

UTAH COUNTY, UTAH

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012



Published: June 24, 2013

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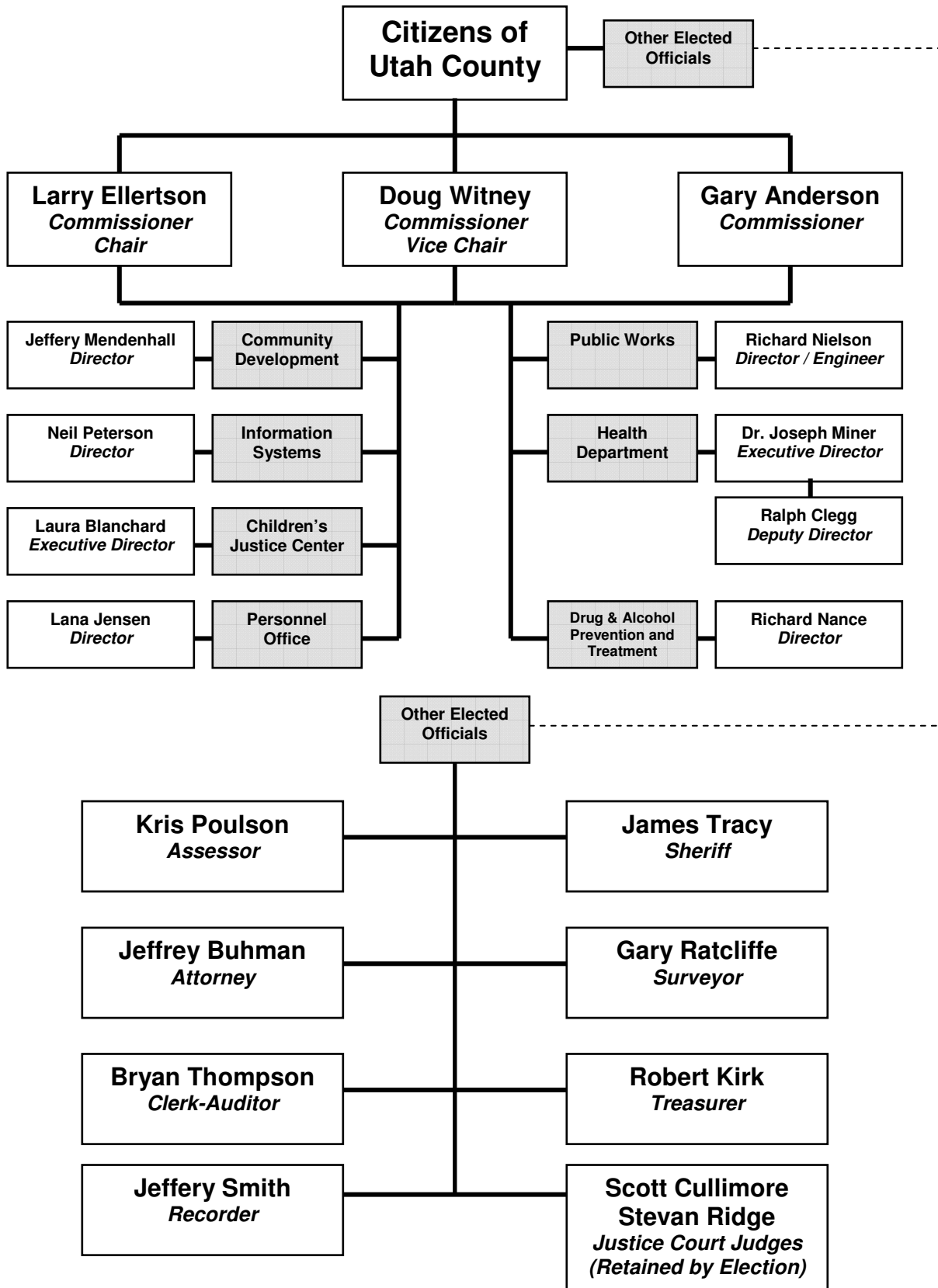
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UTAH COUNTY ORGANIZATIONAL CHART

As of December 31, 2012



FINANCIAL SECTION



GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
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INDEPENDENT AUDITOR'S REPORT

To Honorable Board of County Commissioners
Utah County
Provo, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, (the County) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health, which represent 97 percent of the assets, 98 percent of the revenues, and 97 percent of the net position of the component units. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, Utah Valley Convention and Visitors Bureau, Timpanogos Special Service District, North Pointe Solid Waste Special Service District and Wasatch Mental Health, is based solely upon the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

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

component units, each major fund, and the aggregate remaining fund information of Utah County, Utah, as of December 31, 2012 and the respective changes in financial position, and, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2013, on our consideration of the Utah County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Utah County's internal control over financial reporting and compliance.

GILBERT & STEWART, CPA, PC

Gilbert & Stewart

Provo, Utah 8601
June 24, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

Utah County, Utah
Management's Discussion and Analysis
December 31, 2012

As management of Utah County, Utah, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2012.

Financial Highlights

- At the close of the most recent fiscal year, the assets and deferred outflows of the County exceeded its liabilities by \$287,119,806 (net position). Of this amount, \$38,351,720 represents unrestricted net position, which may be used to meet the County's ongoing obligations to citizens and creditors. The County's total net position decreased by \$33,670,980.
- At the close of the current fiscal year, the County's governmental funds reported combined fund balances of \$112,428,246, a decrease of \$28,418,423 in comparison with the prior year. Approximately 18 percent of this amount (\$13,948,807) is available for spending at the County's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$22,262,981, or approximately 35 percent of total general fund expenditures.
- The County's total outstanding long-term debt increased by \$40,870,000 during the current fiscal year because:
 - Principal debt payments of \$2,540,000 in general obligation bonds originally issued for construction of the County Administration Building, County Security Center, and UCCU Events Center.
 - Principal debt payments of \$3,140,000 in revenue bonds originally issued to (1) refund the 2001 revenue bonds issued for construction of the Health & Justice Building and Utah County Animal Shelter and (2) provide funding for expansion of the Utah County Jail.
 - Principal debt payments of \$3,050,000 in revenue bonds originally issued for costs associated with various transportation projects within the County.
 - Principal debt payments of \$700,000 in revenue bonds originally issued for construction of the Utah Valley Convention Center.
 - Principal debt payments of \$150,000 for energy improvements to County-owned buildings.
 - Issuance of \$51.675 million in Series 2012 Sales Tax Revenue Bonds for the purpose of financing transportation projects within the County and principal debt payments of \$1,225,000 for these same bonds.

Overview of the Financial Statements

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

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

- The statement of net position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. Consideration should also be given to other non-financial factors that may affect the net position.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities by \$287,119,806 at the close of the most recent fiscal year.

The largest portion of the County's net position (\$180,012,571 or 63 percent) reflects its investment in capital assets (e.g. land, rights of way, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (\$68,755,515 or 24 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$38,351,720 is unrestricted and may be used to meet the County's ongoing obligations to its citizens and creditors.

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

The County's overall net position decreased by \$33,670,980 (10 percent) from the prior fiscal year. The reasons for this overall decrease are discussed in the following section.

Utah County's Net Position

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Current and other assets	\$141,130,488	\$171,853,066	\$ 0	\$ 0	\$141,130,488	\$171,853,066
Capital assets	413,759,444	373,382,091	0	0	413,759,444	373,382,091
Total assets	554,889,932	545,235,157	0	0	554,889,932	545,235,157
Long-term liabilities outstanding	245,142,088	201,299,889	0	0	245,142,088	201,299,889
Other liabilities	17,112,909	18,982,364	0	0	17,112,909	18,982,364
Total liabilities	262,254,997	220,282,253	0	0	262,254,997	220,282,253
Total deferred inflows of resources	5,515,129	4,162,118	0	0	5,515,129	4,162,118
Net position:						
Net investment in capital assets	180,012,571	207,282,916	0	0	180,012,571	207,282,916
Restricted	68,755,515	89,872,270	0	0	68,755,515	89,872,270
Unrestricted	38,351,720	23,635,600	0	0	38,351,720	23,635,600
Total net position	\$287,119,806	\$320,790,786	\$ 0	\$ 0	\$287,119,806	\$320,790,786

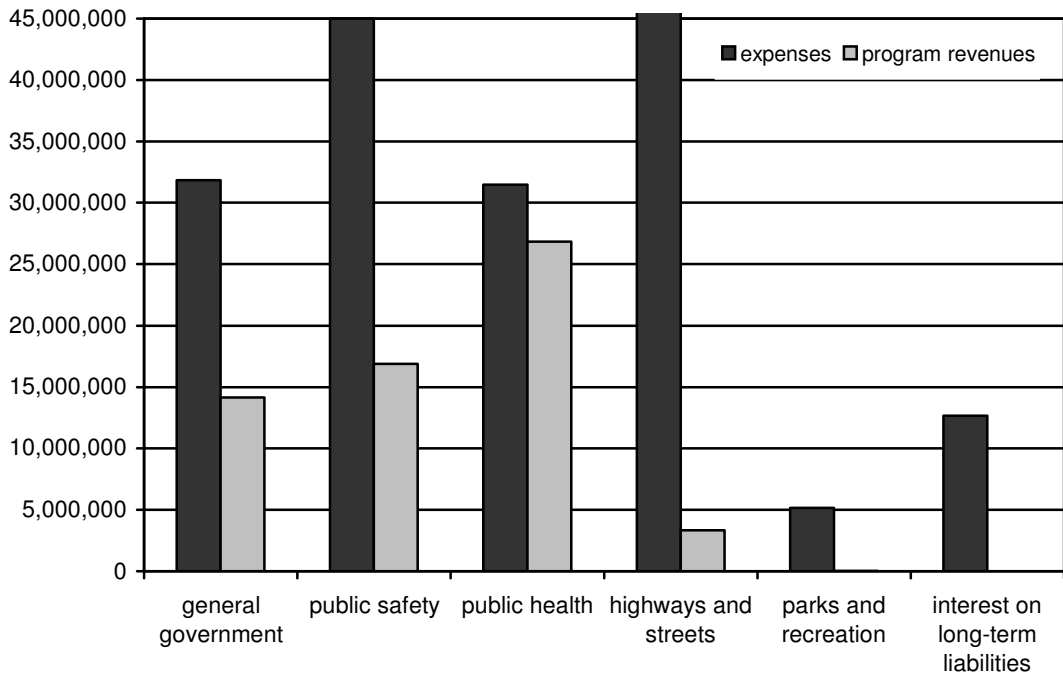
Governmental activities. As the County has no business-type activities, the overall decrease of the County's net position by \$33,670,980 is solely attributed to governmental activities. Key elements of this decrease are as follows:

- The County was required to make changes in the presentation of its financial statements as required by the Governmental Accounting Standards Board ("GASB"). For example, the County previously was required to amortize bond issuance costs over the life of the bond. Under the new GASB requirements, the County is required to expense the bond issuance costs when the bonds are issued. Therefore, the unamortized portion of the bond issuance costs for bonds issued prior to 2012 were fully reflected in the current Statement of Net Position
- The County had an interlocal agreement with Utah Transit Authority ("UTA") whereby the County borrowed \$55.2 million from UTA's portion of the fixed guideway (or Section 2216) sales tax to fund transportation projects such as Pioneer Crossing and North County Boulevard. The County received this revenue upfront which significantly increased the County's net position several years ago. During 2012 the County issued bonds to fully repay UTA rather than repaying the amount over the next several decades. Because of this full repayment the County's net position decreased dramatically during the current fiscal year. The full repayment to UTA represents a significant interest savings to the County and also provided immediate operational funding for FrontRunner South which began operating in December 2012.

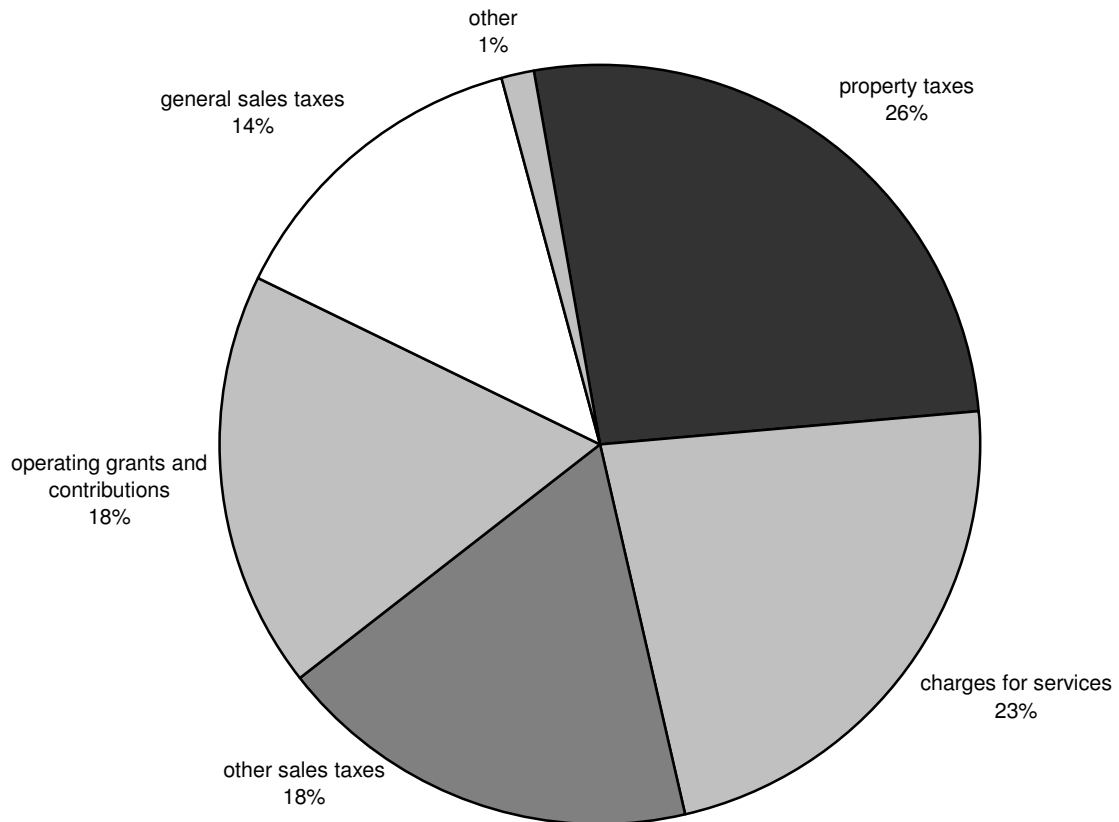
Utah County's Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program revenues:						
Charges for services	\$ 34,304,626	\$ 31,959,243	\$ 0	\$ 0	\$ 34,304,626	\$ 31,959,243
Operating grants and contributions	26,923,158	23,574,720	0	0	26,923,158	23,574,720
Capital grants and contributions	0	0	0	0	0	0
General revenues:						
Property taxes	40,093,171	40,166,594	0	0	40,093,171	40,166,594
Other taxes	48,403,485	59,555,780	0	0	48,403,485	59,555,780
Other	1,993,640	4,936,946	0	0	1,993,640	4,936,946
Total revenues	151,718,080	160,193,283	0	0	151,718,080	160,193,283
Expenses:						
General government	\$ 31,836,022	\$ 22,277,375	0	0	\$ 31,836,022	\$ 22,277,375
Public safety	44,994,583	43,145,690	0	0	44,994,583	43,145,690
Public health	31,461,770	30,297,323	0	0	31,461,770	30,297,323
Highways and streets	59,278,177	10,168,033	0	0	59,278,177	10,168,033
Parks and recreation	5,156,608	3,184,873	0	0	5,156,608	3,184,873
Interest on long-term debt	12,661,900	11,398,204	0	0	12,661,900	11,398,204
Total expenses	185,389,060	120,471,498	0	0	185,389,060	120,471,498
Increase / (decrease) in net position	(33,670,980)	39,721,785	0	0	(33,670,980)	39,721,785
Net position – beginning	320,790,786	281,069,001	0	0	320,790,786	281,069,001
Net position – ending	\$287,119,806	\$320,790,786	\$ 0	\$ 0	\$287,119,806	\$320,790,786

