,258	
Improvements other than buildings	1,370,358		54,136		1,424,494	
Furniture, fixtures and equipment	1,057,985		1,106,628	\$ 127,049	2,291,662	
Accumulated depreciation	(4,483,544)		(1,178,644)	(125,982)	(5,788,170)	
Total noncurrent assets	\$ 9,236,998	\$...	\$ 80,450	\$ 1,067	\$ 9,318,515	\$...
Total assets	\$ 10,468,372	\$ 20,187,091	\$ 2,180,579	\$ 182,924	\$ 33,018,966	\$ 2,491,548
Deferred outflows of resources:						
Deferred outflows - related to pensions	\$ 227,823		\$ 144,690		\$ 372,513	
Total deferred outflows of resources	\$ 227,823	\$...	\$ 144,690	\$...	\$ 372,513	\$...
Total assets and deferred outflows of resources	\$ 10,696,195	\$ 20,187,091	\$ 2,325,269	\$ 182,924	\$ 33,391,479	\$ 2,491,548
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</u>						
Current liabilities:						
Accounts payable	\$ 51,163		\$ 1,833	\$ 9,178	\$ 62,174	\$ 15,940
Warrants payable	27,804		5,159	3,203	36,166	200,386
Accrued interest payable	47				47	
Accrued wages payable	12,232		7,509		19,741	
Accrued liabilities	14,628		9,966		24,594	
Current portion of long term debt	25,000				25,000	
Total current liabilities	\$ 130,874	\$...	\$ 24,467	\$ 12,381	\$ 167,722	\$ 216,326

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

UINTAH COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	LANDFILL FUND	NONMAJOR FUNDS	TOTAL BTAs	
Noncurrent liabilities:						
Net pension liability	\$ 199,731		\$ 126,849		\$ 326,580	
Compensated absences	182,986		121,072		304,058	
Total noncurrent liabilities	\$ 382,717	\$...	\$ 247,921	\$...	\$ 630,638	\$...
Total liabilities	\$ 513,591	\$...	\$ 272,388	\$ 12,381	\$ 798,360	\$ 216,326
Deferred inflows of resources:						
Deferred inflows - related to pensions	\$ 104,544		\$ 66,396		\$ 170,940	
Total deferred inflows of resources	\$ 104,544	\$...	\$ 66,396	\$...	\$ 170,940	\$...
Total liabilities and deferred inflows of resources	\$ 618,135	\$...	\$ 338,784	\$ 12,381	\$ 969,300	\$ 216,326
Net Position:						
Net invested in capital assets	\$ 9,211,622		\$ 80,211	\$ 1,067	\$ 9,292,900	
Restricted	26,377	\$ 20,187,091	169,430		20,382,898	\$ 2,275,222
Unrestricted	840,061		1,736,844	169,476	2,746,381	
Total net position	\$ 10,078,060	\$ 20,187,091	\$ 1,986,485	\$ 170,543	\$ 32,422,179	\$ 2,275,222
Adjustment to reflect the consolidation of ISF activities related to enterprise funds					57,554	
Net position of business-type activities					\$ 32,479,733	

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

UINTAH COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS					INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	LANDFILL FUND	NONMAJOR FUNDS	TOTAL BTAs	
Operating revenues:						
Charges for sales and services	\$ 274,316		\$ 714,925	\$ 173,097	\$ 1,162,338	\$ 5,028,513
Total operating revenues	\$ 274,316	\$...	\$ 714,925	\$ 173,097	\$ 1,162,338	\$ 5,028,513
Operating expenses:						
Employee salaries and benefits	\$ 913,153		\$ 570,605		\$ 1,483,758	
Temporary staffing	208,034				208,034	
Office supplies	4,093		54		4,147	
Other supplies and services	90,731		2,940	\$ 13,225	106,896	
Contractual services	6,934		29,507		36,441	\$ 4,987,777
Utilities	170,286		7,288		177,574	
Fuel and oil	10,080		37,047		47,127	
Repairs and maintenance	30,241		17,137	27,026	74,404	
Depreciation	231,239		1,479	2,565	235,283	
Rental	45,000		32,000		77,000	
Miscellaneous	8,084				8,084	
Advertising	10,596				10,596	
Event costs	89,377				89,377	
Travel	1,316				1,316	
Telephone and internet	17,029		2,035	91,973	111,037	
State assessment			3,900		3,900	
Total operating expenses	\$ 1,836,193	\$...	\$ 703,992	\$ 134,789	\$ 2,674,974	\$ 4,987,777
Operating income (loss)	\$ (1,561,877)	\$...	\$ 10,933	\$ 38,308	\$ (1,512,636)	\$ 40,736
Nonoperating revenues (expenses):						
Taxes	\$ 842,807	\$ 810			\$ 843,617	
Interest revenue	15,971	430,821	\$ 44,880	\$ 3,471	495,143	
Gain (loss) on disposition of fixed assets						\$ 61,246
Miscellaneous revenue	23,192				23,192	
Interest expense	(202)				(202)	
Grant revenue	16,500				16,500	
Contribution to other governments		(300,000)			(300,000)	
Total nonoperating revenues (expenses)	\$ 898,268	\$ 131,631	\$ 44,880	\$ 3,471	\$ 1,078,250	\$ 61,246
Income (loss) before contributions, and transfers	\$ (663,609)	\$ 131,631	\$ 55,813	\$ 41,779	\$ (434,386)	\$ 101,982

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

UINTAH COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES - ENTERPRISES FUNDS					INTERNAL SERVICE FUND
	WESTERN PARK	CARE CENTER	LANDFILL FUND	NONMAJOR FUNDS	TOTAL BTAs	
Contributions and Transfers In (Out):						
Transfers in (out)	\$ 500,000				\$ 500,000	
Total contributions and transfers in (out)	\$ 500,000	\$...	\$...	\$...	\$ 500,000	\$...
Change in net position	\$ (163,609)	\$ 131,631	\$ 55,813	\$ 41,779	\$ 65,614	\$ 101,982
Total net position - beginning	<u>10,241,669</u>	<u>20,055,460</u>	<u>1,930,672</u>	<u>128,764</u>		<u>2,173,240</u>
Total net position - ending	<u>\$ 10,078,060</u>	<u>\$ 20,187,091</u>	<u>\$ 1,986,485</u>	<u>\$ 170,543</u>		<u>\$ 2,275,222</u>
Adjustment to reflect the consolidation of ISF activities related to enterprise funds					<u>2,392</u>	
Changes in net position of business-type activities					<u>\$ 68,006</u>	

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

UINTAH COUNTY
STATEMENT OF CASH FLOWS
PROPERETARY FUNDS AND INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS					INTERNAL SERVICE FUNDS
	WESTERN PARK	CARE CENTER	LANDFILL FUND	NON- MAJOR	TOTAL BTA's	
Cash Flows From Operating Activities:						
Receipts from customers	\$ 269,120	\$ 62	\$ 717,603	\$ 157,941	\$ 1,144,726	\$ 5,028,513
Payments to suppliers	(660,667)		(136,498)	(130,565)	(927,730)	(5,348,784)
Payments to employees	(827,183)		(498,767)	(2,096)	(1,328,046)	
Net cash provided (used) by operating activities	\$ (1,218,730)	\$ 62	\$ 82,338	\$ 25,280	\$ (1,111,050)	\$ (320,271)
Cash Flows From Noncapital Financing Activities:						
Tax revenue	\$ 859,081	\$ 810			\$ 859,891	
Private contributions	23,192				23,192	
Contribution to other governments		(300,000)			(300,000)	
Grant revenue	16,500				16,500	
Transfers from other funds	500,000				500,000	
Net cash provided (used) by noncapital financing activities	\$ 1,398,773	\$ (299,190)	\$...	\$...	\$ 1,099,583	\$...
Cash Flows From Capital and Related Financing Activities:						
Purchases of capital assets	\$ (14,336)				\$ (14,336)	
Principal paid on capital debt	(25,000)				(25,000)	
Interest paid on capital debt	(202)				(202)	
Net cash provided (used) by capital and related financing activities	\$ (39,538)	\$...	\$...	\$...	\$ (39,538)	\$...
Cash Flows From Investing Activities:						
Interest and dividends received	\$ 15,971	\$ 430,821	\$ 44,880	\$ 3,471	\$ 495,143	\$ 61,246
Net cash provided (used) by investing activities	\$ 15,971	\$ 430,821	\$ 44,880	\$ 3,471	\$ 495,143	\$ 61,246
Net increase (decrease) in cash and cash equivalents	\$ 156,476	\$ 131,693	\$ 127,218	\$ 28,751	\$ 444,138	\$ (259,025)
Cash and cash equivalents, January 1	913,425	20,055,314	1,960,613	132,514	23,061,866	2,750,573
Cash and cash equivalents, December 31	\$ 1,069,901	\$ 20,187,007	\$ 2,087,831	\$ 161,265	\$ 23,506,004	\$ 2,491,548

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

UINTAH COUNTY
STATEMENT OF CASH FLOWS
PROPERETARY FUNDS AND INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>					INTERNAL SERVICE FUNDS
	<u>WESTERN PARK</u>	<u>CARE CENTER</u>	<u>LANDFILL FUND</u>	<u>NON- MAJOR</u>	<u>TOTAL BTA's</u>	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ (1,561,877)	\$...	\$ 10,933	\$ 38,308	\$ (1,512,636)	\$ 40,736
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	\$ 231,239		\$ 1,479	\$ 2,565	\$ 235,283	
(Increase) Decrease in accounts receivable	(5,196)	\$ 62	2,678	(15,156)	(17,612)	
(Increase) Decrease in inventories	47				47	
(Increase) Decrease in net pension resources	21,957		13,835	(2,096)	33,696	
Increase (Decrease) in accounts payable	8,721		(1,123)	1,171	8,769	\$ (561,159)
Increase (Decrease) in warrants payable	22,414		(3,467)	488	19,435	200,152
Increase (Decrease) in salaries payable	(2,974)		(558)		(3,532)	
Increase (Decrease) in interest payable	(48)				(48)	
Increase (Decrease) in compensated absences	68,066		57,388		125,454	
Increase (Decrease) in accrued liabilities	(1,079)		1,173		94	
Total adjustments	\$ 343,147	\$ 62	\$ 71,405	\$ (13,028)	\$ 401,586	\$ (361,007)
Net cash provided (used) by operating activities	<u>\$ (1,218,730)</u>	<u>\$ 62</u>	<u>\$ 82,338</u>	<u>\$ 25,280</u>	<u>\$ (1,111,050)</u>	<u>\$ (320,271)</u>

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

UINTAH COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2018

	<u>PRIVATE PURPOSE FUNDS</u>		<u>AGENCY FUNDS</u>
	<u>CEMETERY TRUST</u>	<u>GIRT TRUST</u>	
<u>ASSETS</u>			
Cash and cash equivalents	\$ 528,216	\$ 164,141	\$ 14,494,783
Receivables (net):			
Accounts	2,700		
Taxes			1,005,475
Investments			177,467
Restricted cash			351,673
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 530,916</u>	<u>\$ 164,141</u>	<u>\$ 16,029,398</u>
<u>LIABILITIES</u>			
Warrants outstanding			\$ 11,319
Due governments and organizations			340,354
Due taxing units			15,677,725
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$...</u>	<u>\$...</u>	<u>\$ 16,029,398</u>
<u>NET POSITION</u>			
Held in trust	<u>\$ 530,916</u>	<u>\$ 164,141</u>	<u>\$...</u>

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

UINTAH COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>PRIVATE PURPOSE FUNDS</u>	
	<u>CEMETERY</u>	<u>GIRT</u>
	<u>TRUST</u>	<u>TRUST</u>
ADDITIONS:		
Contributions:		
Private and public contributions	\$ 6,000	\$ 5,489
Charges for goods and services	43,750	
Investment Earnings:		
Interest	11,294	3,518
	<u> </u>	<u> </u>
Total contributions and interest	<u>\$ 61,044</u>	<u>\$ 9,007</u>
DEDUCTIONS:		
Cemetery maintenance	<u>\$ 5,087</u>	<u> </u>
	<u> </u>	<u> </u>
Total deductions	<u>\$ 5,087</u>	<u>\$...</u>
	<u> </u>	<u> </u>
Change in net position	\$ 55,957	\$ 9,007
	<u> </u>	<u> </u>
Net position - beginning of year	<u>474,959</u>	<u>155,134</u>
	<u> </u>	<u> </u>
Net position - end of year	<u>\$ 530,916</u>	<u>\$ 164,141</u>

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

UINTAH COUNTY
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2018

	UINTAH BASIN TRI-COUNTY MENTAL HEALTH & SUBSTANCE ABUSE AUTHORITY	UINTAH RECREATION DISTRICT	UINTAH TRANSPORTATION SPECIAL SERVICE DISTRICT	UINTAH HEALTH CARE SPECIAL SERVICE DISTRICT	UINTAH COUNTY ANIMAL CONTROL & SHELTER SPECIAL SERVICE DISTRICT	UINTAH IMPACT MITIGATION SPECIAL SERVICE DISTRICT	UINTAH FIRE SUPPRESSION SPECIAL SERVICE DISTRICT	TOTAL
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES								
Cash and cash equivalents	\$ 3,218,002	\$ 4,630,640	\$ 14,757,583	\$ 601,618	\$ 535,458	\$ 2,593,134	\$ 991,302	\$ 27,327,737
Investments	5,063,099	1,208,469		915,263				6,271,568
Accounts receivable - net	6,424		2,193	113,692				943,500
Inventory						3,114		3,114
Prepaid expenses	533,630	216,766	1,044,224	176,943	67,000	105,098	181,853	2,353,514
Due from other governmental units	743,388	39,000	4,389,035			1,500,015		5,982,438
Restricted cash and cash equivalents	32,291							32,291
Other investments								
Net pension asset							25,732	25,732
Capital assets (net of accumulated depreciation):								
Land	403,401	1,420,810		350,000			106,056	2,280,267
Water rights		34,990					5,000	39,990
Buildings	2,129,620	12,930,298		6,621,979		18,160,381	1,981,401	41,823,679
Improvements other than buildings		1,032,569		33,277	483,932		95,401	1,615,179
Equipment	316,660	295,828		132,910	51,685	98	1,135,396	1,932,577
Work in progress				36,109	12,652			48,761
Total assets	\$ 12,068,135	\$ 21,809,370	\$ 20,192,745	\$ 8,981,791	\$ 1,120,727	\$ 22,361,840	\$ 4,522,141	\$ 91,056,749
Deferred outflows of resources related to pensions	799,208	385,993	117,510	975,347	95,463	49,695	53,022	2,476,238
Total assets and deferred outflows of resources	\$ 12,867,343	\$ 22,195,363	\$ 20,310,255	\$ 9,957,138	\$ 1,216,190	\$ 22,411,535	\$ 4,575,163	\$ 93,532,987
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES								
Accounts payable	\$ 773,762	\$ 180,799	\$ 626,828	\$ 286,611	\$ 24,198	\$ 37,934	\$ 164,812	\$ 2,094,944
Accrued wages and liabilities	291,802	84,878		251,241	18,972	9,156	31,363	687,412
Deposit payable					1,780			1,780
Unearned revenue								
Bond interest payable		80,875	117,438			20,290		80,875
Client trust payable								
Bonds payable - Due within one year	74,388							137,728
Capital leases payable - Due within one year	72,500		1,711,000			1,228,000		74,388
Bonds payable - Due in more than one year			14,082,000			3,855,000		3,112,000
Capital leases payable - Due in more than one year	418,891	2,839,002						239,500
Capital leases payable - Due in more than one year	940,269	469,834	83,382	1,139,615	109,971	79,232	13,509	18,396,000
Net pension liability		205,343	57,086	202,537	30,571	4,906	9,643	3,257,893
Compensated absences								2,835,812
Total liabilities	\$ 2,571,612	\$ 4,658,731	\$ 16,677,734	\$ 1,880,004	\$ 185,492	\$ 5,235,518	\$ 219,327	\$ 31,428,418
Other deferred inflows of resources								
Deferred inflows of resources related to pensions	664,793	255,902	60,876	653,980	76,332	36,597	57,938	25,814
Total liabilities and deferred inflows of resources	\$ 3,236,405	\$ 4,914,633	\$ 16,738,610	\$ 2,533,984	\$ 261,824	\$ 5,272,115	\$ 277,265	\$ 33,260,650
NET POSITION								
Net invested in capital assets	\$ 2,358,290	\$ 12,306,493		\$ 7,174,275	\$ 518,269	\$ 13,056,189	\$ 3,603,187	\$ 39,016,703
Restricted for:								
Statutory minimum	74,388		126,699					126,699
Client trusts and Club House funds			(137,350)					74,388
Capital projects		39,000	4,289,444			1,500,015		(137,350)
Debt Service	7,198,260	4,935,237	(707,148)	223,065	456,097	2,383,216	694,711	5,838,459
Unrestricted								15,363,438
Total net position	\$ 9,650,938	\$ 17,280,730	\$ 3,571,645	\$ 7,397,340	\$ 954,566	\$ 17,139,420	\$ 4,297,898	\$ 60,272,337

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

**UINTAH COUNTY
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Function/Programs	NET (EXPENSE) REVENUE & CHANGES IN NET POSITION														
	PROGRAM REVENUES		CHARGES FOR SERVICES		UINTAH BASIN		UINTAH		UINTAH		UINTAH COUNTY		UINTAH		TOTAL
	OPERATING	CAPITAL	OPERATING	GRANTS AND CONTRIBUTION	TRICOUNTY MENTAL HEALTH & SUBSTANCE ABUSE AUTHORITY	RECREATION DISTRICT	TRANSPORTATION SPECIAL SERVICE DISTRICT	HEALTH CARE SPECIAL SERVICE DISTRICT	HEALTH CARE SPECIAL SERVICE DISTRICT	ANIMAL CONTROL & SHELTER SPECIAL SERVICE DISTRICT	IMPACT MITIGATION SPECIAL SERVICE DISTRICT	FIRE SUPPRESSION SPECIAL SERVICE DISTRICT			
Governmental activities:															
Uintah Transportation Special Service District															
Highways and public improvements	\$ 8,898,881	\$ 114,262	\$ 13,343,881	\$ 65,000	\$ 4,559,262	\$ (246,375)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)
Interest on long term liabilities	2,109,589														
Community and economic development															
Uintah Impact Mitigation Special Service Dist.															
Community and economic development	539,774														
General government	1,295,120	166,050	8,928												
Public safety	13,089,739	280,312	13,343,881	73,928	4,312,887	(246,375)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)	(2,044,589)
Total governmental activities	\$ 13,089,739	\$ 280,312	\$ 13,343,881	\$ 73,928	\$ 4,312,887	\$ (246,375)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)	\$ (2,044,589)
Business-type activities:															
Uintah Basin Tri-County Mental Health & Substance Abuse Auth.															
Mental health	\$ 7,016,354	\$ 4,396,006	\$ 2,875,792	\$ 255,444	\$ 255,444	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)
Recreation	6,259,257	1,527,576	2,673,921												
Health care	8,526,296	5,363,922	81,499												
Animal control & shelter	794,590	81,499													
Total business-type activities	\$ 22,596,497	\$ 11,369,003	\$ 5,549,713	\$ 255,444	\$ 255,444	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)
Total component units	\$ 35,686,236	\$ 11,649,315	\$ 13,343,881	\$ 5,623,641	\$ 5,623,641	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)	\$ (4,731,681)
General revenues:															
Mineral lease revenue				\$ 3,024	\$ 3,024	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117	\$ 2,924,117
Gain/(Loss) on disposal of assets															
Contribution to other governments															
Investment earnings															
Penalties paid															
Miscellaneous															
Special item - Sale of airport equipment															
Total general revenues and transfers	\$ 102,300	\$ 3,053,385	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470	\$ 5,053,470
Change in net position	\$ 357,744	\$ (1,678,296)	\$ 9,366,357	\$ 104,114	\$ 104,114	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)	\$ (1,678,296)
Net position - beginning	9,273,194	18,959,026	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730	17,280,730
Net position - ending	\$ 9,630,938	\$ 17,280,730	\$ 26,647,087	\$ 17,384,844	\$ 17,384,844	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434	\$ 15,602,434

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

UINTAH COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

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

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

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

A. **Reporting Entity (Continued)**

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

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

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

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

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

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

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

A. **Reporting Entity (Continued)**

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 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.

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

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

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

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

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

Governmental-wide Financial Statements -The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statement, rather than as another financing source as in governmental funds. Amounts paid to reduce long-term debt of the County are reported as a reduction of the related liability, rather than as an expenditure in the government-wide financial statements.

Governmental Fund Financial Statements - Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Exceptions to this general rule include accumulated unpaid compensated absences and principal and interest on general long-term debt which are recognized when due.

The County reports the following major governmental funds:

- General Fund – The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.

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

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

- Capital Project Fund – The Capital Project Fund is used to account for financial resources to be used for the acquisition or construction of capital assets other than those financed by proprietary funds.

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

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

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

The county reports the following major proprietary funds:

- Western Park Fund – The Western Park Fund accounts for the resource and expenditures in the operating and maintaining of the Conference Center, Western Park Arena, and related facilities associated with the activities at the arena.
- Care Center Fund – The Care Center Fund accounts for the resources needed for the repayment of debt used in the construction of the Uintah Care Center building and to help in the funding of certain health care services in the county.
- Landfill Fund – The Landfill Fund was created for the operation of the Uintah County Landfill. The fund receives all funds generated by the use 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.

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

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

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

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

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.

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 agency fund. All annual appropriations lapse at fiscal year-end. The following procedures are used in establishing the budgetary data reflected in the financial statements.

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

E. Cash and Cash Equivalents and Investments

Cash and investment management in the County is administered by the County Treasurer in accordance with the Utah Money Management Act, Section 51-7 of the Utah code. The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including investments in the Public Treasurers' Investment Fund (PTIF).

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

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

F. Inventories

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

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

G. Compensated Absences

Paid Time Off - It is the County's policy to permit employees to accumulate PTO (Paid Time Off) based on the years of service and hours worked. For a full time employee, they will earn 6 hours of PTO for each pay period worked if the County has employed them for 5 years or less. Seven hours can be earned per pay period if the County has employed them for 6 through 10 years and eight hours of PTO per pay period for employees the County has employed eleven or more years. Employees may accumulate earned but unused PTO up to 1,000 hours. Any amount of accumulated PTO over one thousand hours and not used at the end of the year will be purchased by the County at a rate of 70% of the employees current pay rate. 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 the sick days accumulated during employment. This sick leave reserve can only be used if an employee is absent for three or more consecutive days related to one illness verified by a physician. The first two days must be leave without pay or PTO and the balance may be taken from the sick leave reserve. Upon retirement, the sick leave reserve account balance shall be paid to employees at 50% of their current pay rate.

Accrued unused PTO, which vest to the employee in the government-wide financial statements for governmental activities total \$1,875,576 and for proprietary funds total \$304,058.

H. Long-Term Obligations

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

I. Capital Assets

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

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

I. **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:

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

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

J. **Pensions**

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Net Position/Fund Balances

The difference between assets and deferred outflows and liabilities and deferred inflows is “Net Position” on the government-wide and proprietary fund financial statements and “Fund Balance” on the governmental fund financial statements. Net Position is divided into net investment in capital assets, restricted, and unrestricted. Net position is reported as net investment in capital assets by taking the value of all capital assets and reducing this amount by current and prior years depreciation and further reducing the amount by 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.

2. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

Primary Government Governmental activities:	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Capital assets not being depreciated:				
Land	\$ 14,708,241			\$ 14,708,241
Water rights	280,995			280,995
Infrastructure (Roads)	238,256,718			238,256,718
Rights of Way	3,050,400			3,050,400
Total capital assets not being depreciated	<u>\$ 256,296,354</u>	<u>\$...</u>	<u>\$...</u>	<u>\$ 256,296,354</u>
Capital assets being depreciated:				
Buildings	\$ 107,400,398			\$ 107,400,398
Improvements other than buildings	29,750,118	\$ 4,656,849		34,406,967
Machinery and equipment	20,479,959	932,517	\$ 282,773	21,129,703
Infrastructure (Bridges)	7,320,796			7,320,796
Total capital assets being depreciated	<u>\$ 164,951,271</u>	<u>\$ 5,589,366</u>	<u>\$ 282,773</u>	<u>\$ 170,257,864</u>
Less accumulated depreciation for:				
Buildings	\$ 20,169,410	\$ 2,190,410	\$ 8,463	\$ 22,351,357
Improvements other than buildings	4,761,483	1,431,873	(37,681)	6,231,037
Machinery and equipment	16,107,497	1,737,137	259,788	17,584,846
Infrastructure (Bridges)	6,253,988	115,121		6,369,109
Total accumulated depreciation	<u>\$ 47,292,378</u>	<u>\$ 5,474,541</u>	<u>\$ 230,570</u>	<u>\$ 52,536,349</u>
Total capital assets, being depreciated, net	<u>\$ 117,658,893</u>	<u>\$ 114,825</u>	<u>\$ 52,203</u>	<u>\$ 117,721,515</u>
Governmental activities capital assets, net	<u>\$ 373,955,247</u>	<u>\$ 114,825</u>	<u>\$ 52,203</u>	<u>\$ 374,017,869</u>

2. **CAPITAL ASSETS (Continued)**

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 6,315,656			\$ 6,315,656
Total capital assets not being depreciated	\$ 6,315,656	\$...	\$...	\$ 6,315,656
Capital assets being depreciated:				
Buildings	\$ 5,074,258			\$ 5,074,258
Improvements other than buildings	1,424,494			1,424,494
Machinery and equipment	2,277,326	\$ 14,337		2,291,663
Total capital assets being depreciated	\$ 8,776,078	\$ 14,337	\$...	\$ 8,790,415
Less accumulated depreciation for:				
Buildings	\$ 2,917,936	\$ 140,391		\$ 3,058,327
Improvements other than buildings	469,315	60,773		530,088
Machinery and equipment	2,165,636	34,119		2,199,755
Total accumulated depreciation	\$ 5,552,887	\$ 235,283	\$...	\$ 5,788,170
Total capital assets, being depreciated, net	\$ 3,223,191	\$ (220,946)	\$...	\$ 3,002,245
Business-type activities capital assets, net	\$ 9,538,847	\$ (220,946)	\$...	\$ 9,317,901
Depreciation expense was charged to functions/programs of the primary government as follows:				
Governmental activities:				
General government			\$ 385,209	
Public safety			1,606,054	
Public Health			363,684	
Highways and public improvements			2,054,008	
Parks and recreation			1,058,057	
Conservation and economic development			7,529	
Total depreciation expense - governmental activities			\$ 5,474,541	
Business-type activities:				
Western Park			\$ 231,239	
Landfill			1,479	
Telecom			2,565	
Total depreciation expense - Business-Type Activities			\$ 235,283	
Total depreciation expense			\$ 5,709,824	

3. LONG-TERM DEBT

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

<u>Year Ending</u> <u>December 31,</u>	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 1,840,500	\$ 1,400,813	\$ 3,241,313	\$ 25,000	\$ 125	\$ 25,125
2020	2,057,500	1,333,088	3,390,588			
2021	2,520,500	1,262,063	3,782,563			
2022	2,570,000	1,176,034	3,746,034			
2023	2,657,000	1,086,162	3,743,162			
2024-2028	14,371,587	4,021,119	18,392,706			
2029-2033	16,032,765	1,852,978	17,885,743			
2034-2038	6,098,000	197,436	6,295,436			
2039-2043	1,289,000	45,800	1,334,800			
2044-2045	300,000		300,000			
	<u>\$ 49,736,852</u>	<u>\$ 12,375,493</u>	<u>\$ 62,112,345</u>	<u>\$ 25,000</u>	<u>\$ 125</u>	<u>\$ 25,125</u>

Revenue and General Obligation Bonds payable at December 31, 2018 with their outstanding balances, are comprised of the following individual issues:

Governmental Activities:

Taxable Lease Revenue Bonds Series 2006A, issued December 19, 2006. The bonds are zero percent bonds with principal payments due beginning October 1, 2008 in the amount of \$166,000 and increasing to \$167,000 on October 1, 2017. The purpose of the bonds is to be used for the construction of a new recreation center in Vernal, Utah. \$ 3,173,000

Taxable Lease Revenue Bond Series 2005, issued on October 25, 2005. The purpose of the bond is to make improvements to Western Parks. Payments begin January 1, 2007 and continue through January 1, 2026. Each annual payment is \$45,000. The bond is a zero percent interest bond. \$ 315,000

On December 21, 2011, the Uintah County Municipal Building Authority issued \$711,000 of Series 2011A Taxable Lease Revenue Bonds. The bonds are to be used for the construction of a new fence around the Uintah County Airport. Principal debt payments begin October 1, 2011 and mature on October 1, 2031. The principal payment amounts ranging from \$27,000 to \$36,000 annually. The bonds carry an interest rate of zero percent interest. \$ 442,765

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

Governmental Activities (Continued):

Lease Revenue Bond Series 2000D, due in annual installments of \$32,500, beginning September 1, 2002 and maturing September 1, 2021. The bond is a zero percent interest bond. The purpose of the bond is to purchase real property and pay for the construction of a building to house the Northeastern Counseling Center. \$ 97,500

Lease Revenue Bond Series 2014, due in annual installments of \$150,000 beginning July 1, 2016 and maturing July 1, 2045. The bond is a zero percent interest bond. The purpose of the bond is to finance the remodel and construction of shop buildings and related improvements and paying necessary expense incidental thereto for the Western Park Expansion. \$ 3,900,000

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007C. The principal amount of the original issue was \$635,000. The bonds are to be used to help in the construction of a building for the Landfill. Principal repayments on the bonds begin April 1, 2009 and mature April 1, 2028 with payments ranging from \$27,000 to \$32,000 annually and carry zero percent interest \$ 315,000

During the year ended December 31, 2007, the Uintah County Municipal Building Authority issued Taxable Lease Revenue Bond, Series 2007D. The principal amount of the original issue was \$2,300,000. The bonds are to be used to help fund the construction of a new building to be leased to Tri-County Health District. Principal repayments on the bonds begin October 1, 2008 and mature October 1, 2037 with payments ranging from \$67,000 to \$77,000 annually and carry zero percent interest. \$ 1,453,000

During the year ended December 31, 2011, the County received approval to issue Lease Revenue Bonds, Series 2011C in the amount of \$3,000,000, of this amount \$1,889,808 was issued and used in the construction of the new library. The balance of the \$3,000,000 was issued during the year ended December 31, 2012 and used in final construction of the Uintah library. The bonds carry an interest rate of 2.5% per annum and begin to accrue interest on April 1, 2012 with principal and interest payments Beginning April 1, 2013 and continuing on each April 1 thereafter. \$ 2,564,000

On December 15, 2015, Uintah County issued \$33,385,000 of General Obligation Series 2015 refunding bonds to be used to advance refund taxable lease revenue bonds, series 2008A. The proceed from the series 2015 refunding bonds placed into an escrow account to advance refund the series 2008A bonds. Principal debt payments on the refunding bonds begin December 15, 2016 with payment amounts ranging from \$1,185,000 to \$2,390,000 annually. The bonds carry an interest rate ranging from 3.125% to 5.0%. Interest payments begin December 15, 2016 and continue every six months while principal payment are made annually. Interest and principal payments continue until December 15, 2034. \$29,760,000

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

Governmental Activities (Continued):

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

\$7,313,000

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

\$ 403,587

Total Governmental Activities Bond Debt

\$49,736,852

On December 15, 2015, Uintah County issued \$33,385,000 of General Obligation refunding Bonds at a premium of \$3,219,420. This premium is to be amortized over the life of the new bonds which is nineteen years. Each year \$169,443 will be amortized and taken in to interest income. Premium is reported with debt. The balance at December 31, 2018 is as follows

\$2,711,091

Total reported as debt obligations on financial statements
Governmental Activities

\$52,447,943

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

Business-type Activities

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

\$ 25,000

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
G.O. & Revenue bonds	\$ 53,482,352		\$ 3,745,500	\$ 49,736,852	\$ 1,840,500
Bond premium	2,880,534		169,443	2,711,091	
Termination benefits	1,005,463	\$ 481,079		1,486,542	
Net pension liability	8,534,655		2,904,040	5,630,615	
Compensated Absences	2,104,129		228,553	1,875,576	
	<u>\$ 67,001,670</u>	<u>\$ 481,079</u>	<u>\$ 7,047,536</u>	<u>\$ 61,440,676</u>	<u>\$ 1,840,500</u>
Governmental activity long-term liabilities					
	<u>\$ 67,001,670</u>	<u>\$ 481,079</u>	<u>\$ 7,047,536</u>	<u>\$ 61,440,676</u>	<u>\$ 1,840,500</u>
Business-type activities:					
Bonds payable:					
Revenue bonds	\$ 50,000		\$ 25,000	\$ 25,000	\$ 25,000
Net pension liability	538,293		211,713	326,580	
Compensated Absences	178,604	\$ 125,454		304,058	
	<u>\$ 766,897</u>	<u>\$ 125,454</u>	<u>\$ 236,713</u>	<u>\$ 655,638</u>	<u>\$ 25,000</u>
Business-type activity long-term liabilities					
	<u>\$ 766,897</u>	<u>\$ 125,454</u>	<u>\$ 236,713</u>	<u>\$ 655,638</u>	<u>\$ 25,000</u>

3. LONG-TERM DEBT (Continued)

Component Units

Long-term liability activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Capital leases:					
Tri-County Mental Health	\$ 603,891		\$ (112,500)	\$ 491,391	\$ 72,500
Uintah Recreation District	3,173,002		(167,000)	3,006,002	167,000
Bonds payable					
Uintah Recreation District	804,000		(173,000)	631,000	173,000
Business-type activity long-term liabilities	<u>\$ 4,580,893</u>	<u>\$...</u>	<u>\$ 452,500</u>	<u>\$ 4,128,393</u>	<u>\$ 412,500</u>
Governmental activities:					
Bonds payable:					
Uintah Transportation SSD	\$ 17,480,000		\$ (1,687,000)	\$ 15,793,000	\$ 1,711,000
Uintah Impact Mitigation SSD	6,285,000		(1,201,000)	5,084,000	1,228,000
Governmental activity long-term liabilities	<u>\$ 23,765,000</u>	<u>\$...</u>	<u>\$ 2,888,000</u>	<u>\$ 20,877,000</u>	<u>\$ 2,939,000</u>

Proprietary Debt

On March 16, 1994, Uintah County closed on a limited obligation bond in the amount of \$600,000 for the purpose of financing the costs of improvements to the Uintah County Western Park and to pay certain issuance expenses. The Bond bears interest at the rate of one-half of one percent (0.5%) per annum. Interest on the Bond shall accrue on the unpaid principal balance from August 15, 1994 and shall be payable annually on August 15, of each year commencing August 15, 1995 and ending on August 15, 2019. In order to defease the Bond and to provide funds for the payment of principal and interest on the Bond, the County has entered into an escrow agreement with Westone bank where funds have been deposited and invested in Government Obligations which together with interest earnings to accrue thereon, shall be sufficient to pay the principal of and interest on the Bonds as they become due and payable. The amount held in escrow at December 31, 2018, was \$26,377. The principal balance outstanding on the limited obligation bond is \$25,000 as of December 31, 2018.

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

General Governmental Type Debt

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
September 1, 2019	\$ 32,500
September 1, 2020	32,500
September 1, 2021	32,500
	<u>97,500</u>
	<u>\$ 97,500</u>

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
January 1, 2019	\$ 45,000
January 1, 2020	45,000
January 1, 2021	45,000
January 1, 2022	45,000
January 1, 2023	45,000
January 1, 2024	45,000
January 1, 2025	45,000
	<u>315,000</u>
	<u>\$ 315,000</u>

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Amount of Principal Repayment</u>
October 1, 2019	\$ 167,000
October 1, 2020	167,000
October 1, 2021	167,000
October 1, 2022	167,000
October 1, 2023	167,000
October 1, 2024	167,000
October 1, 2025	167,000
October 1, 2026	167,000
October 1, 2027	167,000
October 1, 2028	167,000
October 1, 2029	167,000
October 1, 2030	167,000
October 1, 2031	167,000
October 1, 2032	167,000
October 1, 2033	167,000
October 1, 2034	167,000
October 1, 2035	167,000
October 1, 2036	167,000
October 1, 2037	167,000
	<hr/> <u>\$ 3,173,000</u>

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Amount of Principal Repayment</u>
January 1, 2020	\$ 150,000
January 1, 2021	150,000
January 1, 2022	150,000
January 1, 2023	150,000
January 1, 2024	150,000
January 1, 2025	150,000
January 1, 2026	150,000
January 1, 2027	150,000
January 1, 2028	150,000
January 1, 2029	150,000
January 1, 2030	150,000
January 1, 2031	150,000
January 1, 2032	150,000
January 1, 2033	150,000
January 1, 2034	150,000
January 1, 2035	150,000
January 1, 2036	150,000
January 1, 2037	150,000
January 1, 2038	150,000
January 1, 2039	150,000
January 1, 2040	150,000
January 1, 2041	150,000
January 1, 2042	150,000
January 1, 2043	150,000
January 1, 2044	150,000
January 1, 2045	150,000
	<hr/>
	\$ 3,900,000
	<hr/> <hr/>

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

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
April 1, 2019	\$ 32,000
April 1, 2020	32,000
April 1, 2021	32,000
April 1, 2022	32,000
April 1, 2023	32,000
April 1, 2024	32,000
April 1, 2025	32,000
April 1, 2026	32,000
April 1, 2027	32,000
April 1, 2028	27,000
	<hr/>
	\$ 315,000

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2019	\$ 77,000
October 1, 2020	77,000
October 1, 2021	77,000
October 1, 2022	77,000
October 1, 2023	77,000
October 1, 2024	77,000
October 1, 2025	77,000
October 1, 2026	77,000
October 1, 2027	77,000
October 1, 2028	77,000
October 1, 2029	77,000
October 1, 2030	77,000
October 1, 2031	77,000
October 1, 2032	77,000
October 1, 2033	77,000
October 1, 2034	77,000
October 1, 2035	77,000
October 1, 2036	77,000
October 1, 2037	67,000
	<hr/>
	\$ 1,453,000

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

General Governmental Type Debt (Continued)

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

Principal Payment Date	Principal	Interest	Total
2019	\$ 79,000	\$ 64,100	\$ 143,100
2020	81,000	62,125	143,125
2021	83,000	60,100	143,100
2022	85,000	58,025	143,025
2023	87,000	55,900	142,900
2024	90,000	53,725	143,725
2025	92,000	51,475	143,475
2026	94,000	49,175	143,175
2027	97,000	46,825	143,825
2028	99,000	44,400	143,400
2029	101,000	41,925	142,925
2030	104,000	39,400	143,400
2031	107,000	36,800	143,800
2032	109,000	34,125	143,125
2033	112,000	31,400	143,400
2034	115,000	28,600	143,600
2035	118,000	25,725	143,725
2036	121,000	22,775	143,775
2037	124,000	19,750	143,750
2038	127,000	16,650	143,650
2039	130,000	13,475	143,475
2040	133,000	10,225	143,225
2041	136,000	6,900	142,900
2042	140,000	3,500	143,500
	<u>\$ 2,564,000</u>	<u>\$ 877,100</u>	<u>\$ 3,441,100</u>

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

General Governmental Type Debt (Continued)

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

Principal Payment Date	Principal	Interest	Total
2019	\$ 1,315,000	\$ 1,153,888	\$ 2,468,888
2020	1,380,000	1,088,137	2,468,137
2021	1,450,000	1,019,138	2,469,138
2022	1,520,000	946,637	2,466,637
2023	1,595,000	870,638	2,465,638
2024	1,675,000	790,887	2,465,887
2025	1,760,000	707,138	2,467,138
2026	1,850,000	619,137	2,469,137
2027	1,920,000	545,138	2,465,138
2028	1,965,000	501,937	2,466,937
2029	2,045,000	423,338	2,468,338
2030	2,125,000	341,537	2,466,537
2031	2,190,000	277,788	2,467,788
2032	2,255,000	212,087	2,467,087
2033	2,325,000	144,438	2,469,438
2034	2,390,000	74,687	2,464,687
	<u>\$ 29,760,000</u>	<u>\$ 9,716,550</u>	<u>\$ 39,476,550</u>

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019		\$ 182,825	\$ 182,825
2020		182,825	182,825
2021	\$ 458,175	182,825	641,000
2022	469,854	171,371	641,225
2023	481,576	159,624	641,200
2024	494,340	147,585	641,925
2025	506,149	135,226	641,375
2026	519,002	122,573	641,575
2027	531,902	109,598	641,500
2028	544,850	96,300	641,150
2029	558,846	82,679	641,525
2030	572,892	68,708	641,600
2031	586,990	54,385	641,375
2032	602,139	39,711	641,850
2033	616,343	24,657	641,000
2034	369,942	9,249	379,191
	<u>\$ 7,313,000</u>	<u>\$ 1,770,141</u>	<u>\$ 9,083,141</u>

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2019	\$ 36,000
October 1, 2020	36,000
October 1, 2021	36,000
October 1, 2022	36,000
October 1, 2023	36,000
October 1, 2024	36,000
October 1, 2025	36,000
October 1, 2026	36,000
October 1, 2027	36,000
October 1, 2028	36,000
October 1, 2029	36,000
October 1, 2030	36,000
October 1, 2031	10,765
	<u>\$ 442,765</u>

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

General Governmental Type Debt (Continued)

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

<u>Principal Payment Date</u>	<u>Amount of Principal Payment</u>
October 1, 2019	\$ 57,000
October 1, 2020	57,000
October 1, 2021	57,000
October 1, 2022	57,000
October 1, 2023	57,000
October 1, 2024	57,000
October 1, 2025	57,000
October 1, 2026	4,587
	<hr/>
	\$ 403,587
	<hr/> <hr/>

4. **DEPOSITS AND INVESTMENTS**

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

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

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's deposits are insured up to \$250,000, per account by the Federal Deposit Insurance Corporation. The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Uninsured deposits are not collateralized nor are they required to be by State statute. At December 31, 2018, the bank balance of the County's deposits was \$3,513,294 of which Federal Deposit Insurance Corporation covers \$450,538.