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Financial Analysis of the County's Funds

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

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

At the end of the current fiscal year, the County's governmental funds reported combined fund balances of \$112,428,246, a decrease of \$28,418,423 in comparison with the prior year. Approximately 12 percent of this amount (\$13,948,807) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is (1) not in spendable form (\$0), (2) legally required to be maintained intact (\$0), (3) restricted for particular purposes (\$66,339,307), (4) committed for particular purposes (\$23,825,958), or (5) assigned for particular purposes (\$8,314,174).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the general fund was \$13,948,807 while total fund balance reached \$22,262,981. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 22 percent of total general fund expenditures while total fund balance represents approximately 35 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$4,928,794 during the current fiscal year. The primary reasons for this increase are (1) the shift in the property tax rate from restricted assessing and collecting property taxes to general property taxes (note: the overall tax rate of the County did not increase), (2) an increase in the general sales taxes distributed to the County, and (3) an increase in the property tax collection rate.

The Health fund, a major fund, had a \$304,545 increase in fund balance during the current fiscal year. The increase in fund balance was caused by good management practices that minimize the cost of personnel expenses. The minimum match provided by the County's general fund plus fees collected exceeded the amount of expenses during the current fiscal year.

The Public Transit Tax fund, a major fund, had an \$11,388,681 decrease in fund balance during the current fiscal year. The large decrease in fund balance was caused mainly by the spending of resources for transportation projects, primarily the construction of North County Boulevard, obtained through the issuance of long-term debt in 2009. That is, the fund balance that resulted from the previous long-term debt issuance was spent down during the current period as the road projects progressed.

The Capital Projects fund, a major fund, had an \$11,646,041 decrease in fund balance during the current fiscal year. The large decrease in fund balance was caused mainly by the spending of resources for construction projects, primarily the construction of the Utah Valley Convention Center, obtained through the issuance of long-term debt in 2010. That is, the fund balance that resulted from the previous long-term debt issuance was spent down during the current period as the road projects progressed.

The Debt Service fund, the remaining major governmental fund, had a decrease in fund balance during the current year of \$2,127,545 to bring the year-end fund balance to \$11,181,362. The decrease is due to balancing the taxes collected for the general obligation debt. Prior collections exceeded the debt service amount because of penalties and interest earned. The tax rate was reduced in the current fiscal year to balance the fund so the budget was developed with the expectation that fund balance would be utilized.

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

Unrestricted net position of the internal service funds at the end of the year amounted to \$13,061,757. The total decrease in net position was \$244,784.

General Fund Budgetary Highlights

During the year there was a \$719,490 increase in appropriations between the original and final amended budgets. Appropriations for public safety increased by \$1,244,906 and appropriations for parks and recreation increased by \$252,229.

Capital Asset and Debt Administration

Capital assets. The County’s investment in capital assets for its governmental activities as of December 31, 2012 amounts to \$413,759,444 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, construction in progress, buildings, improvements other than buildings, equipment, and infrastructure. The total increase in the County’s investment in capital assets for the current fiscal year was 11 percent.

Utah County’s Capital Assets (net of depreciation)

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 42,560,551	\$ 34,024,727	\$ 0	\$ 0	\$ 42,560,551	\$ 34,024,727
Rights of way	211,740	211,740	0	0	211,740	211,740
Construction in progress	0	30,521,206	0	0	0	30,521,206
Buildings	121,633,252	78,521,842	0	0	121,633,252	78,521,842
Improvements other than buildings	4,701,803	5,008,275	0	0	4,701,803	5,008,275
Equipment	7,786,681	6,245,875	0	0	7,786,681	6,245,875
Infrastructure	236,865,417	218,006,227	0	0	236,865,417	218,006,227
Total	\$413,759,444	\$372,539,892	\$ 0	\$ 0	\$413,759,444	\$372,539,892

Major capital asset events occurring during the current fiscal year include substantial completion of the Utah Valley Convention Center located in Provo. A public grand opening for the Utah Valley Convention Center was held May 12, 2012.

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

Long-term debt. At the end of the current fiscal year, the County had total bonded debt outstanding of \$241,010,000. Of this amount, \$1,680,000 is debt backed by the full faith and credit of the government and \$239,330,000 is debt that is secured solely by specific revenue sources.

The County’s total debt increased by \$40,870,000 (20 percent) during the current fiscal year. The key factor in this increase was the issuance of \$51.675 million in Series 2012 Sales Tax Revenue Bonds for the purpose of financing transportation projects within the County. Previous to the issuance of these bonds, the County had an interlocal agreement with Utah Transit Authority (“UTA”) whereby the County borrowed \$55.2 million from UTA’s portion of the fixed guideway (or Section 2216) sales tax to fund transportation projects such as Pioneer Crossing and North County Boulevard. The interlocal agreement stipulated that the County would repay interest to UTA at a rate of 5 percent. The issuance of these bonds not only reduced the interest payments due to UTA, but also provided immediate operational funding for FrontRunner South, which began service in Utah County in December 2012.

Utah County’s Outstanding Debt General Obligation and Revenue Bonds

	Governmental activities		Business-type activities		Total	
	2012	2011	2012	2011	2012	2011
General obligation bonds	\$ 1,680,000	\$ 4,220,000	\$ 0	\$ 0	\$ 1,680,000	\$ 4,220,000
Revenue bonds	239,330,000	195,920,000	0	0	239,330,000	195,920,000
Total	\$241,010,000	\$200,140,000	\$ 0	\$ 0	\$241,010,000	\$200,140,000

The State of Utah statutorily limits the amount of general obligation debt a county may issue to two percent of the fair market value of the taxable property in the county. The fair market value of the taxable property in the county is at least \$36.5 billion; therefore, the current debt limitation for the County is at least \$730 million, which is significantly in excess of the County’s outstanding general obligation debt.

On January 10, 2012, the Board of County Commissioners approved a resolution finalizing the terms and conditions of the issuance and sale of excise tax revenue bonds not to exceed \$3.8 million for the purpose of financing all or a portion of the costs of acquiring, constructing, equipping, and furnishing a museum and related improvements and facilities to be located at Thanksgiving Point in Lehi. While the bonds have been authorized, as of the date of this report, they have not yet been issued.

Economic Factors and Next Year’s Budgets and Rates

- The annual average unemployment rate for the County during 2012 was 5.5 percent (seasonally adjusted). This compares favorably to both the State’s unemployment rate of 5.7 percent (seasonally adjusted) and to the average seasonally adjusted national unemployment rate of 8.1 percent (Source: U.S. Department of Labor, Bureau of Labor Statistics and Utah Department of Workforce Services).
- Utah County’s estimated population in 2012 was 540,504. Utah County is the second most populous county in the state (Source: U.S. Census Bureau Population Division). New growth generates additional property tax and sales tax revenues.
- The County continues to build a foundation for stronger economic growth. The Provo Municipal Airport has regularly scheduled commercial airline service (Allegiant Air currently operates flights between Provo and Los Angeles, Oakland/San Francisco, and Phoenix/Mesa). Xactware, a data analytics software company, broke ground on a new facility in Lehi in August 2012. The Governor’s Office of Economic Development estimates the company will spend \$130 million on the new facility and infrastructure and

that, over the life of a 20-year tax incentive agreement the company made with the state, the company will create 859 new full-time positions with full benefits.

- Forbes ranked Provo-Orem as the #2 Best Place for Business and Careers.
- The Murdock Canal Trail will open in 2013. The \$17 million trail was funded through a joint effort between Utah County, cities in the area, and the Provo River Waters Users Association. The trail extends from 800 North in Orem to state Route 92 in Lehi and passes through seven Utah County cities—American Fork, Cedar Hills, Highland, Lehi, Lindon, Orem, and Pleasant Grove.
- A decrease in property values does not affect the County's projected property tax revenue. The Utah State Tax Commission uses a property tax formula that generally allows counties to generate the same amount of property tax each year. If property values increase, the property tax rate automatically decreases and vice versa. If the County wishes to adopt a rate in excess of the calculated or certified rate, it must be done through a truth-in-taxation process that involves holding public hearings prior to the adoption of the budget. The Board of Utah County Commissioners did not elect to raise the general property tax rates in either 2012 or 2013.

These factors were considered in preparing the County's budget for 2013.

During the current fiscal year, unassigned fund balance in the general fund increased to \$13,948,807. The County has appropriated \$843,067 of this amount for spending in the 2013 budget. The use of available fund balance is a one-time funding source that will not be available in subsequent years.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

UTAH COUNTY
Statement of Net Position
December 31, 2012

	Primary Governmental Activities	Component Units
Assets and Deferred Outflows of Resources		
Assets:		
Cash and Investments	\$ 110,539,435	\$ 53,329,297
Receivables:		
Taxes Receivable	18,457,292	53,252
Other	11,249,759	8,080,015
Inventories	434,902	11,795
Other Current Assets	449,100	782,112
Capital Assets (net of depreciation):		
Land	42,560,551	5,880,256
Rights of Way	211,740	437,671
Construction In Progress	-	74,909,419
Buildings	121,633,252	-
Improvements Other Than Buildings	4,701,803	-
Equipment	7,786,681	70,632,027
Infrastructure	236,865,417	-
Other Non Current Assets	-	20,118,792
Total Assets	<u>554,889,932</u>	<u>234,234,636</u>
Deferred Outflow of Resources	-	153,639
Total Assets and Deferred Outflow of Resources	<u>554,889,932</u>	<u>234,388,275</u>
Liabilities and Deferred Inflows of Resources		
Liabilities:		
Accounts Payable and Accruals	\$ 5,423,971	\$ 1,618,021
Accrued Interest	1,027,834	457,476
Other Liabilities	537,273	3,763,650
G.O. Bonds Payable - Due Within One Year	1,680,000	-
Revenue Bonds - Due Within One Year	8,443,831	3,281,872
Noncurrent liabilities:		
Revenue Bonds - Due More Than One Year	233,221,088	83,797,423
Compensated Absences and Other Post Employment Benefits	11,921,000	1,330,627
Total Liabilities	<u>262,254,997</u>	<u>94,249,069</u>
Deferred Inflow of Resources	5,515,129	95,175
Total Liabilities and Deferred Inflow of Resources	<u>267,770,126</u>	<u>94,344,244</u>
Net Position:		
Net investment in capital assets	180,012,571	71,305,437
Restricted for:		
Debt Service	11,181,362	14,954,202
Assessing and Collecting Property Tax	3,383,363	-
Transient Room Tax	444,220	-
Public Transit Tax	49,624,937	-
Restaurant Tax	4,121,633	-
Unrestricted	38,351,720	53,784,392
Total Net Position	<u>\$ 287,119,806</u>	<u>\$ 140,044,031</u>

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

UTAH COUNTY
Statement of Activities
Year Ended December 31, 2012

Functions Primary Government	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Total Governmental Activities	Total	
Governmental activities:							
General Government	\$ 31,836,022	\$ 14,151,455	\$ -	\$ -	\$ (17,684,567)	\$ (17,684,567)	\$ -
Public Safety	44,994,583	12,461,235	4,434,594	-	(28,098,754)	(28,098,754)	-
Public Health	31,461,770	7,691,936	19,127,614	-	(4,642,220)	(4,642,220)	-
Highways and Streets	59,278,177	-	3,342,588	-	(55,935,589)	(55,935,589)	-
Parks and Recreation	5,156,608	-	18,362	-	(5,138,246)	(5,138,246)	-
Interest on Long-term Liabilities	12,661,900	-	-	-	(12,661,900)	(12,661,900)	-
Total County	<u>\$ 185,389,060</u>	<u>\$ 34,304,626</u>	<u>\$ 26,923,158</u>	<u>\$ -</u>	<u>(124,161,276)</u>	<u>(124,161,276)</u>	<u>-</u>
Component Units							
Timpanogos Special Service District	\$ 11,920,466	\$ 13,089,430	\$ -	\$ -	\$ -	\$ -	\$ 1,168,964
North Pointe Solid Waste Special Service District	7,400,844	6,953,623	-	-	-	-	(447,221)
North Fork Special Service District	1,022,358	1,067,154	-	-	-	-	44,796
Utah Valley Convention and Visitors Bureau	1,392,951	1,282,732	-	-	-	-	(110,219)
Wasatch Mental Health	25,900,919	25,950,088	-	-	-	-	49,169
	-	-	-	-	-	-	-
	<u>\$ 47,637,538</u>	<u>\$ 48,343,027</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ 705,489</u>
General revenues:							
Property Taxes					35,954,408	35,954,408	-
Fee in Lieu of Property Taxes					2,267,981	2,267,981	-
Assessing And Collecting					-	-	-
Sales Taxes					40,230,287	40,230,287	-
Penalties and Interest					1,870,782	1,870,782	-
Restaurant Tax					6,048,236	6,048,236	-
Transient Room Tax					2,124,962	2,124,962	-
Earnings on Investments					934,594	934,594	572,597
Impact Fees and Other					-	-	10,934,526
Miscellaneous					1,059,046	1,059,046	-
Total general revenues					<u>90,490,296</u>	<u>90,490,296</u>	<u>11,507,123</u>
Change in net position					(33,670,980)	(33,670,980)	12,212,612
Net position - beginning					<u>320,790,786</u>	<u>320,790,786</u>	<u>127,831,419</u>
Net position - ending					<u>\$ 287,119,806</u>	<u>\$ 287,119,806</u>	<u>\$ 140,044,031</u>

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

UTAH COUNTY
Balance Sheet
Governmental Funds
December 31, 2012

	Major Funds				Debt Service	Other Governmental Funds	Total Governmental Funds
	General	Health Fund	Public Transit Tax	Capital Projects			
Assets:							
Cash and Investments	\$ 23,481,738	\$ 4,450,419	\$ 43,008,623	\$ 8,282,092	\$ 11,141,344	\$ 13,138,485	\$ 103,502,701
Receivables:							
Taxes	11,271,484	-	3,381,271	-	41,601	3,762,936	18,457,292
Other Receivables	2,158,030	1,533,798	3,253,897	-	-	3,895,546	10,841,271
Due From Other Funds	2,325,000	-	-	-	-	-	2,325,000
Other Assets	4,719	26,170	218,369	-	-	200,932	450,190
Total Assets	<u>\$ 39,240,971</u>	<u>\$ 6,010,387</u>	<u>\$ 49,862,160</u>	<u>\$ 8,282,092</u>	<u>\$ 11,182,945</u>	<u>\$ 20,997,899</u>	<u>\$ 135,576,454</u>
Liabilities, Deferred Inflows of Resources and Fund Balances:							
Liabilities:							
Accounts Payable and Accruals	\$ 2,437,538	\$ 370,309	\$ 237,223	\$ 49,557	\$ 1,500	\$ 1,055,745	\$ 4,151,872
Due to Other funds	-	-	-	-	-	2,107,000	2,107,000
Other Liabilities	10,703,036	-	-	-	-	671,171	11,374,207
Total Liabilities	13,140,574	370,309	237,223	49,557	1,500	3,833,916	17,633,079
Deferred Inflow of Resources	3,837,416	499,032	-	-	83	1,178,598	5,515,129
Total Liabilities and Deferred Inflows of Resources	<u>16,977,990</u>	<u>869,341</u>	<u>237,223</u>	<u>49,557</u>	<u>1,583</u>	<u>5,012,514</u>	<u>23,148,208</u>
Fund Balances:							
Restricted for:							
Transient Room tax	-	-	-	-	-	444,220	444,220
Assessing and Collecting	-	-	-	-	-	3,383,363	3,383,363
Public Transit Tax	-	-	39,581,955	-	-	-	39,581,955
TRCC Tax	-	-	-	-	-	4,121,633	4,121,633
Special Service Areas	-	-	-	-	-	6,958,305	6,958,305
Bond Proceeds	-	-	10,042,982	218,782	-	-	10,261,764
Debt Service	-	-	-	-	1,588,067	-	1,588,067
Committed for:							
Public Health and Welfare	-	5,141,046	-	-	-	543,952	5,684,998
Public Safety	-	-	-	-	-	533,912	533,912
Capital Projects	-	-	-	8,013,753	-	-	8,013,753
Debt Service	-	-	-	-	9,593,295	-	9,593,295
Assigned for:							
Retiree Health Care	872,574	-	-	-	-	-	872,574
Medicare Reserve	600,000	-	-	-	-	-	600,000
Assessing and Collecting	3,775,838	-	-	-	-	-	3,775,838
Equipment Replacement	3,065,762	-	-	-	-	-	3,065,762
Unassigned:							
General Fund	13,948,807	-	-	-	-	-	13,948,807
Total Fund Balances	<u>22,262,981</u>	<u>5,141,046</u>	<u>49,624,937</u>	<u>8,232,535</u>	<u>11,181,362</u>	<u>15,985,385</u>	<u>112,428,246</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 39,240,971</u>	<u>\$ 6,010,387</u>	<u>\$ 49,862,160</u>	<u>\$ 8,282,092</u>	<u>\$ 11,182,945</u>	<u>\$ 20,997,899</u>	<u>\$ 135,576,454</u>

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

UTAH COUNTY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2012

Total fund balances for governmental funds \$ 112,428,246

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

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

Land	\$ 42,560,551	
Rights of Way	211,740	
Buildings net of accum. depreciation of \$21,573,960	121,633,252	
Improvements other than buildings net of accum. depreciation \$3,524,175	4,701,803	
Equipment net of accum. depreciation of \$13,909,349	7,786,681	
Infrastructure	<u>236,865,417</u>	413,759,444

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (1,027,834)

Unamortized bond premiums originally shown as revenue in the governmental funds -

Unamortized bond discounts originally shown as expenditures the governmental funds -

Internal service funds are used by management to provide a method of charging individual funds and departments for use of facilities, communication systems, fleet, information systems support, and other services. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service funds unrestricted net position at year-end are: 6,522,833

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

General obligation bonds	(1,680,000)	
Revenue bonds	(239,330,000)	
Compensated absences	<u>(1,217,964)</u>	<u>(242,227,964)</u>
Total net assets of governmental activities		<u><u>\$ 289,454,725</u></u>

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

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2012

	Major Funds					Other Governmental Funds	Total Governmental Funds
	General	Health Fund	Public Transit Tax	Capital Projects	Debt Service		
Revenues:							
Property Taxes	\$ 30,471,218	\$ -	\$ -	\$ -	483,397	\$ 9,138,556	\$ 40,093,171
Sales Taxes	20,889,252	-	19,341,035	-	-	8,173,198	48,403,485
Licenses and Permits	267,499	-	-	-	-	-	267,499
Intergovernmental	776,993	12,263,205	3,342,588	2,680,000	3,491,991	10,054,125	32,608,902
Charges for Service	13,351,122	7,438,849	-	-	-	4,558,884	25,348,855
Fines and Forfeitures	3,002,528	-	-	-	-	-	3,002,528
Interest	191,855	26,669	428,671	97,121	40	190,238	934,594
Miscellaneous	215,220	100,561	159,344	9,257	-	574,664	1,059,046
Total revenues	<u>69,165,687</u>	<u>19,829,284</u>	<u>23,271,638</u>	<u>2,786,378</u>	<u>3,975,428</u>	<u>32,689,665</u>	<u>151,718,080</u>
Expenditures:							
Current:							
General Government	20,872,127	-	-	20,759,162	-	14,123,214	55,754,503
Public Safety	40,465,240	-	-	-	-	3,375,025	43,840,265
Public Health	756,240	22,002,486	-	-	-	8,301,890	31,060,616
Highways and Public Improv.	-	-	78,011,759	-	-	-	78,011,759
Parks and Recreation	1,484,323	-	-	-	-	3,365,812	4,850,135
Debt service:							
Principal retirement	-	-	-	-	10,805,000	-	10,805,000
Interest and fiscal charges	-	-	-	-	12,899,871	-	12,899,871
Total expenditures	<u>63,577,930</u>	<u>22,002,486</u>	<u>78,011,759</u>	<u>20,759,162</u>	<u>23,704,871</u>	<u>29,165,941</u>	<u>237,222,149</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,587,757</u>	<u>(2,173,202)</u>	<u>(54,740,121)</u>	<u>(17,972,784)</u>	<u>(19,729,443)</u>	<u>3,523,724</u>	<u>(85,504,069)</u>
Other financing sources (uses):							
Transfers In	4,554,556	2,477,747	-	6,326,743	17,601,898	822,337	31,783,281
Transfers Out	(5,213,519)	-	(10,649,054)	-	-	(12,835,556)	(28,698,129)
Issuance of Bonds	-	-	51,675,000	-	-	-	51,675,000
Payments For Bond Redemption	-	-	-	-	-	-	-
Bond Premiums and Discounts	-	-	2,325,494	-	-	-	2,325,494
Total other financing sources (uses)	<u>(658,963)</u>	<u>2,477,747</u>	<u>43,351,440</u>	<u>6,326,743</u>	<u>17,601,898</u>	<u>(12,013,219)</u>	<u>57,085,646</u>
Net change in fund balances	4,928,794	304,545	(11,388,681)	(11,646,041)	(2,127,545)	(8,489,495)	(28,418,423)
Fund balances - beginning	<u>17,334,187</u>	<u>4,836,501</u>	<u>61,013,618</u>	<u>19,878,576</u>	<u>13,308,907</u>	<u>24,474,880</u>	<u>140,846,669</u>
Fund balances - ending	<u>\$ 22,262,981</u>	<u>\$ 5,141,046</u>	<u>\$ 49,624,937</u>	<u>\$ 8,232,535</u>	<u>\$ 11,181,362</u>	<u>\$ 15,985,385</u>	<u>\$ 112,428,246</u>

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

UTAH COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2012

Net change in fund balances for governmental funds \$ (28,418,423)

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

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

Capital outlays	\$ 46,190,336	
Depreciation expense	<u>(3,232,764)</u>	42,957,572

The net effect of various miscellaneous transactions involving capital assets (i.e. trade ins, disposals, or annexations). (3,728,270)

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Issuance of long term obligations	(51,675,000)	
Repayment of bond principal	10,805,000	
Bond discounts	(1,201,026)	
Bond premiums	(2,046,663)	
Changes in compensated absences	(78,526)	
Interest expense - general obligation bonds	<u>(40,860)</u>	(44,237,075)

Internal service funds are used by management to charge the costs of information systems, fleet, building maintenance, communications, and other services to individual funds. (244,784)

Change in net position of governmental activities \$ (33,670,980)

UTAH COUNTY
Statement of Net Position
Proprietary Funds
December 31, 2012

	<u>Governmental Activities -- Internal Service Funds</u>
Assets:	
Current assets:	
Cash and Investments	\$ 7,036,738
Accounts Receivable	408,484
Inventory	374,165
Prepaid Expenses	<u>59,647</u>
Total Current Assets	<u>7,879,034</u>
Non Current Assets	
Capital Assets	
Equipment, Vehicles, Furniture, Other	18,062,899
Less Accumulated Depreciation	<u>(11,523,975)</u>
Total Non Current Assets	<u>6,538,924</u>
Total Assets	<u>14,417,958</u>
Liabilities:	
Current Liabilities	
Accounts Payable & Accrued Liabilities	<u>1,356,201</u>
Total liabilities	<u>1,356,201</u>
Net Position:	
Net Investment in Capital Assets	6,538,924
Unrestricted	<u>6,522,833</u>
Total Net Position	<u><u>\$ 13,061,757</u></u>

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

UTAH COUNTY
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended December 31, 2012

	<u>Governmental Activities -- Internal Service Funds</u>
Operating Revenues:	
Charges For Services	<u>\$ 17,628,288</u>
Operating Expenses:	
Salaries, Wages, Benefits	5,827,442
Supplies, Materials, Services	7,301,614
Depreciation	<u>1,726,630</u>
Total Operating Expenses	<u>14,855,686</u>
Operating income (loss)	<u>2,772,602</u>
Nonoperating Income:	
Sale Capital Assets	15,943
Grants and Other Revenues	-
Earnings on Investments	<u>51,824</u>
Total Non Operating Income	<u>67,767</u>
Other Financing Sources and (Uses):	
Transfers In	-
Transfers (Out)	<u>(3,085,153)</u>
Total Other Financing Sources and (Uses)	<u>(3,085,153)</u>
Change In Net Position	(244,784)
Total Net Position - Beginning	<u>13,306,541</u>
Total Net Position - Ending	<u><u>\$ 13,061,757</u></u>

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

UTAH COUNTY
Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2012

	Governmental Activities -- Internal Service Funds
Cash flows from operating activities:	
Receipts From Interfund Services Provided	\$ 17,752,624
Payments For Salaries, Wages, Benefits	(5,827,442)
Payments For Supplies, Materials, Services	(6,706,252)
Net cash provided by operating activities	5,218,930
Cash flows from noncapital financing activities:	
Operating Transfers	(3,085,153)
Cash flows from capital and related financing activities:	
Purchase of Capital Assets	(2,874,681)
Receipts From Sale of Capital Assets	15,943
Net cash provided by capital and related financing activities	(2,858,738)
Cash flows from investing activities:	
Interest and Grants Received	51,824
Net increase in cash and cash equivalents	(673,137)
Cash and cash equivalents - beginning	7,709,875
Cash and cash equivalents - ending	\$ 7,036,738
Displayed on statements of fund net assets as:	
Cash and Investments	\$ 7,036,738
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	\$ 2,772,602
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	1,726,630
(Increase) decrease in accounts receivable	124,355
(Increase) decrease in inventory	(64,121)
Increase (decrease) in accounts payable	659,464
Total adjustments	2,446,328
Net cash provided by operating activities	\$ 5,218,930
Noncash investing, capital, and financing activities:	none

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

UTAH COUNTY
Statement of Fiduciary Net Position
Agency Funds
December 31, 2012

	<u>Agency Funds</u>
Assets:	
Cash and Investments	\$ 55,232,113
Taxes Receivable	880,435
Accounts Receivable	34,056
Other Assets	5,488
Total Assets	<u><u>\$ 56,152,092</u></u>
Liabilities:	
Due To Other Taxing Units or Entities	\$ 55,785,654
Other Payables	366,438
Total Liabilities	<u><u>\$ 56,152,092</u></u>

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying basic financial statements present the financial position of various fund types and account groups and the results of operations of the various fund types. The basic financial statements are presented for the year ended December 31, 2012.