Investments

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

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

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

4. DEPOSITS AND INVESTMENTS (Continued)

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

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

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

Fair Value of Investments

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

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

4. DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2018, the County had the following recurring fair value measurements.

	<u>Fair Value Measurements Using</u>			
	<u>12/31/2018</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Investments by fair value level</u>				
<u>Debt Securities</u>				
Money Market Mutual Funds	\$ 2,382,861		\$ 2,382,861	
Bond Mutual Funds	621,644		621,644	
U.S. Treasuries	273,887	\$ 273,887		
U.S. Agencies	12,577,447	12,577,447		
Corporate Bonds	12,668,166	12,668,166		
Utah Public Treasurers'				
Investment Fund	64,439,300		64,439,300	
Total investments	<u>\$ 92,963,305</u>	<u>\$ 25,519,500</u>	<u>\$ 67,443,805</u>	<u>\$...</u>

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

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Corporate and Municipal Bonds: quoted prices for similar securities in active markets;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund;
- Utah Public Treasurers' investment Fund: application of the December 31, 2018 fair value factor, as calculated by the Utah State Treasurer, to the County's average daily balance in the Fund; and
- Donated Real Estate: recent appraisals of the real estate's value.

4. DEPOSITS AND INVESTMENTS (Continued)

Interest Rate Risk

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

As of December 31, 2018 the County’s investments had the following maturities:

<u>Investment Type</u>	12/31/2018 Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
<u>Debt Securities</u>					
Money Market Mutual Funds	\$ 2,382,861	\$ 2,382,861			
Bond Mutual Fund	621,644	621,644			
U.S. Treasuries	273,887	273,887			
U.S. Agencies	12,577,447	12,577,447			
Corporate Bonds	12,668,166		\$ 12,668,166		
Utah Public Treas. Invest. Fund	64,439,300	64,439,300			
Total investments	<u>\$ 92,963,305</u>	<u>\$ 80,295,139</u>	<u>\$ 12,668,166</u>	<u>\$...</u>	<u>\$...</u>

Credit Risk

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

4. DEPOSITS AND INVESTMENTS (Continued)

At December 31, 2018, the County’s investments had the following quality ratings:

<u>Investment Type</u>	<u>12/31/2018 Fair Value</u>	<u>Quality Rating</u>
<u>Debt Securities</u>		
Money Market Mutual Funds	\$ 2,382,861	Unrated
Bond Mutual Fund	621,644	A or higher
U.S. Treasuries	273,887	Unrated
U.S. Agencies	12,577,447	Unrated
Corporate Bonds	12,668,166	A or higher
Utah Public Treas. Invest. Fund	64,439,300	Unrated
Total investments	<u>\$ 92,963,305</u>	

Concentration of Credit Risk

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

At December 31, 2018, the County held more than 5% of total investments in securities of Corporate Bonds (\$12,668,166), U.S. Agencies (\$12,577,447) and Utah Public Treasurer’s Investment Fund (\$64,439,300) which represent 13.63%, 13.53% and 69.32% respectively of the County’s total investments.

Custodial Credit Risk

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

The County’s investments at December 31, 2018 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 \$92,963,305. Of this amount \$64,439,300, were held by the Utah Public Treasurer’s Investment Fund where the underlying securities were uninsured.

5. PENSION PLANS

General Information about the Pension Plan

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

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System); 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.

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.

5. PENSION PLANS (Continued)

Summary of Benefits by System

Benefits provided: 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 percentage per year of service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year all years	Up to 2.5%

*with actuarial reductions

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

5. **PENSION PLANS (Continued)**

Contribution Rate Summary

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2018 are as follows:

Utah Retirement Systems

	Employee	Employer	Employer 401(k)
Contributory System			
11 Local Government Div - Tier 1	6.00	14.46	N/A
111 Local Government Div - Tier 2	N/A	15.54	1.15
Noncontributory System			
15 Local Governmental Div - Tier 1	N/A	18.47	N/A
Public Safety System			
Contributory			
122 Tier 2 DB Hybrid Public Safety	N/A	23.09	0.74
Noncontributory			
43 Other Div A with 2.5% COLA	N/A	34.04	N/A
Tier 2 DC Only			
211 Local Government	N/A	6.69	10.00
222 Public Safety	N/A	11.83	12.00

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

5. **PENSION PLANS (Continued)**

For fiscal year ended December 31, 2018, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 1,105,582	N/A
Contributory System	43,272	-
Public Safety System	621,606	-
Tier 2 Public Employees System	436,909	-
Tier 2 Public Safety and Firefighter	274,053	-
Tier 2 DC Only System	33,640	N/A
Tier 2 DC Public Safety and Firefighter System	5,030	N/A
Total Contributions	\$ 2,520,092	\$...

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

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

At December 31, 2018, we reported a net pension asset of \$11,229 and a net pension liability of \$5,957,195.

	(Measurement Date): December 31, 2017				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2016	Change (Decrease)
	Noncontributory System		\$ 3,589,751	0.8193346%	0.8826751%
Contributory System			0.0000000%	0.0695969%	(0.0695969)%
Public Safety System		2,341,462	1.4926527%	1.6468326%	(0.1541799)%
Tier 2 Public Employees System		25,982	0.2946904%	0.3619962%	(0.0673058)%
Tier 2 Public Safety and Firefighter	\$ 11,229		0.9704407%	1.0918107%	(0.1213700)%
	\$ 11,229	\$ 5,957,195			

The net pension asset and liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017 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, 2018, we recognized pension expense of \$3,260,281.

5. **PENSION PLANS (Continued)**

At December 31, 2018 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	\$ 86,905	\$ 587,469
Changes in assumptions	2,211,187	119,726
Net difference between projected and actual earnings on pension plan investments		1,960,012
Changes in proportion and differences between contributions and proportionate share of contributions	1,976,905	450,952
Contributions subsequent to the measurement date	2,520,092	
	<hr/>	
Total	<u>\$ 6,795,089</u>	<u>\$ 3,118,159</u>

\$2,520,092 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, 2017.

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

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2018	\$ 1,074,951
2019	1,075,342
2020	(363,758)
2021	(685,845)
2022	(6,270)
Thereafter	62,419

5. **PENSION PLANS (Continued)**

Actuarial Assumptions

The total pension liability in the December 31, 2017, 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 developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2017, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term expected portfolio real rate of return
Equity securities	40.00%	6.15%	2.46%
Debt securities	20.00%	0.40%	0.08%
Real assets	15.00%	5.75%	0.86%
Private equity	9.00%	9.95%	0.89%
Absolute return	16.00%	2.85%	0.46%
Cash and cash equivalents	0.00%	0.00%	0.00%
Totals	100%		4.75%
		Inflation	2.50%
		Expected arithmetic nominal return	7.25%

5. **PENSION PLANS (Continued)**

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

Discount rate: The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 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	\$ 9,708,371	\$ 3,589,751	\$ (1,497,578)
Public Safety System	5,899,431	2,341,462	(542,232)
Tier 2 Public Employees System	305,926	25,982	(189,895)
Tier 2 Public Safety and Firefighter	99,437	(11,229)	(95,778)
Total	\$ 16,013,165	\$ 5,945,966	\$ (2,325,483)

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

5. **PENSION PLANS (Continued)**

Defined Contribution Savings Plans

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

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

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

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

	2018	2017	2016
401(k) Plan			
Employer Contributions	\$ 817,284	\$ 828,845	\$ 874,991
Employee Contributions	539,704	468,705	533,576
457 Plan			
Employer Contributions			
Employee Contributions	\$ 173,543	\$ 146,065	\$ 167,259
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 82,527	\$ 61,940	\$ 59,648

6. **CONTINGENT LIABILITIES**

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

7. PROPERTY TAX CALENDAR

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

8. SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The County maintains Enterprise Funds, which provide sanitation services, telecommunication, special activities and nursing home services. Segment information for the year ended December 31, 2018 is as follows:

	<u>Landfill</u>	<u>Telecom- munications</u>	<u>Western Park</u>	<u>Care Center</u>
Operating Revenues:				
Charges for services	\$ 714,925	\$ 173,097	\$ 274,316	
Depreciation expense	1,479	2,565	231,239	
Operating income (loss)	10,933	38,308	(1,561,877)	
Tax revenues			842,807	\$ 810
Operating transfers in (out)			500,000	
Change in Net Position	55,813	41,779	(163,609)	131,631
Property, plant and equipment:				
Additions			14,337	
Deletions				
Net working capital	2,075,662	169,476	1,100,500	20,187,091
Total assets	2,180,579	182,924	10,468,372	20,187,091
Total net position	1,986,485	170,543	10,078,060	20,187,091

9. RISK MANAGEMENT

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

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

10. MUNICIPAL SOLID WASTE LANDFILL

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

Uintah County has obtained information necessary to determine the nature and source of landfill closure and post closure care requirements. An amount of liability for closure and post closure care costs, estimated total current cost of closure and post closure care remaining to be a recognized, percentage of landfill capacity used to date and the nature of the estimates and the potential for changes due to inflation or deflation, technology, or applicable laws or regulations has been calculated by the County and the engineers. At December 31, 2018, closure and post closure costs are estimated at \$364,537 for the Uintah County Municipal Landfill and \$50,574 for the Lapoint Landfill. The County has not recognized any estimated costs of closure and post closure only those costs of maintaining the Landfill and current costs associated with ongoing closure costs. The County has set aside an amount of \$169,430 to be put into an account held by the Utah Public Treasurer's Investment Pool. Each year the County will contribute an additional \$6,500 to this fund. The accumulated amount will be used for the above costs. Financial assurance is made by Uintah County. Any short fall will be paid by the County. The County estimates the remaining current Uintah County and Lapoint landfills capacity life to be 10 years plus. The percentage of capacity used is estimated at 20%.

11. RECONCILIATION OF INTERFUND TRANSFERS

The following table provides a reconciliation of all interfund transfers:

	TRANSFERS IN				Total
	Capital Projects Funds	Municipal Building Authority	Western Park	Nonmajor Governmental Funds	
Transfer Out:					
General Fund	\$ 1,000,000	\$ 1,000,000	\$ 500,000	\$ 902,300	\$ 3,402,300
Nonmajor Funds				400,000	400,000
	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ 500,000</u>	<u>\$ 1,302,300</u>	<u>\$ 3,802,300</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 \$82,300, to help cover costs of drug rehab and the operation of the program. The General Fund also made transfers to the Capital Project, Western Park, Transient Room, Debt Service Fund and the Municipal Building Authority in the amounts of \$1,000,000, \$500,000, \$150,000, \$670,000 and \$1,000,000 respectively. The transfer to the Capital Projects Fund was to accumulate funds for future purchase of capital equipment and the construction of capital projects. The transfers to Western Park and Transient Room were to help cover excess operating expenditures. The transfers to the Debt Service Fund and the Municipal Building Fund were to help fund debt service payments along with making an additional debt principal payment.

12. USE OF ESTIMATES

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

13. FUND BALANCE RESTRICTIONS/NET POSITION RESTRICTIONS

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

Governmental Funds

\$8,013,947 has been restricted in the “B” Road Fund for the purpose of maintaining, improving, repairing or replacement of “B” roads in Uintah County.

\$1,252,381 has been restricted through a certified rate to be used in the Assessing and Collecting Fund to help in meeting the costs associated with the assessing and collecting of property taxes in the County.

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

Governmental Funds (Continued)

\$2,832,620 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.

\$1,711,098 has been restricted in the Flood Control Funds to be used for the purpose of helping offset the costs of flooding in the County.

\$1,484,828 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.

\$7,490,246 has been restricted in the Tax Stability Fund for the purpose of providing funding for the County during hard economic times.

\$657,361 has been restricted through collection of transient room tax to be used to help promote economic development and tourism.

\$428,520 has been restricted through the collection of sales tax to be used for the promotion of tourism and food services in the County.

\$1,112,599 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.

\$1,157,089 has been restricted in the Debt Service Fund for the purpose of meeting the payment requirement of principal and interest on General Obligation debt.

\$4,406,934 has been restricted in the Library Fund for the purpose of covering the operation and maintenance of the Library.

Proprietary Funds

\$26,377 has been restricted in the Western Park Fund to be invested and to accumulate an amount necessary to retire bonds.

\$169,430 has been restricted in the Landfill Fund as a post closure reserve fund to cover costs to close the landfill and maintain the landfill after closure.

\$20,187,091 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.

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

14. TERMINATION BENEFITS

The County pays termination benefits to employees of the County that qualify under their policy. The policy states that the County will pay up to 90 percent of an employee’s health insurance premium after retirement if they qualify for a pension through the Utah State Retirement System and have worked 20 years for the County. If employees have worked less than 20 years, the County will pay 5% per year as a percentage of the 90% benefit. Therefore, if an employee had worked for 10 years and qualified for a pension through the Utah State Retirement System the County would pay 50% of the 90% health insurance benefit. This benefit is available to employees only until they qualify for Medicare. For the year ended December 31, 2018, the County paid \$160,590 of termination benefits. At December 31, 2018, the County had 13 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 \$1,486,542. To determine this benefit the County has discounted expected future benefits at a discount rate of 1.131% and used healthcare cost trend rate of 14.00%.