A. Reporting Entity

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

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

Blended Component Units

The County's financial statements include several blended component units as follows:

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

Blended means that the component unit balances and transactions are combined with balances and transactions of the County. The component units are blended because they have

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

substantially the same governing board as the County and management of the County has operational control. All of these blended component units are presented as non-major special revenue funds.

Discretely Presented Component Units

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

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

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

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

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

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

Administrative Offices:

Utah Valley Convention & Visitors Bureau
Provo, Utah 84601
Fiscal Year Ending 12/31/12
Report Dated March 19, 2013

Timpanogos Special Service District
5050 West 6400 North
American Fork, Utah 84003
Report Dated March 20, 2013

North Pointe Solid Waste Special Service District
2008 West 200 South
Lindon, Utah 84042
Fiscal Year Ending 12/31/12
Report Dated March 25, 2013

Wasatch Mental Health
750 North 200 West
Provo, Utah 84042
Fiscal Year Ending 6/30/12
Report dated November 14, 2012

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

North Fork Special Service District
Sundance, Utah 84604
Fiscal Year Ending 12/31/12
Report Dated June 20, 2013

Related Organizations

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

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UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

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

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Visitors and Convention Bureau	Wasatch Mental Health	Total
<u>Assets and Deferred Outflow of Resources</u>						
Current Assets	\$ 39,612,782	\$ 6,501,210	\$ 1,346,730	\$ 287,807	\$ 14,507,942	\$ 62,256,471
Capital Assets (Net)	132,774,827	6,023,359	6,679,643	33,144	6,348,400	151,859,373
Other Assets	19,420,504	123,983	-	176,812	397,493	20,118,792
Total Assets	191,808,113	12,648,552	8,026,373	497,763	21,253,835	234,234,636
Deferred Outflow of Resources	-	153,639	-	-	-	153,639
Total Assets and Deferred Outflow of Resources	191,808,113	12,802,191	8,026,373	497,763	21,253,835	234,388,275
<u>Liabilities and Deferred Inflow of Resources</u>						
Current Liabilities	5,507,762	438,834	150,917	97,074	2,926,432	9,121,019
Long-Term debt	80,728,669	104,146	2,964,608	-	1,330,627	85,128,050
Total Liabilities	86,236,431	542,980	3,115,525	97,074	4,257,059	94,249,069
Deferred Inflow of Resources	-	-	-	95,175	-	95,175
Total Liabilities and Deferred Inflow of Resources	86,236,431	542,980	3,115,525	192,249	4,257,059	94,344,244
Net Position	105,571,682	12,259,211	4,910,848	305,514	16,996,776	140,044,031
Net Postion	\$ 105,571,682	\$ 12,259,211	\$ 4,910,848	\$ 305,514	\$ 16,996,776	\$ 140,044,031

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Operating Revenue	\$ 13,089,430	\$ 6,953,623	\$ 1,067,154	\$ 1,282,732	\$ 25,950,088	\$ 48,343,027
Operating Expense						
Depreciation	2,136,190	428,268	256,869	9,661	551,564	3,382,552
Other	5,375,213	6,972,576	685,161	1,383,290	25,349,355	39,765,595
Operating Income (Loss)	5,578,027	(447,221)	125,124	(110,219)	49,169	5,194,880
Other Non-Operating Revenue (Expense)	3,945,547	2,251,113	88,756	13,283	719,033	7,017,732
Change in Net Assets	9,523,574	1,803,892	213,880	(96,936)	768,202	12,212,612
Net Position - Beginning	96,048,108	10,455,319	4,696,968	402,450	16,228,574	127,831,419
Net Position- Ending	\$ 105,571,682	\$ 12,259,211	\$ 4,910,848	\$ 305,514	\$ 16,996,776	\$ 140,044,031

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

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

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

The County reports the following major governmental funds:

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

The Public Transit Tax Special Revenue Fund accounts for activities associated with the collection and disbursement of public transit taxes.

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

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

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

The County also reports the following nonmajor funds:

Soldier Summit District; Transient Room Tax; Municipal Building Authority; Service Area #6; Service Area #7; Service Area #8; Service Area #9; Special County Road District; Tourism, Recreation, Cultural and Convention Facilities Tax; Children's Justice; Assessing and Collecting Fund; Substance Abuse Fund; CDBG Grants Fund, Law Enforcement Grants Fund; and Inmate Benefits Fund.

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

Additionally the County reports the following fiduciary fund types:

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

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

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

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

Deposits and Investments:

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

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

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

Capital Assets:

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

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

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

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

Inventory:

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

Compensated Absences:

At December 31, 2012, the County was liable for vacation pay and accrued compensatory time and sick pay for retirement-eligible employees. The liability was computed according to the personnel policy and amounted to \$3,812,678.

Deferred Outflows/Inflows of Resources:

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

the period for which the taxes are levied. The County also reports other unearned income as deferred inflow of resources as it was received before the period in which it was earned.

Long-Term Obligations:

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

In the fund financial statement, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, if any, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity:

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

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories, prepaid expenditures, and endowments are classified as nonspendable.
- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:
 - a) Unspent tax revenues for specific purposes (capital projects, debt service, special service areas, TRT and TRCC taxes,)
 - b) Unspent bond proceeds obtained for specific capital and other projects.
- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the County Commissioners. Fund balance commitments

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

• **NOTE 1 (Continued)**

can only be removed or changed by the same type of action (for example, resolution) of the Commission. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Commission has approved to commit fund balance amounts for the following purposes:

- a) Fund balances have been committed for public health and welfare, public safety, debt service and for certain capital projects.
- **Assigned.** This category includes General Fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the County's administration comprised of the county commission, county auditor and finance officers. Assigned fund balances include retiree health care and a Medicaid reserve fund.
- **Unassigned.** Residual balances in the General Fund are classified as unassigned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use committed resources first, followed by assigned resources, then unassigned resources as they are needed.

E. Budgets and Budgetary Accounting

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

1. On or before the first regularly scheduled meeting of the County Commission in the month of November, the County Auditor prepares a tentative budget for the next budget year.
2. After a public notice has been published, a public hearing is then held on the adoption of the budget.
3. After the public hearing, the County Commission makes final adjustments to the tentative budget.
4. On or before December 31, the County Commission adopts the budget by resolution or ordinance and sets the tax rate for taxes.
5. The budget officer may transfer unexpended budgeted amounts within departments.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

6. The County Commission may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund by resolution.
7. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and followed by resolution of the County Commission.
8. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).

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

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

F. Property Tax Calendar

- | | |
|------------|--|
| January 1 | Lien Date – All property appraised based upon situs and status as of this date (real and personal). |
| March 1 | Taxing entities proposing tax increases are to inform the County auditor of the date, time and place of their public hearing. |
| June 22 | All taxing entities to adopt tentative budgets and proposed tax rates and report them to the county auditor. |
| July 22 | County auditor to prepare and mail Notice of Valuation and Tax Changes to all real property owners, including centrally assessed property owners or in the event that Notices of Valuation and Tax changes are not required, the County auditor is to compute taxes and the County treasurer is to mail tax notices. |
| October 1 | State Tax Commission approves tax rates. |
| November 1 | County auditor is to deliver the equalized assessment roll to the County treasurer with affidavit. |
| November 1 | County auditor to charge the County treasurer to account for all taxes levied. |

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 1 (Continued)

November 1 County treasurer to mail tax notices. Tax notices for calendar year entities include notice of budget hearings.

December 1 Taxes on real property become delinquent.

H. Use of Estimates

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

NOTE 2 – DEPOSITS AND INVESTMENTS

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

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

Deposits – The County’s carrying amount of bank deposits at December 31, 2012, is \$1,280,336 and the bank balance is \$3,374,500 (\$750,000 of which is covered by Federal depository insurance.) Uninsured deposits are not collateralized.

Investments – At December 31, 2012, the County had a balance of \$164,491,214 in investments.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 2 (Continued)

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

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

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

The following are the County’s investments at December 31, 2012:

Investments	Investment Maturities (in Years)				Quality Ratings
	Less Than 1	1-5	6-10	More than 10	
Certificate of Deposit	\$ 1,000,000	\$ -	\$ -	\$ -	Unrated
Money Market Accounts	11,608,672	-	-	-	Unrated
GE Capital Corp Note	-	1,000,000	-	-	A
Utah Public Treasurer's Investment Fund	147,382,542	-	-	-	Unrated
Morgan Stanley Sr. Note	1,500,000	-	-	-	A
Hewlett-Packard Co. Note	-	1,000,000	-	-	A
Merrill Lynch Sr. Note	1,000,000	-	-	-	A+
Total Investments	\$ 162,491,214	\$ 2,000,000	\$ -	\$ -	

Total deposits and investments as described above as of December 31, 2012 are as follows:

Carrying amount of deposits	\$ 1,280,336
Carrying amount of investments	<u>164,491,214</u>
Total cash and investments	<u>\$ 165,771,550</u>

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 3 - INTERFUND LOANS, BALANCES, AND TRANSFERS

At December 31, 2012, the County had the following interfund balances:

	Due To	Due From
General Fund	\$ 2,325,000	\$ -
Substance Abuse Special Revenue Fund	-	1,662,000
Children's Justice Special Revenue Fund	-	15,000
Contract Law Enforcement Sp. Rev. Fund	-	286,000
Radio Internal Service Fund	-	218,000
Totals	\$ 2,325,000	\$ 2,181,000

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

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

	Transfers To:						
	<i>Governmental Activities</i>						
	General	Health	Capital	Debt	Other	Internal	
<i>Governmental Activities:</i>	Fund	Fund	Projects	Service	Governmental	Service	Totals
Major Governmental Funds:	Fund	Fund	Fund	Fund	Funds	Funds	
General Fund	\$ -	\$ 2,477,747	\$ -	\$ 2,163,435	\$ 572,337	\$ -	\$ 5,213,519
Public Transit Fund	-	-	-	10,649,054	-	-	10,649,054
Other Governmental Funds	4,350,979	-	5,977,560	2,207,459	249,981	-	12,785,979
Internal Service Funds	203,577	-	349,203	2,581,950	-	-	3,134,730
Agency Funds	-	-	-	-	-	-	-
Totals	\$ 4,554,556	\$ 2,477,747	\$ 6,326,763	\$ 17,601,898	\$ 822,318	\$ -	\$ 31,783,282

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UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 4 – PROPERTY TAXES

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

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2012 was as follows:

Primary Government Governmental activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 34,024,727	\$ 8,535,824	\$ -	\$ 42,560,551
Rights of Way	211,740	-	-	211,740
Construction In Progress	30,521,206	-	30,521,206	-
Infrastructure	218,006,227	18,859,190	-	236,865,417
Total capital assets not being depreciated	<u>282,763,900</u>	<u>27,395,014</u>	<u>30,521,206</u>	<u>279,637,708</u>
Capital assets being depreciated:				
Buildings	97,425,347	45,781,865	-	143,207,212
Improvements other than buildings	8,225,978	-	-	8,225,978
Machinery and equipment	19,147,941	3,534,663	986,574	21,696,030
Total capital assets being depreciated	<u>124,799,266</u>	<u>49,316,528</u>	<u>986,574</u>	<u>173,129,220</u>

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 5 (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Less accumulated depreciation for:				
Buildings	18,903,505	2,670,455	-	21,573,960
Improvements other than buildings	3,217,703	306,472	-	3,524,175
Machinery and equipment	12,902,066	1,992,467	985,184	13,909,349
Total accumulated depreciation	<u>35,023,274</u>	<u>4,969,394</u>	<u>985,184</u>	<u>39,007,484</u>
Total capital assets, being depreciated, net	<u>89,775,992</u>	<u>44,347,134</u>	<u>1,390</u>	<u>134,121,736</u>
Governmental activities capital assets, net	<u>\$ 372,539,892</u>	<u>\$ 71,742,148</u>	<u>\$ 30,522,596</u>	<u>\$ 413,759,444</u>

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

Governmental activities:

General government	\$ 1,404,452
Public Health	361,940
Public safety	1,091,350
Highways and public improvements	78,550
Parks and recreation	306,472
Internal Service Funds (charged to individual funds based on usage)	1,726,630

Total depreciation expense - governmental activities	<u>4,969,394</u>
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Total depreciation expense	<u>\$ 4,969,394</u>
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NOTE 6 - LONG-TERM OBLIGATIONS

Bonds

2002 Refunding Bonds

During 1986, the Municipal Building Authority (“MBA”) of Utah County, Utah issued \$5.385 million in Lease Revenue Bonds for the purpose of constructing an office complex and parking area used jointly by the State of Utah and Utah County. The 1986 Series A Bonds are not general obligations, but are special limited obligations of the Authority. The 1986 Series A bonds and the interest thereon are payable solely from, and are secured by a pledge of, the base rentals and the purchase option price, if paid by the County, and certain other amounts derived by the MBA under the lease agreement with respect to the County Complex, the proceeds of certain insurance policies,

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

performance bonds, condemnation awards, and liquidation proceeds, if any, and the proceeds, if any, of the Bond Insurance Policy.

On September 8, 1993, the County issued \$10.875 million of Utah County, Utah General Obligation Series 1993B Refunding Bonds to defease the 1986 Series A Bonds.

On November 1, 2002, the County issued \$6.645 million of Utah County, Utah General Obligation Series 2002 Refunding Bonds to defease portions of the outstanding Series 1993B General Obligation Refunding Bonds.

On February 15, 2012, the County made the final debt service payment for these bonds.

2005 Sales Tax and Refunding Bonds

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

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

Due Date	Principal	Interest Rate
November 1 2013	\$ 2,805,000	5.000%
2014	2,945,000	5.000%
2015	3,090,000	4.838%
2016	3,235,000	5.000%
2017	3,395,000	5.000%
2018	1,255,000	4.250%
2019	1,305,000	5.000%
2020	1,370,000	5.000%
	\$ 19,400,000	

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

2006 Sales Tax Bonds

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

Due Date	Principal	Interest Rate
November 1 2013	\$ 475,000	5.000%
2014	500,000	5.000%
2015	525,000	5.000%
2016	550,000	5.000%
2017	575,000	4.125%
2018	600,000	4.200%
2019	625,000	4.200%
2020	650,000	4.250%
2021	675,000	4.250%
	\$ 5,175,000	

2009A Transportation Sales Tax Revenue Bonds

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

Due Date	Principal	Interest Rate
December 1 2013	\$ 2,455,000	2.50% to 4.00%
2014	2,535,000	3.00%
2015	2,615,000	4.00%
2016	2,710,000	3.25% to 4.00%
	\$ 10,315,000	

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

2009B Transportation Sales Tax Revenue Bonds

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

2009A Vehicle Registration Fee Revenue Bonds

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

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 2013	\$ 675,000	2.50%
2014	685,000	2.75%
2015	700,000	4.00%
	<u>\$ 2,060,000</u>	

2009B Vehicle Registration Fee Revenue Bonds

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

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UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

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

2010A Excise Tax Revenue Bonds

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

Due Date	Principal	Interest Rate
December 1 2013	\$ 710,000	4.000%
2014	725,000	2.750%
2015	775,000	3.000%
2016	780,000	5.125%
2017	825,000	5.125%
2018	860,000	5.125%
	\$ 4,675,000	

2010B Excise Tax Revenue Bonds

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

2010C Excise Tax Revenue Bonds

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

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

On October 22, 2010, the County issued \$4.94 million in Taxable Sales Tax Revenue Bonds to finance the costs of energy improvements to County facilities. Principal payments are not due until the year 2012. The Series 2010 Taxable Sales Tax Revenue Bonds were issued as Qualified Energy Conservation Bonds and are eligible for a 70 percent interest subsidy from the U.S. Treasury. Maturities of the Series 2010 Taxable Sales Tax Revenue Bonds are as follows:

Due Date	Principal	Interest Rate
February 1 2013	\$ 160,000	5.39%
2014	170,000	5.39%
2015	180,000	5.39%
2016	265,000	5.39%
2017	280,000	5.39%
2018	300,000	5.39%
2019	315,000	5.39%
2020	335,000	5.39%
2021	355,000	5.39%
2022	375,000	5.39%
2023	395,000	5.39%
2024	410,000	5.39%
2025	415,000	5.39%
2026	415,000	5.39%
2027	420,000	5.39%
	\$ 4,790,000	

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

2011 Refunding Bonds

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

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

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

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
February 15 2013	<u>\$ 1,680,000</u>	3.00%
	<u><u>\$ 1,680,000</u></u>	

2012 Sales Tax Revenue Bonds

On February 14, 2012, the County issued \$51.675 million in Series 2012 Sales Tax Revenue Bonds for the purpose of financing transportation projects within the County. Previous to the issuance of these bonds, the County had an interlocal agreement with Utah Transit Authority (“UTA”) whereby the County borrowed \$55.2 million from UTA’s portion of the fixed guideway (or Section 2216) sales tax to fund transportation projects such as Pioneer Crossing and North County Boulevard. The interlocal agreement stipulated that the County would repay interest to UTA at a rate of 5.00%. The issuance of these bonds not only reduced the interest payments due to UTA, but also provided immediate operational funding for FrontRunner South, which began service in Utah County in December 2012. Maturities of the Series 2012 Sales Tax Revenue Bonds are as follows:

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

<u>Due Date</u>	<u>Principal</u>	<u>Interest Rate</u>
December 1 2013	\$ 885,000	2.00%
2014	900,000	3.00%
2015	930,000	3.00%
2016	960,000	3.00%
2017	930,000	4.00%
2018	945,000	4.00%
2019	945,000	4.00%
2020	950,000	4.00%
2021	945,000	5.00%
2022	950,000	5.00%
2023	950,000	3.00%
2024	925,000	3.00%
2025	890,000	3.00%
2026	850,000	3.00%
2027	800,000	3.00%
2028	755,000	4.00%
2029	675,000	4.00%
2030	640,000	4.00%
2031	585,000	4.00%
2032	430,000	4.00%
2033	410,000	4.00%
2034	315,000	4.00%
2035	6,070,000	4.00%
2036	6,315,000	4.00%
2037	6,570,000	4.00%
2038	6,830,000	4.00%
2039	7,100,000	4.00%
	<u>\$ 50,450,000</u>	

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

A summary of the changes in the long-term debt for the year 2012 is as follows:

Governmental Activities:	January 1			December 31	Due in
	2012	Additions	Retirements	2012	One Yr.
General Obligation Bonds					
2011 GO Refunding Bonds	\$ 3,320,000	\$ -	\$ 1,640,000	\$ 1,680,000	\$ 1,680,000
2002 GO Refunding Bonds	900,000	-	900,000	-	-
Total GO Bonds	<u>4,220,000</u>	<u>-</u>	<u>2,540,000</u>	<u>1,680,000</u>	<u>1,680,000</u>
Revenue Bonds					
2005 Sales Tax Revenue Bonds	22,090,000		2,690,000	19,400,000	2,805,000
2006 Sales Tax Revenue Bonds	5,625,000	-	450,000	5,175,000	475,000
2009A Trans Sales Tax Rev Bonds	12,715,000	-	2,400,000	10,315,000	2,455,000
2009B Trans Sales Tax Rev Bonds	85,490,000	-	-	85,490,000	-
2009A Vehicle Reg Fee Rev Bonds	2,710,000	-	650,000	2,060,000	675,000
2009B Vehicle Reg Fee Rev Bonds	23,775,000	-	-	23,775,000	-
2010A Excise Tax Revenue Bonds	5,375,000	-	700,000	4,675,000	710,000
2010B Excise Tax Revenue Bonds	5,000,000	-	-	5,000,000	-
2010C Excise Tax Revenue Bonds	28,200,000	-	-	28,200,000	-
2010 Taxable Sales Tax Revenue Bonds	4,940,000	-	150,000	4,790,000	160,000
2012 Sales Tax Revenue Bonds	-	51,675,000	1,225,000	50,450,000	885,000
Net Deferred Premiums and Discounts	288,256	2,325,494	278,831	2,334,919	278,831
Total Revenue Bonds	<u>196,208,256</u>	<u>54,000,494</u>	<u>8,543,831</u>	<u>241,664,919</u>	<u>8,443,831</u>
Total Bonds Payable	200,428,256	54,000,494	11,083,831	243,344,919	10,123,831
Compensated Absences	3,733,170	78,526	-	3,811,696	-
OPEB Liability	6,718,463	1,390,841	-	8,109,304	-
	<u>\$ 210,879,889</u>	<u>\$ 55,469,861</u>	<u>\$ 11,083,831</u>	<u>\$ 255,265,919</u>	<u>\$ 10,123,831</u>

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 6 (Continued)

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

<u>Fiscal Year</u>	<u>All Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 9,845,000	\$ 12,940,503	\$ 22,785,503
2014	8,460,000	12,599,685	21,059,685
2015	8,815,000	12,276,177	21,091,177
2016	9,250,000	11,904,684	21,154,684
2017	9,660,000	11,501,372	21,161,372
2018-2022	38,715,000	51,378,671	90,093,671
2023-2027	40,220,000	41,059,186	81,279,186
2028-2032	48,525,000	27,882,186	76,407,186
2033-2037	48,625,000	11,771,088	60,396,088
2038-2042	18,895,000	1,376,663	20,271,663
Totals	<u>\$ 241,010,000</u>	<u>\$ 194,690,214</u>	<u>\$ 435,700,214</u>

Advance Refunding

On August 4, 2005, \$20,975,000 in sales tax revenue bonds with an average interest rate of 4.88 percent were issued to advance refund \$20,670,000 of outstanding lease revenue bonds with an average interest rate of 4.97 percent. The net proceeds of \$23,614,836 (after payment of \$256,700 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the bonds. As a result, the bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements.

Compensated Absences and OPEB

Employees are granted vacation and sick leave in amounts varying with tenure. An employee may accrue up to 240 hours of vacation and unlimited amounts of sick leave. Sick leave may be converted to vacation or cash under certain options available under the plan. As of December 31, 2012, accrued compensated absences amounted to \$3,811,696. As of December 31, 2012, accrued retiree health care liability (OPEB) was \$8,109,304.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 7 - RETIREMENT PLANS

State Retirement System

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

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, Public Safety Retirement System for employers without Social Security coverage. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy. The funding policy is as follows:

	<u>Employee Paid</u>	<u>Paid by Employer for Employee</u>	<u>Employer Contribution Rates</u>
<u>January 2012 - June 2012</u>			
Contributory System:			
Local Government Division Tier 1	N/A	6.00%	9.76%
Local Government Division Tier 2	N/A	N/A	11.92%
Noncontributory System:			
Local Government Division Tier 1	N/A	N/A	13.77%
Public Safety System:			
Other Div A Contributory Tier 2	N/A	N/A	20.25%
Other Div B Contributory Tier 1	N/A	10.50%	19.48%
Other Div B Noncontributory Tier 1	N/A	N/A	28.64%
<u>July 2012 - December 2012</u>			
Contributory System:			
Local Government Division Tier 1	N/A	6.00%	12.30%
Local Government Division Tier 2	N/A	N/A	12.74%
Noncontributory System:			
Local Government Division Tier 1	N/A	N/A	16.04%
Public Safety System:			
Other Div A Contributory Tier 1	N/A	N/A	20.71%
Other Div B Contributory Tier 2	N/A	10.50%	19.48%
Other Div B Noncontributory Tier 1	N/A	N/A	32.20%

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 7 – (Continued)

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

Utah County contributions to the Local Governmental Contributory Retirement System was as follows:

	Employer paid for employee contributions	Employer contributions	Salary subject to retirement contributions
Contributory System:			
Local Government Division Tier 1 and Tier 2			
2012	\$ 56,672	\$ 194,934	\$ 2,054,177
2011	57,387	99,543	1,061,393
2010	56,852	80,572	947,533
Noncontributory System:			
Local Government Division Tier 1			
2012	\$ -	\$ 4,137,903	\$ 28,200,549
2011	-	3,733,182	28,443,419
2010	-	3,393,251	27,115,505
Public Safety System:			
Other Division A Contributory			
2012	\$ -	\$ 25,590	\$ 235,062
2011	-	4,457	41,885
Other Division B Contributory Tier 1			
2012	\$ 7,183	\$ 14,298	\$ 68,410
2011	7,018	12,855	66,838
2010	12,413	20,664	118,214
Other Division B Non Contributory Tier 1			
2012	\$ -	\$ 3,590,365	\$ 11,751,181
2011	-	3,241,236	11,804,790
2010	-	3,069,988	11,277,961

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

Matching contributions to the Defined Contribution 401k plan were \$27,717 for 2012 and \$3,194 for 2011.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 7 – (Continued)

Deferred Compensation Plans

Utah County participates in a 401K plan administered by Nationwide Trust Company. The County will match contributions to the plan up to 6.2% of salary. Contributions during the year were \$2,189,091.

Utah County participates in a 457 Deferred Compensation Plan administered by Nationwide Trust Company. Nationwide Trust Company has adopted Governmental Accounting Standards Board Statement 32 (GASB No. 32), *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. This resulted in reporting the 457 Plans as a “Trust Fund” rather than previously as an “Agency Fund”. Now all of the assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries rather than the assets of the employer. Plan assets are no longer included in the County’s financial statements.

Elected officials of Utah County are eligible to participate in a 401(a) plan administered by NTC. Utah County contributes 25.49% of compensation to the plan for elected officials who opt for this program. An elected official may opt to have the same percentage of compensation deposited in a plan administered by the Utah State Retirement System rather than the 401(a) plan.

NOTE 8 - CONTINGENT LIABILITIES - LITIGATION

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

NOTE 9 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; errors and omissions; violation of civil rights; theft of, damage to, and destruction of assets; and natural disasters. These risks are covered by the County's participation in the Utah Counties Insurance Pool. This is a pooled arrangement where the counties pay experienced rated annual premiums which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. Property physical damage is insured to replacement value; automobile physical damage is insured to actual value with a \$1,000 deductible; other liability is insured up to \$1,000,000, or the statutory limit. The County also provides workers compensation coverage through the Utah Counties Insurance Pool. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 10 – JOINT VENTURE

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

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

As of June 30, 2012

Total assets	\$ 12,841,684
Total liabilities	<u>(46,776)</u>
Total net position	<u>\$ 12,794,908</u>

For the year ended June 30, 2012

Total operating revenue	\$ 819,418
Total operating expense	(1,325,302)
Non operating revenue (exp)	<u>292,179</u>
Net Income	<u>\$ (213,705)</u>

Complete financial statements for the Authority may be obtained at Provo City/Utah Ice Sheet Authority, c/o Provo City Finance Department, 351 West Center St., Provo, UT 84601.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (OBEB)

In addition to pension benefits described in Note 8, the County provides post-retirement health care benefits (“OPEB”) in accordance with County policy to all eligible employees. The other post-employment benefits currently provided by the County include health care benefits and post-employment income benefits for surviving spouses.

Eligibility: General employees are eligible for retiree health care coverage once they have 30 years of service with Utah County. Retiree health care coverage ends when the retiree turns 65.

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 11 – (Continued)

All employees can retire according to the Utah Retirement System eligibility but they have to meet the years of service requirements (i.e., 30 years of service for general employees and 20 years of service for public safety employees) above to get retiree health care coverage thru the County.