15. OTHER POST EMPLOYMENT BENEFITS

Tri-County Health Department, a component unit of Uintah County, offers certain other post-employment benefits to its employees. During 2008, the District hired a firm to help in calculating the District’s annual required contribution. The District’s fiscal year end is June 30, and the annual required contribution for the District is due June 30, 2009. Scenic Valley Associates used the Alternative Measurement Method in their calculation and it was determined that Tri-County Health Department has an annual required contribution of \$29,089. Some of the key results of the analysis is normal costs equaled \$14,831 with amortization payment of \$14,258. The unfunded actuarial accrued liability was calculated to be \$246,529. During the year ended December 31, 2009, the Tri-County Health Department fully funded their obligation for retirement. Since the 2008 calculation of the District’s actuarial pension liability and the District fully funding this liability, there has not been any additional calculation on what current and future pension liability the District may have accrued. The District has changed its policy regarding how employees qualify for other post-employment benefits. The previous Health Director has retired and was one of the main individuals at the District which was accumulating these benefits. It is the feeling of District management that since the original liability was \$246,529 for all benefits accrued up until 2008 that any benefits that have accrued since that time would not be material to the financial statements. At December 31, 2018, there were 8 employees that still qualified for these benefits and only 4 employees that have accumulated the major benefit. The fair market value of funds in trust to pay these benefits at December 31, 2018 was \$229,412.

16. RESTRICTED CASH AND CASH EQUIVALENTS

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

Governmental Funds:	
Municipal Building Authority	\$ 1,365,316
Permanent Fund	7,313,245
Internal Service Fund	100,000

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

Enterprise Funds:

Western Park Fund	\$ 26,377
Uintah Care Center Fund	20,187,007
Landfill Fund	169,430

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

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

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

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

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

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

17. **FUND EQUITY**

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

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

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

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

17. FUND EQUITY (Continued)

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

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

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

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

18. NOTE RECEIVABLES

The County has two note receivables in the Uintah County Municipal Building Authority Fund (MBA). These receivables were generated from the MBA issuing Lease Revenue Bonds and using the proceeds to construction two buildings, one for Northeastern Counseling Center and the other for Uintah Recreation Special Service District. After the construction of these buildings was completed, the County sold the buildings to Northeastern Counseling Center and Uintah Recreation District respectively through the means of capital leases. Currently, the County has a note receivable with Northeastern Counseling Center in the amount of \$101,332 and is to receive annual payments of \$32,500 through the year 2021. The County also has a note receivable with Uintah Recreation District for the purchase of the recreation center in the amount of \$3,006,002 with annual payments in the amount of \$167,000. The final payment from Uintah Recreation District will be received in 2037.

19. STABILIZATION FUNDS

Uintah County has passed ordinance 12-12-89-3, which has allowed the County to establish a Tax Stability Trust Fund, for the purpose of preserving funds during years with favorable tax revenues for use during years with less favorable tax revenues. Under the ordinance the County was allowed to transfer \$2,000,000 into the Tax Stability Trust Fund from the County's General Fund. Additions to the principal in this fund will be through the authority of the ordinance or by the Fund retaining the interest earning each year. The stabilization funds can be used if the County is faced with economic hardship and a substantial reduction in property tax revenues by holding a public hearing and with the vote of the County Commissioners to approve the use of these funds. During the year ended December 31, 2018, 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, 2018, the County had cash of \$7,313,245 in their Tax Stability Trust Fund.

20. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflows of resources (expense/expenditure) until then. The County reports two types of deferred outflows of resources. The first is related to the issuance of General Obligation Series 2015 Refunding bonds. The difference between the reacquisition price of the old bonds and the net carrying amount of the old bonds is the deferred outflows of resources to be amortized over the life of the old or new bonds, whichever is the shorter. The second deferred outflow relates to pensions which are created from the difference of the measurement of pension liability and payments on pension obligations subsequent to the measurement date.

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

21. ADVANCE REFUNDING

On December 15, 2015, Uintah County issued \$33,385,000 of general obligation refunding bonds with a premium of \$3,219,420. The County issued the bonds to advance refund \$35,515,000 of outstanding Lease Revenue Bonds, Series 2008A. The County deposited the net proceeds along with other resources in an irrevocable trust to provide for all future debt service of the refunded portion of the bonds. As a result, the refunded portion of those bonds is considered defeased and the County has removed the liability from its accounts. The advance refunding reduced total debt service payments by \$14,037,991. This results in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$6,858,885. The principal balance due of the defeased Series 2008A lease revenue bonds at December 31, 2018 was \$32,430,000.

21. ADVANCE REFUNDING (Continued)

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

Also, associated with the refunding bonds of 2015, 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.

22. BOND REPAYMENT

On July 31, 2008, Uintah County Municipal Building Authority issued \$10,000,000 of Lease Revenue Bonds, Series 2008B. These bonds were used for the construction and furnishing of a new Public Safety Facility. The repayment of the principal was to begin on June 1, 2021. During the year ended December 31, 2018, Uintah County made a principal prepayment on these bonds in the amount of \$1,764,000.

23. TAX REFUND ANADARKO

During the year ended December 31, 2017, Anadarko Uintah Midstream, L.L.C. appealed the assessed valuation on property in Uintah County to the State of Utah under appeal number 16-925. The original assessed value for Anadarko's property was \$379,505,548 and was later revised to \$126,442,114. This resulted in a tax refund to Anadarko Uintah Midstream, L.L.C of \$2,811,028.62. Uintah County's portion to be refunded to Anadarko amounted to \$727,304.31. The County entered into an agreement with Anadarko to repay the tax refund over seven years without being charged interest on the outstanding balance due. The annual payment to Anadarko from Uintah County will be \$103,900.62. The annual repayment amount will be allocated back to the individual funds of Uintah County that have charged a certified tax rate according to their proportionate share of the overall certified tax rate. During the year ended December 31, 2018, the County made the second of seven payments to Anadarko in the amount of \$103,900.62.

24. TRANSACTION BETWEEN COUNTY AND COMPONENT UNITS

Uintah County has several transactions with component units. These transactions are listed below:

Uintah Health Care Special Service District – The District periodically received funding from the County to help cover operational expenses. A sales tax was previously instituted by the County to accumulate funds to be used to help the District. During the year ended December 31, 2018, the County distributed \$300,000 to the Uintah Health Care Special Service District.

Uintah Transportation Special Service District – The transportation special service district has responsibility for the operation of the Vernal City airport. During the year, there have been capital improvements to the airport. Uintah County has secured grant funding from the Federal Aviation Administration and passed this funding on to the Uintah Transportation Special Service District. During the year ended December 31, 2018, the County distributed \$4,481,427 of funds to the Uintah Transportation Special Service District.

UINTAH COUNTY

Required Supplementary Information

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

SCHEDULE 2 Information About Infrastructure Assets Reported Using the Modified
Approach

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

SCHEDULE 4 Schedule of Contributions - Pensions

Notes to the Required Supplementary Information

**UINTAH COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
General property taxes - current year	\$ 7,790,000	\$ 7,790,000	\$ 7,763,468	\$ (26,532)
General property taxes - prior years	150,000	290,000	197,793	(92,207)
Penalties and interest on delinquent taxes	100,000	100,000	232,622	132,622
General sales and use tax	3,137,900	3,137,900	4,480,368	1,342,468
	<u>\$ 11,177,900</u>	<u>\$ 11,317,900</u>	<u>\$ 12,674,251</u>	<u>\$ 1,356,351</u>
Total taxes				
Licenses and permits:				
Non-business licenses and permits	\$ 90,500	\$ 107,500	\$ 119,238	\$ 11,738
	<u>\$ 90,500</u>	<u>\$ 107,500</u>	<u>\$ 119,238</u>	<u>\$ 11,738</u>
Total licenses and permits				
Intergovernmental:				
Federal	\$ 259,500	\$ 283,800	\$ 252,464	\$ (31,336)
State	1,279,598	1,307,598	604,849	(702,749)
Other	31,600	31,600	21,124	(10,476)
	<u>\$ 1,570,698</u>	<u>\$ 1,622,998</u>	<u>\$ 878,437</u>	<u>\$ (744,561)</u>
Total intergovernmental				
Charges for services:				
Departmental fees	\$ 304,100	\$ 359,100	\$ 450,525	\$ 91,425
Inmate and other protective service fees	3,314,600	3,369,600	3,295,568	(74,032)
Other charges for services	336,500	354,300	363,903	9,603
	<u>\$ 3,955,200</u>	<u>\$ 4,083,000</u>	<u>\$ 4,109,996</u>	<u>\$ 26,996</u>
Total charges for services				
Fines and forfeitures	\$...	\$ 227,500	\$ 275,981	\$ 48,481
Miscellaneous:				
Investment earnings	\$ 35,000	\$ 35,000	\$ 256,882	\$ 221,882
Sale of material, supplies and equipment	227,000	227,000	19,358	(207,642)
Fuel tax refund/aviation fuel tax	5,500	5,500	22,351	16,851
Private donations	185,800	185,800		(185,800)
Other	46,000	54,000	49,533	(4,467)
	<u>\$ 499,300</u>	<u>\$ 507,300</u>	<u>\$ 348,124</u>	<u>\$ (159,176)</u>
Total miscellaneous				
Total Revenues	<u>\$ 17,293,598</u>	<u>\$ 17,866,198</u>	<u>\$ 18,406,027</u>	<u>\$ 539,829</u>

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

**UINTAH COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
EXPENDITURES				
Current:				
General government:				
Commission	\$ 547,200	\$ 549,900	\$ 530,764	\$ 19,136
Justice court	405,400	405,400	395,556	9,844
Public defender	760,000	910,000	649,838	260,162
Personnel/Administrator	287,600	244,500	234,011	10,489
Clerk/Auditor	523,500	577,300	513,615	63,685
Treasurer	420,100	42,100	40,250	1,850
Recorder	502,400	350,000	348,155	1,845
Attorney	1,795,700	1,705,900	1,626,602	79,298
Assessor	2,000	2,000	1,984	16
Surveyor	61,800	66,800	66,692	108
Non-Departmental	844,100	766,800	451,084	315,716
Data processing	203,800	241,100	201,510	39,590
Geographical info system/surveyor	313,500	57,100	44,719	12,381
Building and grounds	723,700	698,600	659,378	39,222
	<u>\$ 7,390,800</u>	<u>\$ 6,617,500</u>	<u>\$ 5,764,158</u>	<u>\$ 853,342</u>
Total general government				
Public safety:				
Emergency services	\$ 252,400	\$ 257,400	\$ 246,859	\$ 10,541
Weed control	196,900	203,500	195,376	8,124
Jail complex	5,986,500	5,986,500	5,634,534	351,966
Public safety complex	642,400	692,400	639,448	52,952
Corrections support services	6,500	6,500	65	6,435
Children's justice center	166,800	199,100	196,271	2,829
	<u>\$ 7,251,500</u>	<u>\$ 7,345,400</u>	<u>\$ 6,912,553</u>	<u>\$ 432,847</u>
Total public safety				
Public health:				
Public health - turning point	\$ 292,300	\$ 292,300	\$ 252,559	\$ 39,741
Mental health	182,700	182,700	182,071	629
	<u>\$ 475,000</u>	<u>\$ 475,000</u>	<u>\$ 434,630</u>	<u>\$ 40,370</u>
Total public health				
Highways and public improvements:				
County roads	\$ 984,998	\$ 1,104,998	\$ 900,242	\$ 204,756
Airport maintenance		50,000	36,045	13,955
	<u>\$ 984,998</u>	<u>\$ 1,154,998</u>	<u>\$ 936,287</u>	<u>\$ 218,711</u>
Total highways and public improvements				

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

**UINTAH COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
Park, Recreation and Public Property:				
Buckskin Hills	\$ 186,000	\$ 186,000	\$ 15,041	\$ 170,959
Cemeteries	425,000	431,000	431,000	
Total park, recreation and public property	<u>\$ 611,000</u>	<u>\$ 617,000</u>	<u>\$ 446,041</u>	<u>\$ 170,959</u>
Conservation and Economic Development:				
Agriculture and extension services	\$ 163,700	\$ 173,700	\$ 164,415	\$ 9,285
Economic development	182,300	190,300	184,978	5,322
Pass thru grants	70,000	70,000	59,344	10,656
Associations	101,000	101,000	91,128	9,872
Total conservation and economic development	<u>\$ 517,000</u>	<u>\$ 535,000</u>	<u>\$ 499,865</u>	<u>\$ 35,135</u>
Total expenditures	<u>\$ 17,230,298</u>	<u>\$ 16,744,898</u>	<u>\$ 14,993,534</u>	<u>\$ 1,751,364</u>
Excess of revenue over (under) expenditures	<u>\$ 63,300</u>	<u>\$ 1,121,300</u>	<u>\$ 3,412,493</u>	<u>\$ 2,291,193</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>\$ (1,682,300)</u>	<u>\$ (3,402,300)</u>	<u>\$ (3,402,300)</u>	
Total other financing sources (uses)	<u>\$ (1,682,300)</u>	<u>\$ (3,402,300)</u>	<u>\$ (3,402,300)</u>	<u>\$...</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ (1,619,000)</u>	<u>\$ (2,281,000)</u>	<u>\$ 10,193</u>	<u>\$ 2,291,193</u>
Fund balances - beginning of year	<u>16,877,489</u>	<u>16,877,489</u>	<u>16,877,489</u>	
Fund balances - end of year	<u>\$ 15,258,489</u>	<u>\$ 14,596,489</u>	<u>\$ 16,887,682</u>	<u>\$ 2,291,193</u>

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

**UINTAH COUNTY
INFORMATION ABOUT INFRASTRUCTURE ASSETS REPORTED
USING THE MODIFIED APPROACH
FOR THE YEAR ENDED DECEMBER 31, 2018**

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

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

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

Roads

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

Condition Rating of the County’s Road System

Percentage of Lane-Miles in Good or Better Condition:

	Percentage						
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Paved	75	77	79	80	78	76	70
Gravel	68	67	72	73	74	75	75
Dirt	55	54	54	54	55	55	53
Overall System	66	66	68	69	69	68	68

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

SCHEDULE 2
(Continued)

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

Percentage of Lane-Miles in Substandard Condition is:

	Percentage						
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Paved	9	8	7	7	9	11	15
Gravel	10	10	10	10	10	10	10
Dirt	12	11	11	11	11	9	9
Overall System	10	10	9	9	10	10	10

Comparison of Needed-to Actual Maintenance/Preservation in 2012, 2013, 2014, 2015, 2016, 2017 and 2018 Roads:

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Estimated	\$ 4,500,000	\$ 4,700,000	\$ 4,900,000	\$ 4,100,000	\$ 4,900,000	\$ 4,900,000	\$ 4,900,000
Actual	4,498,156	4,753,878	4,603,914	5,236,763	3,688,630	3,865,187	3,085,411

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

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

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

UINTAH COUNTY
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MEASUREMENT DATE OF DECEMBER 31, 2017
YEAR ENDED DECEMBER 31, 2018

	Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
Noncontributory Retirement System						
	2014					
	2015	0.2506316%	\$1,418,196	\$1,898,137	74.72%	87.8%
	2016	0.8826751%	\$5,667,854	\$6,967,170	81.35%	87.3%
	2017	0.8193346%	\$3,589,751	\$6,405,346	56.04%	91.9%
Contributory Retirement System						
	2014	15.8036918%	\$4,558,473	\$7,326,899	62.20%	94.0%
	2015	14.8657144%	\$10,448,432	\$5,253,545	198.88%	85.7%
	2016	0.0695969%	\$22,836	\$16,699	136.75%	92.9%
	2017	0.0000000%	\$0	\$0	0.00%	98.2%
Public Safety System						
	2014	1.5674182%	\$1,971,159	\$2,204,621	89.40%	90.5%
	2015	1.6947110%	\$3,035,653	\$2,428,017	125.03%	87.1%
	2016	1.6468326%	\$3,341,878	\$2,398,853	139.31%	86.5%
	2017	1.4926527%	\$2,341,462	\$2,138,980	109.47%	90.2%
Tier 2 Public Employees Retirement System						
	2014	0.3965629%	(\$12,018)	\$1,945,554	(0.60)%	103.5%
	2015	0.3968809%	(\$866)	\$2,564,073	(0.03)%	100.2%
	2016	0.3619962%	\$40,830	\$2,968,659	1.36%	95.1%
	2017	0.2946904%	\$25,982	\$2,883,680	0.90%	97.4%
Tier 2 Public Safety and Firefighters Retirement						
	2014	1.4499515%	(\$21,449)	\$600,529	(3.60)%	120.5%
	2015	1.4339945%	(\$20,951)	\$853,242	(2.46)%	110.7%
	2016	1.0918107%	(\$9,478)	\$902,067	(1.05)%	103.6%
	2017	0.9704407%	(\$11,229)	\$1,024,083	(1.10)%	103.0%

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

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

**UINTAH COUNTY
SCHEDULE OF CONTRIBUTIONS
DECEMBER 31, 2018**

	As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in relation to the contractually required Contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2014	\$ -	\$ -	\$ -	-	0.00%
	2015	324,869	324,869	-	1,898,137	17.12%
	2016	1,286,917	1,286,917	-	6,967,613	18.47%
	2017	1,183,066	1,183,066	-	6,405,346	18.47%
	2018	1,105,581	1,105,581	-	5,994,469	18.44%
Contributory System	2014	\$ 1,015,312	\$ 1,015,312	\$ -	\$ 7,328,915	13.83%
	2015	759,296	759,296	-	5,253,545	14.45%
	2016	2,415	2,415	-	16,699	14.46%
	2017	-	-	-	-	0.00%
	2018	43,272	43,272	-	209,018	20.70%
Public Safety System	2014	\$ 708,347	\$ 708,347	\$ -	\$ 2,218,337	31.93%
	2015	766,816	766,816	-	2,428,017	31.58%
	2016	747,063	747,063	-	2,396,789	31.17%
	2017	668,028	668,028	-	2,138,980	31.23%
	2018	621,606	621,606	-	1,966,606	31.61%
Tier 2 Public Employees System*	2014	\$ 317,572	\$ 317,572	\$ -	\$ 1,953,480	16.26%
	2015	415,556	415,556	-	2,580,281	16.11%
	2016	445,657	445,657	-	2,988,978	14.91%
	2017	433,557	433,557	-	2,886,933	15.02%
	2018	436,909	436,909	-	2,848,947	15.34%
Tier 2 Public Safety and Firefighter System*	2014	\$ 131,438	\$ 131,438	\$ -	\$ 599,642	21.92%
	2015	192,940	192,940	-	856,612	22.52%
	2016	202,636	202,636	-	900,603	22.50%
	2017	230,223	230,223	-	1,021,394	22.54%
	2018	274,053	274,053	-	1,199,053	22.86%
Tier 2 Public Employees DC Only System*	2014	\$ 4,484	\$ 4,484	\$ -	\$ 57,060	7.86%
	2015	17,548	17,548	-	225,087	7.80%
	2016	22,906	22,906	-	342,390	6.69%
	2017	31,135	31,135	-	465,391	6.69%
	2018	33,640	33,640	-	488,284	6.89%
Tier 2 Public Safety and Firefighter DC Only System*	2014	\$ 1,585	\$ 1,585	\$ -	\$ 15,944	9.94%
	2015	4,628	4,628	-	39,118	11.83%
	2016	5,432	5,432	-	45,922	11.83%
	2017	5,231	5,231	-	44,221	11.83%
	2018	5,030	5,030	-	42,520	11.83%

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

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

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

UINTAH COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

CHANGES IN ASSUMPTIONS:

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

UINTAH COUNTY
Supplementary Information

UINTAH COUNTY
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	SPECIAL REVENUE FUNDS									
	HISTORIC PRESERVATION	ASSESSING AND COLLECTING	FLOOD CONTROL	MUNICIPAL BUILDING AUTHORITY	MUNICIPAL SERVICES FUND	DRUG COURT	TRANSIENT ROOM TAX	FOOD SERVICE TAX	TORT LIABILITY	LIBRARY FUNDS
Cash and cash equivalents	\$ 29,090	\$ 543,961	\$1,683,516	\$ 1,467,304	\$ 4,387,826	\$ 17,009	\$ 655,401	\$ 354,833	\$ 1,001,035	\$ 3,941,944
Accounts receivable					1,102	3,800				
Taxes receivable		848,611	33,125				64,792	79,937	133,728	667,226
Due from other governments					1,369		19,547			
Restricted cash and investments				1,365,316						
Total assets	\$ 29,090	\$ 1,392,572	\$1,716,641	\$ 2,832,620	\$ 4,390,297	\$ 20,809	\$ 739,740	\$ 434,770	\$ 1,134,763	\$ 4,609,170
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts payable					\$ 76,324	\$ 853	\$ 36,325	\$ 6,250		\$ 25,667
Warrants payable					38,493	116	20,960			15,673
Salaries payable					56,025	1,899	13,405			24,521
Accrued liabilities					59,789	290	11,689			23,416
Total liabilities					\$ 230,631	\$ 3,158	\$ 82,379	\$ 6,250		\$ 89,277
Deferred inflows of resources - taxes		\$ 140,191	\$ 5,543						\$ 22,164	112,959
Total liabilities and deferred inflows of resources		\$ 140,191	\$ 5,543	\$...	\$ 230,631	\$ 3,158	\$ 82,379	\$ 6,250	\$ 22,164	\$ 202,236
Fund balances:										
Restricted		\$ 1,252,381	\$1,711,098	\$ 2,832,620			\$ 657,361	\$ 428,520	\$ 1,112,599	\$ 4,406,934
Committed					\$ 4,159,666					
Assigned	\$ 29,090					\$ 17,651				
Total fund balances	\$ 29,090	\$ 1,252,381	\$1,711,098	\$ 2,832,620	\$ 4,159,666	\$ 17,651	\$ 657,361	\$ 428,520	\$ 1,112,599	\$ 4,406,934
Total liabilities, deferred inflows of resources and fund balance	\$ 29,090	\$ 1,392,572	\$1,716,641	\$ 2,832,620	\$ 4,390,297	\$ 20,809	\$ 739,740	\$ 434,770	\$ 1,134,763	\$ 4,609,170

SCHEDULE 5
(Continued)

UNTAH COUNTY
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	SPECIAL REVENUE FUNDS						DEBT SERVICE FUND	PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	REGIONAL HISTORY CENTER	911 EMERGENCY SERVICE	CLASS "B" ROAD	CEMETERIES	TRI-COUNTY HEALTH	DEBT SERVICE FUND			
Cash and cash equivalents	\$ 214,243	\$ 1,554,881	\$ 7,300,364	\$ 258,095	\$ 1,382,812	\$ 659,313	\$	\$ 25,451,627	
Accounts receivable				5,900	26,187			36,989	
Taxes receivable					190,704	596,756	\$ 211,257	2,826,136	
Due from other governments			713,583	11,638	74,550			820,687	
Restricted cash and investments							7,313,245	8,678,561	
Total assets	\$ 214,243	\$ 1,554,881	\$ 8,013,947	\$ 275,633	\$ 1,674,253	\$ 1,256,069	\$ 7,524,502	\$ 37,814,000	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$	58,921	\$	10,294	\$ 56,234			\$ 270,868	
Warrants payable				3,673	39,306			118,221	
Salaries payable				5,160	32,524			133,534	
Accrued liabilities				4,513	34,567			134,264	
Total liabilities	\$	58,921	\$	23,640	\$ 162,631			\$ 656,887	
Deferred inflows of resources - taxes					26,794	\$ 98,980	\$ 34,256	440,887	
Total liabilities and deferred inflows of resources	\$	58,921	\$	23,640	\$ 189,425	\$ 98,980	\$ 34,256	\$ 1,097,774	
Fund balances:									
Restricted	\$ 214,243	\$ 1,495,960	\$ 8,013,947	\$	\$ 1,484,828	\$ 1,157,089	\$ 7,490,246	\$ 30,547,623	
Committed								5,869,869	
Assigned				\$ 251,993				298,734	
Total fund balances	\$ 214,243	\$ 1,495,960	\$ 8,013,947	\$ 251,993	\$ 1,484,828	\$ 1,157,089	\$ 7,490,246	\$ 36,716,226	
Total liabilities, deferred inflows of resources and fund balance	\$ 214,243	\$ 1,554,881	\$ 8,013,947	\$ 275,633	\$ 1,674,253	\$ 1,256,069	\$ 7,524,502	\$ 37,814,000	

UINTAH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	SPECIAL REVENUE FUNDS									
	HISTORIC PRESERVA-TION	ASSESSING AND COLLECTING	FLOOD CONTROL	MUNICIPAL BUILDING AUTHORITY	MUNICIPAL SERVICES FUND	DRUG COURT	TRANSIENT ROOM TAX	FOOD SERVICE TAX	TORT LIABILITY	LIBRARY FUNDS
REVENUES:										
Taxes		\$ 2,709,912	\$ 105,329		\$ 754,216		\$ 514,920	\$ 465,069	\$ 425,640	\$ 2,115,764
Licenses and permits					220,464					
Intergovernmental revenues				\$ 750,000	3,316,901	\$ 30,000	219,547			26,788
Charges for Services				1,043,500	250,235	84,522	222,309			35,357
Interest income	\$ 643	33,267	35,792	65,810	94,332	123	10,274	8,922	16,410	74,198
Miscellaneous					38,965		4,127			6,832
Total revenues	\$ 643	\$ 2,743,179	\$ 141,121	\$ 1,859,310	\$ 4,675,113	\$ 114,645	\$ 971,177	\$ 473,991	\$ 442,050	\$ 2,258,939
EXPENDITURES:										
General government		\$ 2,621,772		\$ 1,600	\$ 735,688	\$ 184,623			\$ 391,518	
Public safety					3,710,239					
Highways and public improvements					153,596					
Public health								\$ 87,501		\$ 1,848,844
Parks, recreation and public property			\$ 1,759		72,984		\$ 1,476,847			
Conservation and economic development										
Debt service				2,495,500						
Principal payment				305,425						
Interest and fiscal charges										
Total expenditures	\$	\$ 2,621,772	\$ 1,759	\$ 2,802,525	\$ 4,672,507	\$ 184,623	\$ 1,476,847	\$ 87,501	\$ 391,518	\$ 1,848,844
Excess of revenues over (under) expenditures	\$ 643	\$ 121,407	\$ 139,362	\$ (943,215)	\$ 2,606	\$ (69,978)	\$ (505,670)	\$ 386,490	\$ 50,532	\$ 410,095
Other financing sources (uses):										
Transfers in				\$ 1,000,000		\$ 82,300	\$ 550,000			
Transfers out								\$ (400,000)		
Total other financing sources (uses)	\$	\$	\$	\$ 1,000,000	\$	\$ 82,300	\$ 550,000	\$ (400,000)	\$	\$
Excess of revenues and other sources over (under) expenditures and other uses	\$ 643	\$ 121,407	\$ 139,362	\$ 56,785	\$ 2,606	\$ 12,322	\$ 44,330	\$ (13,510)	\$ 50,532	\$ 410,095
Fund Balances - Beginning of year	28,447	1,130,974	1,571,736	2,775,835	4,157,060	5,329	613,031	442,030	1,062,067	3,996,839
Fund Balances - End of year	\$ 29,090	\$ 1,252,381	\$ 1,711,098	\$ 2,832,620	\$ 4,159,666	\$ 17,651	\$ 657,361	\$ 428,520	\$ 1,112,599	\$ 4,406,934

SCHEDULE 6
(Continued)