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

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

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

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

- Tier 2 – For employees who have completed at least 80% but less than 100% of the required years of service for retiree health care coverage, the County will pay up to \$608.61 per month for health care coverage. The County subsidy will increase according to the premium increase, but not more than 8%.
- Tier 3 – For employees who have completed at least 50% but less than 80% of the required years of service for retiree health care coverage, the County will pay up to \$365 per month for health care coverage. The County subsidy will remain the same in the future.
- Tier 4 – For employees who have completed less than 50% of the required years of service for retiree health care coverage, the County will pay up to \$178.40 per month for health care coverage. The County subsidy will remain the same in the future.

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

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

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

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 11 – (Continued)

If an active employees die prior to retirement (regardless of whether they are eligible for retirement or not), surviving spouse is eligible for post-employment income benefit. The plan will pay the employee’s surviving spouse 30% of the employee’s monthly income at the time of death to age 65 or re-marriage.

Medical Benefit: Same medical benefits are available to retirees as active employees. All health plans are fully-insured and experience-rated.

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

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

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

Annual OPEB Cost and Net OPEB Obligation

	2011	2012
Annual Required Contribution (“ARC”) as of the end of the year	\$842,179	\$948,637
Interest on Net OPEB Obligation (“NOO”) to end of the year	38,127	53,714
NOO amortization adjustment to the ARC	(52,016)	(73,280)
Annual OPEB cost	\$828,290	\$929,071
Total annual employer contribution for pay-as-you-go	(481,912)	(468,242)
Total annual employer contribution for pre-funding	0	0
Change in NOO	\$346,378	\$460,829
NOO as of beginning of year	847,275	1,193,653
NOO as of end of year	\$1,193,653	\$1,654,482

For purposes of determining whether the County has contributed the full amount of the ARC, contributions are limited to amounts paid to outside parties or placed in trust or an equivalent arrangement. Amounts that are simply “earmarked” by the County or otherwise set apart (e.g. designations, separate funds) do not qualify as contributions for accounting purposes. Therefore, while the County has earmarked \$9,796,545 for its OPEB obligations through fund balance

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 11 – (Continued)

designations and balance sheet accruals, because the County has not placed the funding in an outside trust arrangement, the County is considered to finance its OPEB obligations on a pay-as-you-go basis.

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

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

NOTE 12 – SUBSEQUENT EVENTS

On January 10, 2012, the Board of County Commissioners approved a resolution finalizing the terms and conditions of the issuance and sale of excise tax revenue bonds not to exceed \$3.8 million for the purpose of financing all or a portion of the costs of acquiring, constructing, equipping, and furnishing a museum and related improvements and facilities to be located at Thanksgiving Point in Lehi. While the bonds have been authorized, as of the date of this report, they have not yet been issued.

On March 13, 2013, the County received notification from one of its bond trustees, Zions Bank, that issuers who have outstanding bonds that receive credit subsidy payments will have the amount of those payments reduced due to the sequestration required for the federal budget that was implemented on March 1, 2013. The payments received from the Internal Revenue Service (“IRS”) for the County’s Build America Bonds and Qualified Energy Conservation Bonds will be reduced by 8.7 percent according to information published by the IRS on March 4, 2013. The reduction will be for payments made by the IRS on or after March 1, 2013.

UTAH COUNTY
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2012

NOTE 13 – IMPLEMENTATION OF NEW PRONOUNCEMENTS

Beginning in 2012, the County implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements provide financial reporting guidelines to standardize the presentation of deferred outflows of resources and deferred inflow of resources and their effects on a government's net position, and the establishment accounting and financial reporting standards that reclassify, as deferred inflows of resources and deferred outflow of resources that were previously reported as assets and liabilities. The implementation of these pronouncements resulted in the expensing of all unamortized bond issuance costs for both the governmental activities and the government-wide level financial statements. In addition, there are numerous terminology changes throughout the financial section of this report. These classification changes do not require a prior period adjustment.

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**REQUIRED SUPPLEMENTARY
INFORMATION
(UNAUDITED)**

UTAH COUNTY
Ratings for Utah County's Roads System
For the year ended December 31, 2012

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

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

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

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

The rating system includes the following variables:

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

On December 31, 2012 the County had 61.08 miles of dirt roads, 118.36 miles of gravel roads, 277.95 miles of chip-seal roads, and 77.55 miles of asphalt roads.

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

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

<u>YEAR</u>	<u>BUDGET</u>	<u>EXPENDITURES</u>
2008	\$2,800,000	\$2,893,244
2009	\$2,800,000	\$2,030,933
2010	\$2,800,000	\$2,425,556
2011	\$2,800,000	\$3,435,148
2012	\$2,800,000	\$2,806,717

Because of annexations, the total value of the County's roads system decreased from \$64,047,314 on December 31, 2011 to \$64,044,614 on December 31, 2012.

Report prepared by the Utah County Public Works Department.

UTAH COUNTY
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 28,495,000	\$ 28,529,833	\$ 30,468,949	\$ 1,939,116
Sales taxes	19,296,000	20,925,000	20,889,252	(35,748)
Franchise taxes	4,000	4,000	2,268	(1,732)
Licenses and permits	240,000	271,000	267,499	(3,501)
Intergovernmental	720,744	646,890	776,993	130,103
Charges for services	12,983,283	12,617,120	13,351,122	734,002
Fines and forfeitures	3,553,245	3,090,248	3,002,528	(87,720)
Miscellaneous revenue	411,364	447,739	407,074	(40,665)
Total revenues	<u>65,703,636</u>	<u>66,531,830</u>	<u>69,165,685</u>	<u>2,633,855</u>
Expenditures:				
Current:				
General government	23,463,055	22,506,485	20,878,271	1,628,214
Public safety	39,707,888	40,952,794	40,460,096	492,698
Public health and welfare	792,106	813,706	755,240	58,466
Parks and recreation	1,387,189	1,639,418	1,484,322	155,096
Total expenditures	<u>65,350,238</u>	<u>65,912,403</u>	<u>63,577,929</u>	<u>2,334,474</u>
Excess (deficiency) of revenues over expenditures	<u>353,398</u>	<u>619,427</u>	<u>5,587,756</u>	<u>4,968,329</u>
Other financing sources (uses):				
Transfers in	4,297,184	4,651,310	4,554,556	(96,754)
Transfers out	(5,113,412)	(5,270,737)	(5,213,519)	57,218
Total other financing sources (uses)	<u>(816,228)</u>	<u>(619,427)</u>	<u>(658,963)</u>	<u>(39,536)</u>
Net change in fund balance	(462,830)	-	4,928,794	4,928,794
Fund balance - beginning	<u>17,334,187</u>	<u>17,334,187</u>	<u>17,334,187</u>	<u>-</u>
Fund balance - ending	<u>\$ 16,871,357</u>	<u>\$ 17,334,187</u>	<u>\$ 22,262,981</u>	<u>\$ 4,928,794</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Health Fund
Major Special Revenue Fund
Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 12,753,556	\$ 12,751,811	\$ 12,253,566	\$ (498,245)
Charges for services	6,349,497	7,287,780	7,438,849	151,069
Miscellaneous revenue	145,362	30,035	136,869	106,834
Total revenues	<u>19,248,415</u>	<u>20,069,626</u>	<u>19,829,284</u>	<u>(240,342)</u>
Expenditures:				
Salaries, wages, and benefits	11,257,995	11,335,992	10,754,229	581,763
Materials, supplies, and services	12,356,836	12,405,710	11,233,647	1,172,063
Capital outlay	11,000	20,035	14,611	5,424
Total expenditures	<u>23,625,831</u>	<u>23,761,737</u>	<u>22,002,487</u>	<u>1,759,250</u>
Excess (deficiency) of revenues over expenditures	<u>(4,377,416)</u>	<u>(3,692,111)</u>	<u>(2,173,203)</u>	<u>1,518,908</u>
Other financing sources (uses):				
Transfers in	2,501,468	2,508,793	2,477,747	(31,046)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,501,468</u>	<u>2,508,793</u>	<u>2,477,747</u>	<u>(31,046)</u>
Net change in fund balance	(1,875,948)	(1,183,318)	304,544	1,487,862
Fund balance - beginning	4,836,501	4,836,501	4,836,501	-
Fund balance - ending	<u>\$ 2,960,553</u>	<u>\$ 3,653,183</u>	<u>\$ 5,141,046</u>	<u>\$ 1,487,862</u>

UTAH COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Projects Fund
Major Special Revenue Fund
Year Ended December 31, 2012

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Sales taxes	\$ 32,800,000	\$ 19,627,900	\$ 19,341,035	\$ (286,865)
Intergovernmental revenue	3,500,000	3,538,871	3,326,766	(212,105)
Charges for services	-	100	15,822	15,722
Miscellaneous revenue	1,000,000	551,644	588,014	36,370
Total revenues	<u>37,300,000</u>	<u>23,718,515</u>	<u>23,271,636</u>	<u>(446,879)</u>
Expenditures:				
Salaries, wages, and benefits	975,185	1,056,968	1,030,287	26,681
Materials, supplies, and services	2,255,233	5,070,074	4,614,168	455,906
Capital outlay	122,646,977	117,289,224	72,367,302	44,921,922
Total expenditures	<u>125,877,395</u>	<u>123,416,266</u>	<u>78,011,757</u>	<u>45,404,509</u>
Excess (deficiency) of revenues over expenditures	<u>(88,577,395)</u>	<u>(99,697,751)</u>	<u>(54,740,121)</u>	<u>44,957,630</u>
Other financing sources (uses):				
Transfers in	2,500,000	-	-	-
Transfers out	(10,987,596)	(10,987,596)	(10,649,054)	338,542
Issuance of bonds	52,000,000	51,675,000	51,675,000	-
Bond premiums and discounts	-	2,325,495	2,325,494	(1)
Total other financing sources (uses)	<u>43,512,404</u>	<u>43,012,899</u>	<u>43,351,440</u>	<u>338,541</u>
Net change in fund balance	(45,064,991)	(56,684,852)	(11,388,681)	45,296,171
Fund balance - beginning	61,013,618	61,013,618	61,013,618	-
Fund balance - ending	<u>\$ 15,948,627</u>	<u>\$ 4,328,766</u>	<u>\$ 49,624,937</u>	<u>\$ 45,296,171</u>

UTAH COUNTY
Required Supplementary Information
Year Ended December 31, 2012

County Retiree Health Care Plan
Schedule of Funding Progress

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

**OTHER SUPPLEMENTARY
INFORMATION**

**Utah County Government
Legal Compliance Audit Guide
For the Year Ended December 31, 2012**

TRANSIENT ROOM TAX

Establishing and promoting:		
Recreation	\$	-
Tourism		1,369,790
Film production		-
Conventions		-
Acquiring, leasing, constructing, furnishing, or operating:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Acquiring or leasing land required for or related to:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Mitigation costs		
Payment of principal, interest, premiums, and reserves on bonds		2,207,459
Total expenditures	<u>\$</u>	<u>3,577,248</u>

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

Financing tourism promotion	\$	8,000
Development, operation, and maintenance of:		
Tourist facilities		-
Recreation facilities		2,022,517
Cultural facilities		321,055
Convention facilities		8,058,522
Airport facilities		
Pledges as security for evidence of indebtedness		
Reserves and Pledges		
Reserves on bonds related to TRT funds		
Pledges as security for evidences of indebtedness related to TRCC		
Total expenditures	<u>\$</u>	<u>10,410,094</u>

**COMBINING FINANCIAL STATEMENTS
AND
SUPPLEMENTARY SCHEDULES**

UTAH COUNTY
COMBINING BALANCE SHEET
NON MAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2012

	Soldier Summit	TRT Tax UVCVB	Assessing & Collecting	Service Area				Sp Cnty Road	TRCC Tax	Childrens Justice	Grants/ Outside Funding	Contract Law Enforcement	Jail Inmate Benefit	Substance Abuse	Total
				6	7	8	9								
Assets															
Cash & Investments	\$ 26,022	\$ 171,289	\$ 2,785,089	\$ 1,547,947	\$ 696,361	\$ 1,694,061	\$ 746,043	\$ 1,282,718	\$ 3,643,150	\$ 702	\$ 179	\$ 2,501	\$ 541,854	\$ 569	\$ 13,138,485
Taxes Receivable	8,551	280,220	1,395,849	643,437	177,888	180,045	41,911	-	1,035,035	-	-	-	-	-	3,762,936
Accounts Receivable	302	2,493	4	-	2,098	-	-	352,494	211,889	220,547	310,915	345,703	55,891	2,393,210	3,895,546
Prepaid Expenses	-	-	-	-	5,000	-	-	-	-	-	-	-	-	195,932	200,932
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	\$ 34,875	\$ 454,002	\$ 4,180,942	\$ 2,191,384	\$ 881,347	\$ 1,874,106	\$ 787,954	\$ 1,635,212	\$ 4,890,074	\$ 221,249	\$ 311,094	\$ 348,204	\$ 597,745	\$ 2,589,711	\$ 20,997,899
Liabilities, Deferred Inflows of Resources and Fund Balances															
Liabilities															
Accounts Payable	\$ 831	\$ 9,782	\$ 202,341	\$ -	\$ 11,995	\$ -	\$ -	\$ 7,496	\$ 97,270	\$ 48,600	\$ 54,504	\$ 55,513	\$ 63,833	\$ 503,580	\$ 1,055,745
Other Liability	-	-	-	-	-	-	-	-	671,171	-	-	-	-	-	671,171
Due to Other Funds	-	-	-	-	-	-	-	-	-	15,000	144,000	286,000	-	1,662,000	2,107,000
Total Liabilities	831	9,782	202,341	-	11,995	-	-	7,496	768,441	63,600	198,504	341,513	63,833	2,165,580	3,833,916
Defered Inflow of Resources	392	-	595,238	248,849	82,653	77,164	17,193	-	-	401	112,590	6,691	-	37,427	1,178,598
Total Liabilities and Deferred Inflows of Resources	1,223	9,782	797,579	248,849	94,648	77,164	17,193	7,496	768,441	64,001	311,094	348,204	63,833	2,203,007	5,012,514
Fund Balances:															
Restricted for:															
Transient room tax	-	444,220	-	-	-	-	-	-	-	-	-	-	-	-	444,220
Assessing and collecting	-	-	3,383,363	-	-	-	-	-	-	-	-	-	-	-	3,383,363
Public transit taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRCC Tax	-	-	-	-	-	-	-	-	4,121,633	-	-	-	-	-	4,121,633
Special service areas	33,652	-	-	1,942,535	786,699	1,796,942	770,761	1,627,716	-	-	-	-	-	-	6,958,305
Committed for:															
Public heath and welfare	-	-	-	-	-	-	-	-	-	157,248	-	-	-	386,704	543,952
Public safety	-	-	-	-	-	-	-	-	-	-	-	-	533,912	-	533,912
Capital projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assigned for:															
Retire health insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medicaid reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	33,652	444,220	3,383,363	1,942,535	786,699	1,796,942	770,761	1,627,716	4,121,633	157,248	-	-	533,912	386,704	15,985,385
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 34,875	\$ 454,002	\$ 4,180,942	\$ 2,191,384	\$ 881,347	\$ 1,874,106	\$ 787,954	\$ 1,635,212	\$ 4,890,074	\$ 221,249	\$ 311,094	\$ 348,204	\$ 597,745	\$ 2,589,711	\$ 20,997,899

UTAH COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Soldier Summit	TRT Tax UVCVB	Municipal Bldg Authority	Assessing & Collecting	Service Area				Sp Cnty Road	TRCC Tax	Childrens Justice	Grants/ Outside Funding	Contract Law Enforcement	Jail Inmate Benefit	Substance Abuse	Total
					6	7	8	9								
Revenues																
Taxes	\$ 15,832	\$ 2,124,962	\$ -	\$ 5,499,765	\$ 2,492,433	\$ 560,915	\$ 476,249	\$ 93,362	\$ -	\$ 6,048,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,311,754
Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	97,050	-	47,359	184,248	76,355	405,162	18,362	597,611	1,763,569	-	-	6,864,409	10,054,125
Charges for Services	9,480	-	-	1,934,334	-	-	-	-	-	-	253,087	-	2,025,252	336,731	-	4,558,884
Other	280	9,708	335,831	30,510	21,233	13,334	14,809	7,346	19,819	73,199	80,600	2,011	15,942	140,280	-	764,902
Total Revenue	25,592	2,134,670	335,831	7,561,659	2,513,666	621,608	675,306	177,063	424,981	6,139,797	931,298	1,765,580	2,041,194	477,011	6,864,409	32,689,665
Expenditures																
General Government	30,707	1,369,790	335,831	9,449,312	-	-	38	-	1,171,956	-	-	1,765,580	-	-	-	14,123,214
Public Safety	-	-	-	-	-	817,418	-	-	-	-	-	-	2,181,496	376,111	-	3,375,025
Health	-	-	-	-	38	-	-	38	-	-	1,010,272	-	-	-	7,291,542	8,301,890
Culture & Recreation	-	-	-	-	-	-	-	-	-	3,365,812	-	-	-	-	-	3,365,812
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	30,707	1,369,790	335,831	9,449,312	38	817,418	38	38	1,171,956	3,365,812	1,010,272	1,765,580	2,181,496	376,111	7,291,542	29,165,941
Excess (Deficiency) of Revenue																
Over Expenditures	(5,115)	764,880	-	(1,887,653)	2,513,628	(195,810)	675,268	177,025	(746,975)	2,773,985	(78,974)	-	(140,302)	100,900	(427,133)	3,523,724
Other Financing																
Sources (Uses)																
Transfers In	-	-	-	-	-	250,000	-	-	-	-	78,206	-	140,302	-	353,829	822,337
Transfers Out	-	(2,207,459)	-	-	(2,709,000)	-	(624,815)	(250,000)	-	(7,044,282)	-	-	-	-	-	(12,835,556)
Total Other Financing	-	(2,207,459)	-	-	(2,709,000)	250,000	(624,815)	(250,000)	-	(7,044,282)	78,206	-	140,302	-	353,829	(12,013,219)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(5,115)	(1,442,579)	-	(1,887,653)	(195,372)	54,190	50,453	(72,975)	(746,975)	(4,270,297)	(768)	-	-	100,900	(73,304)	(8,489,495)
Fund Balances - Jan. 1	38,767	1,886,799	-	5,271,016	2,137,907	732,509	1,746,489	843,736	2,374,691	8,391,930	158,016	-	-	433,012	460,008	24,474,880
Fund Balances - Dec. 31	\$ 33,652	\$ 444,220	\$ -	\$ 3,383,363	\$ 1,942,535	\$ 786,699	\$ 1,796,942	\$ 770,761	\$ 1,627,716	\$ 4,121,633	\$ 157,248	\$ -	\$ -	\$ 533,912	\$ 386,704	\$ 15,985,385

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Soldier Summit Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 12,000	\$ 15,832	\$ 3,832	\$ 14,111
Intergovernmental revenue	500,000	-	(500,000)	-
Charges for services	15,500	9,480	(6,020)	11,338
Miscellaneous revenue	300	280	(20)	221
Total revenues	<u>527,800</u>	<u>25,592</u>	<u>(502,208)</u>	<u>25,669</u>
Expenditures:				
Salaries, wages, and benefits	15,762	15,761	1	9,137
Materials, supplies, and services	549,038	14,947	534,091	14,755
Capital outlay	-	-	-	-
Total expenditures	<u>564,800</u>	<u>30,707</u>	<u>534,093</u>	<u>23,892</u>
Excess (deficiency) of revenues over expenditures	(37,000)	(5,115)	31,885	1,777
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(37,000)	(5,115)	31,885	1,777
Fund balance - January 1	<u>38,767</u>	<u>38,767</u>	<u>-</u>	<u>36,990</u>
Fund balance - December 31	<u>\$ 1,767</u>	<u>\$ 33,652</u>	<u>\$ 31,885</u>	<u>\$ 38,767</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Transient Room Tax (TRT) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 2,163,000	\$ 2,124,962	\$ (38,038)	\$ 1,902,378
Miscellaneous revenue	9,668	9,708	40	7,142
Total revenues	<u>2,172,668</u>	<u>2,134,670</u>	<u>(37,998)</u>	<u>1,909,520</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	1,521,087	1,369,790	151,297	1,529,550
Capital outlay	-	-	-	-
Debt service	-	-	-	317,955
Total expenditures	<u>1,521,087</u>	<u>1,369,790</u>	<u>151,297</u>	<u>1,847,505</u>
Excess (deficiency) of revenues over expenditures	651,581	764,880	113,299	62,016
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,223,463)	(2,207,459)	16,004	-
Total other financing sources (uses)	<u>(2,223,463)</u>	<u>(2,207,459)</u>	<u>16,004</u>	<u>-</u>
Net change in fund balance	(1,571,882)	(1,442,579)	129,303	62,016
Fund balance - January 1	1,886,799	1,886,799	-	1,824,784
Fund balance - December 31	<u>\$ 314,917</u>	<u>\$ 444,220</u>	<u>\$ 129,303</u>	<u>\$ 1,886,799</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Municipal Building Authority Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Miscellaneous revenue	\$ 335,832	\$ 335,831	\$ (1)	\$ 335,831
Total revenues	<u>335,832</u>	<u>335,831</u>	<u>(1)</u>	<u>335,831</u>
Expenditures:				
Materials, supplies, and services	335,832	335,831	1	335,872
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>335,832</u>	<u>335,831</u>	<u>1</u>	<u>335,872</u>
Excess (deficiency) of revenues over expenditures	-	-	-	(41)
Other financing sources (uses):				
Transfers in	-	-	-	41
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>41</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Assessing and Collecting Property Tax Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 5,476,503	\$ 5,499,765	\$ 23,262	\$ -
Intergovernmental revenue	97,050	97,050	-	88,249
Charges for services	2,010,425	1,934,334	(76,091)	-
Miscellaneous revenue	24,388	30,510	6,122	-
Total revenues	<u>7,608,366</u>	<u>7,561,659</u>	<u>(46,707)</u>	<u>88,249</u>
Expenditures:				
Salaries, wages, and benefits	5,750,087	5,212,253	537,834	-
Materials, supplies, and services	6,880,276	4,237,059	2,643,217	1,185,409
Capital outlay	-	-	-	-
Total expenditures	<u>12,630,363</u>	<u>9,449,312</u>	<u>3,181,051</u>	<u>1,185,409</u>
Excess (deficiency) of revenues over expenditures	(5,021,997)	(1,887,653)	3,134,344	(1,097,160)
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(140,571)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(140,571)</u>
Net change in fund balance	(5,021,997)	(1,887,653)	3,134,344	(1,237,731)
Fund balance - January 1	<u>5,271,016</u>	<u>5,271,016</u>	<u>-</u>	<u>6,508,747</u>
Fund balance - December 31	<u>\$ 249,019</u>	<u>\$ 3,383,363</u>	<u>\$ 3,134,344</u>	<u>\$ 5,271,016</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 6 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 1,732,000	\$ 1,782,078	\$ 50,078	\$ 1,713,852
Intergovernmental revenue	\$ 710,355	\$ 710,355	-	\$ -
Miscellaneous revenue	14,909	21,233	6,324	9,584
Total revenues	<u>2,457,264</u>	<u>2,513,666</u>	<u>56,402</u>	<u>1,723,435</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	500	38	462	-
Capital outlay	-	-	-	-
Total expenditures	<u>500</u>	<u>38</u>	<u>462</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	2,456,764	2,513,628	56,864	1,723,435
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(2,709,000)	(2,709,000)	-	(2,078,366)
Total other financing sources (uses)	<u>(2,709,000)</u>	<u>(2,709,000)</u>	<u>-</u>	<u>(2,078,366)</u>
Net change in fund balance	(252,236)	(195,372)	56,864	(354,931)
Fund balance - January 1	<u>2,137,907</u>	<u>2,137,907</u>	-	<u>2,492,838</u>
Fund balance - December 31	<u>\$ 1,885,671</u>	<u>\$ 1,942,535</u>	<u>\$ 56,864</u>	<u>\$ 2,137,907</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 7 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 520,000	\$ 560,915	\$ 40,915	\$ 588,742
Licenses and permits	24,735	21,615	(3,120)	-
Charges for services	26,751	25,745	(1,006)	51,621
Miscellaneous revenue	13,499	13,334	(165)	3,956
Total revenues	<u>584,985</u>	<u>621,608</u>	<u>36,623</u>	<u>644,319</u>
Expenditures:				
Salaries, wages, and benefits	141,974	137,368	4,606	121,102
Materials, supplies, and services	836,311	680,050	156,261	642,732
Capital outlay	-	-	-	-
Total expenditures	<u>978,285</u>	<u>817,418</u>	<u>160,867</u>	<u>763,834</u>
Excess (deficiency) of revenues over expenditures	(393,300)	(195,810)	197,490	(119,515)
Other financing sources (uses):				
Transfers in	250,000	250,000	-	220,000
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>250,000</u>	<u>-</u>	<u>220,000</u>
Net change in fund balance	(143,300)	54,190	197,490	100,485
Fund balance - January 1	<u>732,509</u>	<u>732,509</u>	<u>-</u>	<u>632,024</u>
Fund balance - December 31	<u>\$ 589,209</u>	<u>\$ 786,699</u>	<u>\$ 197,490</u>	<u>\$ 732,509</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 8 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 450,000	\$ 476,248	\$ 26,248	\$ 687,487
Intergovernmental revenue	184,248	184,248	-	243,052
Miscellaneous revenue	11,021	14,809	3,788	9,442
Total revenues	<u>645,269</u>	<u>675,305</u>	<u>30,036</u>	<u>939,981</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	165,196	38	165,158	-
Capital outlay	-	-	-	-
Total expenditures	<u>165,196</u>	<u>38</u>	<u>165,158</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	480,073	675,268	195,195	939,981
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(682,804)	(624,815)	57,989	(527,169)
Total other financing sources (uses)	<u>(682,804)</u>	<u>(624,815)</u>	<u>57,989</u>	<u>(527,169)</u>
Net change in fund balance	(202,731)	50,453	253,184	412,812
Fund balance - January 1	<u>1,746,489</u>	<u>1,746,489</u>	<u>-</u>	<u>1,333,677</u>
Fund balance - December 31	<u>\$ 1,543,758</u>	<u>\$ 1,796,942</u>	<u>\$ 253,184</u>	<u>\$ 1,746,489</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Special Service Area No. 9 Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 90,000	\$ 93,363	\$ 3,363	\$ 136,322
Intergovernmental revenue	76,355	76,355	-	129,954
Miscellaneous revenue	5,312	7,346	2,034	4,720
Total revenues	<u>171,667</u>	<u>177,063</u>	<u>5,396</u>	<u>270,996</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	14,000	38	13,962	-
Capital outlay	-	-	-	-
Total expenditures	<u>14,000</u>	<u>38</u>	<u>13,962</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	157,667	177,025	19,359	270,996
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(250,000)	(250,000)	-	(220,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>(220,000)</u>
Net change in fund balance	(92,333)	(72,975)	19,359	50,996
Fund balance - January 1	843,736	843,736	-	792,740
Fund balance - December 31	<u>\$ 751,403</u>	<u>\$ 770,761</u>	<u>\$ 19,359</u>	<u>\$ 843,736</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah Valley Road Special Service District Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 542,500	\$ 405,162	\$ (137,338)	\$ 470,525
Miscellaneous revenue	9,591	19,819	10,228	12,203
Total revenues	<u>552,091</u>	<u>424,981</u>	<u>(127,110)</u>	<u>482,728</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	2,536,000	1,171,956	1,364,044	-
Capital outlay	30,000	-	30,000	-
Total expenditures	<u>2,566,000</u>	<u>1,171,956</u>	<u>1,394,044</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(2,013,909)	(746,975)	1,266,934	482,728
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(80,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(80,000)</u>
Net change in fund balance	(2,013,909)	(746,975)	1,266,934	402,728
Fund balance - January 1	<u>2,374,691</u>	<u>2,374,691</u>	<u>-</u>	<u>1,971,963</u>
Fund balance - December 31	<u>\$ 360,782</u>	<u>\$ 1,627,716</u>	<u>\$ 1,266,934</u>	<u>\$ 2,374,691</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Tourism, Recreation, Cultural and Convention Facilities Tax (TRCC) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Sales taxes	\$ 6,128,000	\$ 6,048,235	\$ (79,765)	\$ 5,656,922
Intergovernmental revenue	-	153	153	-
Charges for services	16,000	18,209	2,209	18,541
Miscellaneous revenue	70,409	73,200	2,791	53,473
Total revenues	<u>6,214,409</u>	<u>6,139,797</u>	<u>(74,612)</u>	<u>5,728,935</u>
Expenditures:				
Salaries, wages, and benefits	-	-	-	-
Materials, supplies, and services	6,569,393	3,061,083	3,508,310	1,681,761
Capital outlay	371,105	303,879	67,226	8,867
Total expenditures	<u>6,940,498</u>	<u>3,364,962</u>	<u>3,575,536</u>	<u>1,690,628</u>
Excess (deficiency) of revenues over expenditures	(726,089)	2,774,834	3,500,923	4,038,307
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	(7,573,902)	(7,045,131)	528,771	(3,081,149)
Total other financing sources (uses)	<u>(7,573,902)</u>	<u>(7,045,131)</u>	<u>528,771</u>	<u>(3,081,149)</u>
Net change in fund balance	(8,299,991)	(4,270,297)	4,029,694	957,158
Fund balance - January 1	<u>8,391,930</u>	<u>8,391,930</u>	<u>-</u>	<u>7,434,772</u>
Fund balance - December 31	<u>\$ 91,939</u>	<u>\$ 4,121,633</u>	<u>\$ 4,029,694</u>	<u>\$ 8,391,930</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Utah County Children's Justice Center Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intragovernmental revenue	\$ 822,475	\$ 772,888	\$ (49,587)	\$ 782,275
Charges for services	65,500	77,810	12,310	75,245
Miscellaneous revenue	95,925	80,600	(15,325)	61,741
Total revenues	<u>983,900</u>	<u>931,299</u>	<u>(52,601)</u>	<u>919,262</u>
Expenditures:				
Salaries, wages, and benefits	941,221	896,433	44,788	812,892
Materials, supplies, and services	146,333	106,432	39,901	120,775
Capital outlay	15,674	7,408	8,266	-
Total expenditures	<u>1,103,228</u>	<u>1,010,273</u>	<u>92,955</u>	<u>933,667</u>
Excess (deficiency) of revenues over expenditures	(119,328)	(78,975)	40,353	(14,406)
Other financing sources (uses):				
Transfers in	94,680	78,206	(16,474)	16,217
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>94,680</u>	<u>78,206</u>	<u>(16,474)</u>	<u>16,217</u>
Net change in fund balance	(24,648)	(768)	23,880	1,811
Fund balance - January 1	<u>158,016</u>	<u>158,016</u>	<u>-</u>	<u>156,205</u>
Fund balance - December 31	<u>\$ 133,368</u>	<u>\$ 157,248</u>	<u>\$ 23,880</u>	<u>\$ 158,016</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Grants / Outside Projects Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 3,195,133	\$ 1,640,026	\$ (1,555,107)	\$ 148,483
Charges for services	443,190	123,543	(319,647)	-
Fines and forfeitures	9,600	-	(9,600)	-
Miscellaneous revenue	2,893	2,011	(882)	-
Total revenues	<u>3,650,816</u>	<u>1,765,580</u>	<u>(1,885,236)</u>	<u>148,483</u>
Expenditures:				
Salaries, wages, and benefits	582,451	393,370	189,081	-
Materials, supplies, and services	3,059,010	1,362,855	1,696,155	148,483
Capital outlay	9,355	9,355	-	-
Total expenditures	<u>3,650,816</u>	<u>1,765,580</u>	<u>1,885,236</u>	<u>148,483</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Contract Law Enforcement Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Charges for services	\$ 2,269,550	\$ 2,025,252	\$ (244,298)	\$ 2,049,244
Miscellaneous revenue	-	15,942	15,942	31,668
Total revenues	<u>2,269,550</u>	<u>2,041,194</u>	<u>(228,356)</u>	<u>2,080,913</u>
Expenditures:				
Salaries, wages, and benefits	1,778,512	1,642,864	135,648	1,530,205
Materials, supplies, and services	641,038	538,632	102,406	568,207
Capital outlay	-	-	-	-
Total expenditures	<u>2,419,550</u>	<u>2,181,496</u>	<u>238,054</u>	<u>2,098,412</u>
Excess (deficiency) of revenues over expenditures	(150,000)	(140,302)	9,698	(17,499)
Other financing sources (uses):				
Transfers in	150,000	140,302	(9,698)	17,499
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>150,000</u>	<u>140,302</u>	<u>(9,698)</u>	<u>17,499</u>
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Inmate Benefit Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Charges for services	\$ 308,500	\$ 333,008	\$ 24,508	\$ 330,857
Miscellaneous revenue	150,778	144,004	(6,774)	117,594
Total revenues	<u>459,278</u>	<u>477,011</u>	<u>17,733</u>	<u>448,451</u>
Expenditures:				
Salaries, wages, and benefits	227,221	157,842	69,379	157,115
Materials, supplies, and services	321,080	218,269	102,811	206,339
Capital outlay	-	-	-	-
Total expenditures	<u>548,301</u>	<u>376,111</u>	<u>172,190</u>	<u>363,453</u>
Excess (deficiency) of revenues over expenditures	(89,023)	100,900	189,923	84,997
Other financing sources (uses):				
Transfers in	-	-	-	348,015
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>348,015</u>
Net change in fund balance	(89,023)	100,900	189,923	433,012
Fund balance - January 1	<u>433,012</u>	<u>433,012</u>	<u>-</u>	<u>-</u>
Fund balance - December 31	<u>\$ 343,989</u>	<u>\$ 533,912</u>	<u>\$ 189,923</u>	<u>\$ 433,012</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Department of Drug & Alcohol Prevention and Treatment (aDDAPT) Fund
Nonmajor Special Revenue Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ 6,217,417	\$ 5,294,842	\$ (922,575)	\$ 5,356,801
Charges for services	1,600,097	1,553,657	(46,440)	807,844
Miscellaneous revenue	10,406	15,910	5,504	11
Total revenues	<u>7,827,920</u>	<u>6,864,409</u>	<u>(963,511)</u>	<u>6,164,657</u>
Expenditures:				
Salaries, wages, and benefits	4,386,697	4,196,669	190,028	3,899,989
Materials, supplies, and services	4,003,367	3,083,161	920,206	2,682,743
Capital outlay	11,712	11,712	0	36,712
Total expenditures	<u>8,401,776</u>	<u>7,291,542</u>	<u>1,110,234</u>	<u>6,619,443</u>
Excess (deficiency) of revenues over expenditures	(573,856)	(427,133)	146,724	(454,787)
Other financing sources (uses):				
Transfers in	353,829	353,829	-	223,136
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>353,829</u>	<u>353,829</u>	<u>-</u>	<u>223,136</u>
Net change in fund balance	(220,027)	(73,304)	146,724	(231,651)
Fund balance - January 1	460,008	460,008	-	691,659
Fund balance - December 31	<u>\$ 239,981</u>	<u>\$ 386,704</u>	<u>\$ 146,724</u>	<u>\$ 460,008</u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund
Major Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Property taxes	\$ 412,110	\$ 483,396	\$ 71,286	\$ 1,345,643
Intergovernmental revenue	3,543,348	3,491,991	(51,357)	3,470,109
Miscellaneous revenue	-	40	40	-
Total revenues	<u>3,955,458</u>	<u>3,975,428</u>	<u>19,970</u>	<u>4,815,751</u>
Expenditures:				
Principal	10,809,167	10,809,167	0	9,020,000
Interest	12,878,619	12,868,954	9,665	11,644,783
Fiscal charges	577,891	26,750	551,141	27,000
Total expenditures	<u>24,265,677</u>	<u>23,704,871</u>	<u>560,806</u>	<u>20,691,783</u>
Excess (deficiency) of revenues over expenditures	(20,310,219)	(19,729,443)	580,776	(15,876,032)
Other financing sources (uses):				
Transfers in	17,966,012	17,601,898	(364,114)	14,593,415
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>17,966,012</u>	<u>17,601,898</u>	<u>(364,114)</u>	<u>14,593,415</u>
Net change in fund balance	(2,344,207)	(2,127,545)	216,662	(1,282,617)
Fund balance - January 1	<u>13,308,907</u>	<u>13,308,907</u>	-	<u>14,591,524</u>
Fund balance - December 31	<u><u>\$ 10,964,700</u></u>	<u><u>\$ 11,181,362</u></u>	<u><u>\$ 216,662</u></u>	<u><u>\$ 13,308,907</u></u>