UNTAH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	SPECIAL REVENUE FUNDS					TRF- COUNTY HEALTH	DEBT SERVICE FUND	PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	REGIONAL HISTORY CENTER	911 EMERGENCY SERVICE	CLASS "B" ROAD	CEMETERIES	DEBT SERVICE FUND				
REVENUES:									
Taxes					\$ 622,504	\$ 1,900,029	\$ 672,924	\$	10,286,307
Licenses and permits									220,464
Intergovernmental revenues				\$ 512,796	2,391,296				11,508,785
Charges for Services	\$ 5,243	\$ 179,267	\$ 4,082,190	\$ 96,890	949,264				2,687,320
Interest income	4,692	36,449	155,741	9,166	17,852	20,977	117,449		702,097
Miscellaneous	322		45,000	618	31,528				127,392
Total revenues	\$ 10,257	\$ 215,716	\$ 4,282,931	\$ 619,470	\$ 4,012,444	\$ 1,921,006	\$ 790,373	\$	25,532,365
EXPENDITURES:									
General government							\$ 5,097	\$	3,755,675
Public safety	\$	\$ 601,367							4,496,229
Highways and public improvements			\$ 3,077,002		\$ 3,662,734				3,230,598
Public health									3,750,235
Parks, recreation and public property	\$ 1,259			\$ 561,966					2,486,812
Conservation and economic development									1,476,847
Debt service									3,745,500
Principal payment						\$ 1,250,000			1,542,483
Interest and fiscal charges						1,237,058			
Total expenditures	\$ 1,259	\$ 601,367	\$ 3,077,002	\$ 561,966	\$ 3,662,734	\$ 2,487,058	\$ 5,097	\$	24,484,379
Excess of revenues over (under) expenditures	\$ 8,998	\$ (385,651)	\$ 1,205,929	\$ 57,504	\$ 349,710	\$ (566,052)	\$ 785,276	\$	1,047,986
Other financing sources (uses):									
Transfers in						\$ 670,000		\$	2,302,300
Transfers out									(400,000)
Total other financing sources (uses)	\$	\$	\$	\$	\$	\$ 670,000	\$	\$	1,902,300
Excess of revenues and other sources over (under) expenditures and other uses	\$ 8,998	\$ (385,651)	\$ 1,205,929	\$ 57,504	\$ 349,710	\$ 103,948	\$ 785,276	\$	2,950,286
Fund Balances - Beginning of year	205,245	1,881,611	6,808,018	194,489	1,135,118	1,053,141	6,704,970		33,765,940
Fund Balances - End of year	\$ 214,243	\$ 1,495,960	\$ 8,013,947	\$ 251,993	\$ 1,484,828	\$ 1,157,089	\$ 7,490,246	\$	36,716,226

UINTAH COUNTY
SCHEDULE OF NET POSITION - INDIVIDUAL FUND
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2018

	NONMAJOR FUND	TOTAL
	TELE- COMMUNICATIONS	NONMAJOR BTA'S
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 161,265	\$ 161,265
Receivables - net		
Accounts	20,592	20,592
	\$ 181,857	\$ 181,857
Total current assets		
Noncurrent assets:		
Furniture, fixtures and equipment	\$ 127,049	\$ 127,049
Less: Accumulated depreciation	(125,982)	(125,982)
	\$ 1,067	\$ 1,067
Total noncurrent assets, net		
Total assets	\$ 182,924	\$ 182,924
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	\$ 9,178	\$ 9,178
Warrants payable	3,203	3,203
	\$ 12,381	\$ 12,381
Total current liabilities		
Total liabilities	\$ 12,381	\$ 12,381
Net Position:		
Net investment in capital assets	\$ 1,067	\$ 1,067
Unrestricted	169,476	169,476
	\$ 170,543	\$ 170,543
Total net position		

UINTAH COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND NET POSITION - INDIVIDUAL FUND
NONMAJOR PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>NONMAJOR FUND</u>		<u>TOTAL</u>
	<u>TELE-</u>		<u>NON-MAJOR</u>
	<u>COMMUNICATIONS</u>		<u>BTAS</u>
Operating revenues:			
Charges for sales and services	\$ 173,097	\$	173,097
Total operating revenues	<u>\$ 173,097</u>	<u>\$</u>	<u>173,097</u>
Operating expenses:			
Other supplies and services	\$ 13,225	\$	13,225
Repairs and maintenance	27,026		27,026
Depreciation	2,565		2,565
Telephone and internet	91,973		91,973
Total operating expenses	<u>\$ 134,789</u>	<u>\$</u>	<u>134,789</u>
OPERATING INCOME (LOSS)	<u>\$ 38,308</u>	<u>\$</u>	<u>38,308</u>
Nonoperating revenues (expenses):			
Interest revenue	\$ 3,471	\$	3,471
Total nonoperating revenues (expenses)	<u>\$ 3,471</u>	<u>\$</u>	<u>3,471</u>
Income (loss) before transfers	<u>\$ 41,779</u>	<u>\$</u>	<u>41,779</u>
Change in net position	\$ 41,779	\$	41,779
Total net position - beginning of year	<u>128,764</u>		<u>128,764</u>
Total net position - end of year	<u><u>\$ 170,543</u></u>	<u><u>\$</u></u>	<u><u>170,543</u></u>

UTAH COUNTY
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION
 PRIVATE PURPOSE - CEMETERY TRUST
 DECEMBER 31, 2018

	MAESER	ROCKPOINT	JENSEN	LEOTA	HAYDEN	LAPOINT	DRYFORK	AVALON	GUSHER	TRIDELL	TOTAL		
	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERY	CEMETERIES		
Cash and cash equivalents	\$ 196,740	\$ 94,959	\$ 134,920	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,354	\$ 528,216		
Accounts receivable	600	1,200	300							600	2,700		
Total assets	\$ 197,340	\$ 96,159	\$ 135,220	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,954	\$ 530,916		
<u>LIABILITIES AND NET POSITION</u>													
Liabilities:													
Accounts payable													
Total liabilities	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...		
Net Position:													
Restricted:													
Cemeteries	\$ 197,340	\$ 96,159	\$ 135,220	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,954	\$ 530,916		
Total net position	\$ 197,340	\$ 96,159	\$ 135,220	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,954	\$ 530,916		
Total liabilities and net position	\$ 197,340	\$ 96,159	\$ 135,220	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,954	\$ 530,916		

UINTAH COUNTY
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE - CEMETERY TRUST
FOR THE YEAR ENDED DECEMBER 31, 2018

	MAESER CEMETERY	ROCKPOINT CEMETERY	JENSEN CEMETERY	LEOTA CEMETERY	HAYDEN CEMETERY	LAPOINT CEMETERY	DRYFORK CEMETERY	AVALON CEMETERY	GUSHER CEMETERY	TRIDELL CEMETERY	TOTAL CEMETERIES
REVENUES:											
Charges for services	\$ 12,600	\$ 21,200	\$ 6,950							\$ 3,000	\$ 43,750
Interest income	4,222	1,937	2,950	64	\$ 203		\$ 1,119	\$ 61	\$ 7	731	11,294
Miscellaneous						\$ 6,000					6,000
Total revenues	\$ 16,822	\$ 23,137	\$ 9,900	\$ 64	\$ 203	\$ 6,000	\$ 1,119	\$ 61	\$ 7	\$ 3,731	\$ 61,044
EXPENDITURES:											
Current:											
Parks, recreation, and public property						\$ 5,087					\$ 5,087
Total expenditures	\$...	\$...	\$...	\$...	\$...	\$ 5,087	\$...	\$...	\$...	\$...	\$ 5,087
Excess revenues over (under) expenditures	\$ 16,822	\$ 23,137	\$ 9,900	\$ 64	\$ 203	\$ 913	\$ 1,119	\$ 61	\$ 7	\$ 3,731	\$ 55,957
OTHER FINANCING SOURCES (USES):											
Transfers in/(out)	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...
Total other financing sources (uses)	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...	\$...
Excess of revenues and other sources over (under) expenditures and other uses	\$ 16,822	\$ 23,137	\$ 9,900	\$ 64	\$ 203	\$ 913	\$ 1,119	\$ 61	\$ 7	\$ 3,731	\$ 55,957
NET POSITION - beginning of year	180,518	73,022	125,320	2,849	8,983	505	49,512	2,721	306	31,223	474,959
NET POSITION - end of year	\$ 197,340	\$ 96,159	\$ 135,220	\$ 2,913	\$ 9,186	\$ 1,418	\$ 50,631	\$ 2,782	\$ 313	\$ 34,954	\$ 530,916

UNTAH COUNTY
SCHEDULE OF CURRENT TAXES LEVIED, COLLECTED AND TREASURER'S RELIEF
FOR THE 2018 PROPERTY TAX YEAR

TAX UNITS	TOTAL REAL AND CENTRALLY ASSESSED VALUE		CURRENT YEAR REAL/CENTRAL PROPERTY TAX RATE		TOTAL PERSONAL PROPERTY VALUE		PRIOR YEAR PROPERTY TAX RATE		REAL AND CENTRALLY ASSESSED TAXES CHARGED		TOTAL TAXES CHARGED		TREASURER'S RELIEF		TOTAL		NET TAXES COLLECTED		OTHER COLLECTIONS		DELINQUENCIES		
	VALUE	VALUE	TAX RATE	TAX RATE	PERSONAL PROPERTY TAXES CHARGED	CENTRALLY ASSESSED TAXES CHARGED	TOTAL TAXES CHARGED	TAX RATE	TAX RATE	UNPAID TAXES	ABATEMENTS	OTHER	TOTAL	PERCENT	FEES IN LIEU	MISC. COLLECTED	TAX	INTEREST/PENALTY	PERCENT	FEES IN LIEU	MISC. COLLECTED	TAX	INTEREST/PENALTY
COUNTY FUNDS:																							
Debt service	\$ 4,431,857,957		0.000397		\$ 134,689,148	\$ 1,759,448	\$ 70,308	\$ 1,829,756	\$ 39,964	\$ 5,740	\$ 12,295	\$ 57,999	\$ 1,771,757	0.9683	\$ 79,439	\$ 24,334	\$ 77,779	\$ 32,668	0.9679	\$ 79,439	\$ 24,334	\$ 77,779	\$ 32,668
Flood control	4,431,857,957		0.000022		134,689,148	97,501	2,694	100,195	2,220	319	683	3,222	96,973	0.9679	4,413	1,352	4,321	1,815	0.9680	4,413	1,352	4,321	1,815
General	4,431,857,957		0.001663		134,689,148	7,370,180	220,082	7,590,262	167,371	24,041	51,493	242,905	7,347,357	0.9680	332,692	101,912	325,740	136,814	0.9680	332,692	101,912	325,740	136,814
Health Dept	4,431,857,957		0.000131		134,689,148	580,573	17,375	597,948	13,185	1,894	4,056	19,135	578,813	0.9680	26,208	8,028	25,660	10,778	0.9680	26,208	8,028	25,660	10,778
Library	4,431,857,957		0.000442		134,689,148	1,958,881	58,455	2,017,336	44,518	6,395	13,696	64,609	1,952,727	0.9680	88,492	27,107	86,642	36,391	0.9680	88,492	27,107	86,642	36,391
Tax Stability Trust	4,431,857,957		0.000141		134,689,148	624,892	6,869	631,761	14,150	2,033	4,353	20,536	611,225	0.9674	28,127	8,616	27,539	11,567	0.9674	28,127	8,616	27,539	11,567
Tort liability	4,431,857,957		0.000089		134,689,148	394,435	11,314	405,749	8,958	1,287	2,756	13,001	392,748	0.9680	17,807	5,455	17,435	7,323	0.9680	17,807	5,455	17,435	7,323
Local assessing and collecting	4,431,857,957		0.000565		134,689,148	2,504,000	72,059	2,576,059	56,865	8,168	13,748	78,781	2,497,278	0.9694	113,035	32,715	103,055	54,733	0.9694	113,035	32,715	103,055	54,733
State assessing and collecting	4,431,857,957		0.000009		134,689,148	39,887	1,347	41,234	906	130	424	1,460	39,774	0.9646	1,800	681	4,288	646	0.9646	1,800	681	4,288	646
Total County Funds					\$ 15,329,797	\$ 460,502	\$ 15,790,299	\$ 348,137	\$ 50,007	\$ 103,504	\$ 501,648	\$ 15,288,651			\$ 692,013	\$ 210,200	\$ 672,459	\$ 243,475		\$ 692,013	\$ 210,200	\$ 672,459	\$ 243,475
SCHOOL DISTRICTS:																							
Basic School Levy	4,431,857,957		0.001666		134,689,148	7,383,475	211,193	7,594,668	167,675	24,085	47,036	238,796	7,355,872	0.9686	333,297	93,056	310,007	17,759	0.9689	333,297	93,056	310,007	17,759
GO Bond Payments	4,431,857,957		0.000555		134,689,148	2,459,681	101,421	2,561,102	55,869	8,025	15,672	79,566	2,481,536	0.9689	111,054	31,006	103,293	5,917	0.9685	111,054	31,006	103,293	5,917
Capital Local Levy	4,431,857,957		0.002744		134,689,148	12,161,018	343,727	12,504,745	276,171	39,669	77,472	393,312	12,111,433	0.9685	548,960	153,269	510,599	29,250	0.9685	548,960	153,269	510,599	29,250
Board Local Levy	4,431,857,957		0.002519		134,689,148	11,165,850	325,409	11,489,259	253,526	36,417	71,119	361,062	11,128,197	0.9686	503,947	140,702	468,731	26,852	0.9687	503,947	140,702	468,731	26,852
Charter School Levy	4,431,857,957		0.000120		134,689,148	531,823	17,779	549,602	12,077	1,735	3,388	17,200	532,402	0.9687	24,007	6,703	22,329	1,279	0.9687	24,007	6,703	22,329	1,279
Total School Districts					\$ 33,699,848	\$ 999,528	\$ 34,699,376	\$ 765,318	\$ 109,931	\$ 214,687	\$ 1,089,936	\$ 33,609,440			\$ 1,521,265	\$ 424,736	\$ 1,414,959	\$ 81,057		\$ 1,521,265	\$ 424,736	\$ 1,414,959	\$ 81,057
CITIES AND TOWNS:																							
Vernal City	\$ 589,651,018		0.000713		\$ 35,996,896	420,421	22,390	442,811	13,621	2,381	3,782	19,784	423,027	0.9553	\$ 32,124	\$ 3,314	\$ 27,559	\$ 3,310	0.9381	7,644	2,632	23,103	772
Ballard City	102,248,537		0.002365		4,974,107	241,818	11,500	253,318	8,372	1,060	6,253	15,685	237,633	0.9470	7,880	957	4,021	186	0.9470	7,880	957	4,021	186
Naples City	215,246,137		0.000328		41,259,354	70,601	13,533	84,134	3,867	338	255	4,460	79,674										
Total Cities and Towns					\$ 732,840	\$ 47,423	\$ 780,263	\$ 25,860	\$ 3,779	\$ 10,290	\$ 10,290	\$ 39,929	\$ 740,334										
OTHER DISTRICTS:																							
Central Utah Water	4,431,857,957		0.000400		134,689,148	1,772,743	53,876	1,826,619	40,259	5,783	12,591	58,633	1,767,986	0.9679	\$ 80,024	\$ 24,553	\$ 81,075	\$ 4,753	0.9679	\$ 80,024	\$ 24,553	\$ 81,075	\$ 4,753
Mosquito Abatement	4,431,857,957		0.000245		134,689,148	1,085,805	32,999	1,118,804	24,659	3,542	7,707	35,908	1,082,896	0.9679	49,015	14,652	47,819	2,797	0.9685	94,829	30,093	83,776	5,051
Utah Water Conservancy	4,194,101,588		0.000486		129,687,124	2,038,333	63,028	2,101,361	46,521	6,641	13,020	66,182	2,035,179	0.9421	17,957	1,674	7,943	435	0.9421	17,957	1,674	7,943	435
Ashley Valley Water	839,287,087		0.000178		60,413,958	149,393	10,270	159,663	7,668	1,094	491	9,253	150,410	0.9588	11,691	1,253	4,897	311	0.9588	11,691	1,253	4,897	311
Mieser Water	168,069,933		0.000485		1,905,481	81,514	892	82,406	1,418	1,027	954	3,399	79,007	0.9325	1,793	581	5,080	168	0.9325	1,793	581	5,080	168
Jensen Water	128,910,512		0.000767		13,310,667	98,874	8,998	107,872	1,913	374	2,044	4,331	103,541	0.9325	6,880	447	3,131	136	0.9325	6,880	447	3,131	136
Ballard Water	102,065,804		0.000510		4,984,535	52,055	2,447	54,502	1,951	255	1,473	3,679	50,823	0.9325	1,793	581	5,080	168	0.9325	1,793	581	5,080	168
Omny Park Water	125,625,287		0.000767		59,192	96,355	46	96,401	204	682	693	95,708	72	0.9325	4,450	324	1,674	63	0.9325	4,450	324	1,674	63
Tridell Lapoint Water	63,916,623		0.000636		346,684	40,651	219	40,870	1,428	298	496	2,222	38,648										
Total Other Districts					\$ 5,415,724	\$ 172,775	\$ 5,588,499	\$ 126,021	\$ 19,186	\$ 39,093	\$ 184,300	\$ 5,404,199			\$ 267,321	\$ 74,445	\$ 237,100	\$ 13,786		\$ 267,321	\$ 74,445	\$ 237,100	\$ 13,786
GRAND TOTAL					\$ 55,178,208	\$ 1,680,228	\$ 56,858,437	\$ 1,265,336	\$ 182,903	\$ 367,574	\$ 1,815,813	\$ 55,042,624			\$ 2,528,247	\$ 716,284	\$ 2,379,201	\$ 342,586		\$ 2,528,247	\$ 716,284	\$ 2,379,201	\$ 342,586

SMUIN, RICH & MARSING

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MEMBERS
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UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Board of County Commissioners
Uintah County
Vernal, Utah 84078

RE: Independent Auditor's Report on Compliance and
Report on Internal Control over Compliance as
Required by the State Compliance Audit Guide

Report on Compliance

We have audited Uintah County's compliance with the following applicable state requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended December 31, 2018. State compliance requirements were tested for the year ended December 31, 2018 in the following areas:

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

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Compliance

In our opinion, Uintah County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the State Compliance Audit Guide and which is described in the schedule of findings and questioned costs as item 2018-1. Our opinion on compliance is not modified with respect to this matter.

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

Report On Internal Control Over Compliance.

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

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

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

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

SMUIN, RICH & MARSING



Price, Utah
June 28, 2019

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Board of County Commissioners
Uintah County
Vernal, Utah 84078

RE: Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial
Statements Performed in Accordance With
Government Auditing Standards

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Uintah County as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise Uintah County's basic financial statements and have issued our report thereon dated June 28, 2019. Our report includes a reference to other auditors who audited the financial statements of Uintah Basin Tri-County Mental Health & Substance Abuse Authority, Uintah Recreation Special Service District and Uintah Transportation Special Service District, as described in our report on Uintah County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2018-1.

County's Response

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

Purpose of this Report

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

SMUIN, RICH & MARSING

A handwritten signature in cursive script that reads "Smuin, Rich & Marsing".

Price, Utah

June 28, 2019

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Uintah County
Vernal, Utah 84078

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

Report on Compliance for Each Major Federal Program

We have audited Uintah County's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Uintah County complied, in all material respects with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs, for the year ended December 31, 2018.

Report on Internal Control Over Compliance

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

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

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

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

SMUIN, RICH & MARSING



Price, Utah

June 28, 2019

**UINTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2018**

A. SUMMARY OF AUDIT RESULTS

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

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

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

B. FINDING/FINANCIAL STATEMENT AUDIT

**Finding 2018-1 Limitation on General Fund Balance
State of Utah Legal Compliance**

Statement of Condition:

Uintah County had exceeded the allowable limitation of accumulation of fund balance in the general fund last year. The county made a transfer out of the general fund in the amount of \$3,402,300 to the debt service and capital project funds to reduce the general fund balance and provide fund for the repayment of debt and to accumulate funds for capital improvements. Although revenues went down and expenditures increased in the general fund, Uintah County had still exceed the allowable limitation of accumulation of fund balance in the general fund.

B. FINDING/FINANCIAL STATEMENT AUDIT (Continued)

Criteria:

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

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

Cause of Condition:

During the year-end December 31, 2018, the county made an effort to reduce its general fund balance by transferring out \$3,402,000. But even though revenues have gone down and expenditures have increased in the general fund. The general fund still had a small increase in net position during the year. The county did not reduce the general fund balance to levels required by State code. Some of the cause has to do with additional funds from the state of Utah for inmate housing.

Effect or Possible Effect of Condition:

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

Recommendation:

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

County's Response:

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

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

None

UNTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

FEDERAL CFDA NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCURUED (DEFERRED) REVENUE AT JANUARY 1, 2018	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCURUED (DEFERRED) REVENUE AT DECEMBER 31, 2018
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>							
Passed Through Utah Department of Health:							
93.069	Emergency Preparedness	182700064	\$ 247,893	\$	242,710	\$ 242,710	
93.094	CDC Cancer Screening - Wise Woman	162700954	22,183		3,005	3,005	
93.116	TB Elimination	152700355	2,543		1,624	1,624	
93.268	Immunization - Basic:IAP	172700654	250		171	171	
93.069	HPP Regional Healthcare	182700064	46,804		45,484	45,484	
93.235	Abstinence Education	172700335	231,287		13,977	13,977	
93.323	Enhanced Prion Disease Surveillance	162700396	123,103		47,198	47,198	
93.752	CDC/UCCP Cancer Screening	162700969	1,062		1,062	1,062	
93.558	Sexual Violence Prevention	172700177	5,900		950	950	
93.994	PBG Injury Prevention	172700858	45,000		9,334	9,334	
93.305	Comprehensive Tobacco	162700018	28,045		1,176	1,176	
93.323	Hepatitis Outbreak	182700731	37,154		37,154	37,154	
93.521	ELC - West Nile Virus	172700307	9,766		9,766	9,766	
93.778	ELC - ACA Flu	152700191	27,612		27,612	27,612	
93.994	CHEC	162700979	1,381		1,381	1,381	
93.778	Consumer Education & Assistance	182700024	16,460		16,397	16,397	
93.994	Tri-County CSHC Care	182700024	26,000		25,324	25,324	
93.889	Medical Reserve Corps	182700579	463,060		121,765	121,765	
93.889	Medical Reserve Corps	182700064	11,000		4,021	4,021	
93.977	Sexually Transmitted Diseases - Test	192700040	83,000		33,877	33,877	
93.758	MCH Injury Prevention	152700281	10,175		2,118	2,118	
93.758	MCH Injury Prevention	182700964	27,576		17,793	17,793	
93.757	MCH Injury Prevention	172700858	5,634		3,855	3,855	
93.426	EPICC- Diabetes	162700149	15,930		10,324	10,324	
93.758	EPICC- 1305 Diabetes	162700149	26,550		16,390	16,390	
93.439	EPICC- Injury Prevention	162700149	54,614		53,548	53,548	
93.815	EPICC- HDSP	162700149	12,567		12,567	12,567	
93.940	EPICC- 1815 CVD	162700149	9,802		4,540	4,540	
93.994	EBOLA - Domestic	162700880	10,000		3,101	3,101	
93.994	HIV - Counseling and testing	182700670	1,000		1,000	1,000	
66.605	MCH Block Environmental Quality	162700348	123,540		60,796	60,796	
		18-0395/19-0079	25,000		25,000	25,000	
Total passed through Utah Department of Health				\$ 1,751,891	\$ 855,020	\$ 855,020	\$...
Total U.S. Department of Health and Human Services				\$ 1,751,891	\$ 855,020	\$ 855,020	\$...

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

FEDERAL CFDA NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2018	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2018
10.670	U.S. DEPARTMENT OF AGRICULTURE Direct Program: Forest Patrol	11-LE-11040100-11	\$ 9,000	\$	\$ 5,039	\$ 5,039	\$
	Total direct programs		\$ 9,000	\$	\$ 5,039	\$ 5,039	\$
10.557	Pass Through State Department of Human Services: Special Supplemental Food Program for Women, Infants and Children	152700145	\$ 336,073	\$	\$ 82,989	\$ 82,989 *	\$
10.557	WIC Administration	152700145	315,545		33,961	33,961 *	
10.557	WIC Nutrition	152700145	584,280		584,280	584,280 *	
10.557	WIC Food Vouchers	152700145	55,215		55,215	55,215 *	
10.557	WIC Breastfeeding	152700145	144,076		97,089	97,089 *	
10.557	WIC Client Service	152700145	5,941		5,941	5,941 *	
10.557	WIC Technology Services	152700145	10,271		8,268	8,268 *	
	Total passed through State Department of Human Services		\$ 1,451,401	\$	\$ 867,743	\$ 867,743	\$
	Total U.S. Department of Agriculture		\$ 1,460,401	\$	\$ 872,782	\$ 872,782	\$
97.067	U.S. DEPARTMENT OF HOMELAND SECURITY Pass through State of Utah: Homeland Security Program	DES-2017-SHSP-005	\$ 264,115	\$	\$ 30,609	\$ 30,609	\$
97.042	Emergency Management Performance Grant	EMPG-2018-DEM-052	42,500		42,500	42,500	
97.067	Homeland Security Program	DES-2015-SHSP-005	264,115		24,979	24,979	
97.067	Homeland Security Program	DES-2016-SHSP-005	264,115		30,896	30,896	
97.067	Citizen Corps Conference	SHSP-2014-CIT-005	3,000		844	844	
	Total U.S. Department of Homeland Security		\$ 837,845	\$	\$ 129,828	\$ 129,828	\$

UNITAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2018

FEDERAL CFDA NUMBER	FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2018	RECEIPTS OR REVENUE RECOGNIZED	DISBURSE- MENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2018
<u>U.S. DEPARTMENT OF JUSTICE</u>							
Direct Program:							
16.607	Bullet Proof Vest	2018BUBX18087352	\$ 5,504	\$ 5,504	\$ 5,504	\$ 5,504	\$ 5,504
16.738	Body Cameras	N/A	4,856	4,856	4,856	4,856	4,856
	Total direct programs		\$ 10,360	\$ 10,360	\$ 10,360	\$ 10,360	\$ 10,360
Passed Through Utah Department of Commission on Criminal and Juvenile Justice:							
16.575	Victims of Crime Act	16-V17071	\$ 36,626	\$ 36,626	\$ 36,626	\$ 36,626	\$ 36,626
16.575	Victims of Crime Act	15-V17071	102,561	22,447	22,447	22,447	22,447
16.738	Internet Crimes Against Children (ICAC)	N/A	6,000	5,978	5,978	5,978	5,978
16.758	National Children Alliance	15-CHF-X-K001	7,814	7,814	7,814	7,814	7,814
	Total passed through State Commission on Criminal and Juvenile Justice		\$ 153,001	\$ 72,865	\$ 72,865	\$ 72,865	\$ 72,865
	Total U.S. Department of Justice		\$ 163,361	\$ 83,225	\$ 83,225	\$ 83,225	\$ 83,225
<u>U.S. DEPARTMENT OF INTERIOR</u>							
Direct Program:							
15.237	Vfast Grant	N/A	\$ 4,490	\$ 2,626	\$ 2,626	\$ 2,626	\$ 2,626
	Total U.S. Department of Interior		\$ 4,490	\$ 2,626	\$ 2,626	\$ 2,626	\$ 2,626
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>							
Pass through State Department of Transportation:							
20.703	Hazardous Material Emergency Preparedness	HMEP-USA-2018	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
20.106	Airport Land Purchase - Runway Construction	AIP 3-49-0037-24	3,417,083	3,417,083	3,417,083	3,417,083	3,417,083
20.106	Runway Reconstruction	AIP 3-49-0037-33	14,612,762	1,064,344	1,064,344	1,064,344	1,064,344
	Total U.S. Department of Transportation		\$ 18,033,845	\$ 4,485,427	\$ 4,485,427	\$ 4,485,427	\$ 4,485,427
	TOTAL FEDERAL ASSISTANCE		\$ 22,251,833	\$ 6,428,908	\$ 6,428,908	\$ 6,428,908	\$ 6,428,908

* Tested as Major Federal Financial Assistance Programs

UINTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF DECEMBER 31, 2018

1. SIGNIFICANT ACCOUNTING POLICIES

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

2. FOOD INSTRUMENTS

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

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

UINTAH COUNTY
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2018

Uintah County had one follow-up finding reported in the December 31, 2018 audit report. Uintah County needs to follow-up on the finding indicated below:

Finding 2017-1 Limitation on General Fund Balance

Condition: The County has accumulated funds in the general fund balance in excess of levels legally allowed by the State of Utah Code.

Follow-up: Additional follow-up will be required since the same finding is reported in the audit report for the year ended December 31, 2018.