Utah County
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Projects Fund
Major Fund
For the Year Ended December 31, 2012
With Comparative Totals for 2011

	2012			2011 Actual Amounts
	Final Budgeted Amounts	Actual Amounts	Variance Favorable / (Unfavorable)	
Revenues:				
Intergovernmental revenue	\$ -	\$ 2,680,000	\$ 2,680,000	\$ -
Miscellaneous revenue	86,836	103,728	\$ 16,892	353,473
Total revenues	<u>86,836</u>	<u>2,783,728</u>	<u>2,696,892</u>	<u>353,473</u>
Expenditures:				
Capital outlay	23,006,878	20,759,162	2,247,716	31,256,946
Total expenditures	<u>23,006,878</u>	<u>20,759,162</u>	<u>2,247,716</u>	<u>31,256,946</u>
Excess (deficiency) of revenues over expenditures	(22,920,042)	(17,975,434)	4,944,608	(30,903,473)
Other financing sources (uses):				
Transfers in	6,540,233	6,329,393	(210,840)	2,555,284
Issuance of bonds	-	-	-	3,320,000
Bond premiums and discounts	-	-	-	105,610
Total other financing sources (uses)	<u>6,540,233</u>	<u>6,329,393</u>	<u>(210,840)</u>	<u>5,980,894</u>
Net change in fund balance	(16,379,809)	(11,646,041)	4,733,768	(24,922,579)
Fund balance - January 1	19,878,576	19,878,576	-	44,801,156
Fund balance - December 31	<u>\$ 3,498,767</u>	<u>\$ 8,232,535</u>	<u>\$ 4,733,768</u>	<u>\$ 19,878,576</u>

UTAH COUNTY
Combining Statement of Net Position
Internal Service Funds
DECEMBER 31, 2012

<u>ASSETS</u>	<u>Internal Service Funds</u>						Total
	<u>Motor Pool</u>	<u>Kitchen</u>	<u>Telephone</u>	<u>Radio</u>	<u>Building Maintenance</u>	<u>Information Systems</u>	
Current Assets							
Cash	\$2,962,234	\$1,090,544	\$612,897	\$385	\$1,160,981	\$1,209,697	\$7,036,738
Accounts Receivable	39,731	145,219	5,137	65,927	105,228	47,242	408,484
Inventory	132,140	193,281	1,607	22,333		24,804	374,165
Prepaid Expenses			44,138		396	15,113	59,647
Total Current Assets	<u>3,134,105</u>	<u>1,429,044</u>	<u>663,779</u>	<u>88,645</u>	<u>1,266,605</u>	<u>1,296,856</u>	<u>7,879,034</u>
Capital Assets							
Equipment, Vehicles, Furniture	12,516,192	119,278	1,036,153	2,352,637	469,429	1,569,210	18,062,899
Accumulated Depreciation	(7,464,967)	(114,936)	(552,901)	(1,888,606)	(128,907)	(1,373,658)	(11,523,975)
Net Property, Plant & Equipment	<u>5,051,225</u>	<u>4,342</u>	<u>483,252</u>	<u>464,031</u>	<u>340,522</u>	<u>195,552</u>	<u>6,538,924</u>
Total Assets	<u>8,185,330</u>	<u>1,433,386</u>	<u>1,147,031</u>	<u>552,676</u>	<u>1,607,127</u>	<u>1,492,408</u>	<u>14,417,958</u>
 <u>LIABILITIES AND NET POSITION</u>							
Liabilities							
Account Payable	\$136,851	\$93,978	\$307,151	\$53,321	\$404,472	\$142,428	\$1,138,201
Due To Other Funds				218,000			218,000
Total Liabilities	<u>136,851</u>	<u>93,978</u>	<u>307,151</u>	<u>271,321</u>	<u>404,472</u>	<u>142,428</u>	<u>1,356,201</u>
Net Position							
Net Invested in Capital Assets	5,051,225	4,342	483,252	464,031	340,522	195,552	6,538,924
Unrestricted	<u>2,997,254</u>	<u>1,335,066</u>	<u>356,628</u>	<u>(182,676)</u>	<u>862,133</u>	<u>1,154,428</u>	<u>6,522,833</u>
Total Net Position	<u>\$8,048,479</u>	<u>\$1,339,408</u>	<u>\$839,880</u>	<u>\$281,355</u>	<u>\$1,202,655</u>	<u>\$1,349,980</u>	<u>\$13,061,757</u>

UTAH COUNTY
Combining Statement of Revenues, Expenses
And Changes In Net Position
Internal Service Funds
Year Ended December 31, 2012

	Internal Service Funds						Total
	Motor Pool	Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Operating Revenue							
Rent and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ 6,500,262	\$ -	\$ 6,500,262
Leases	4,262,320	-	551,913	816,736	-	3,114,181	8,745,150
Meal Sales	-	2,279,282	-	-	-	-	2,279,282
Other Revenues	92,450	1,295	-	-	9,830	19	103,594
Total Operating Revenue	<u>4,354,770</u>	<u>2,280,577</u>	<u>551,913</u>	<u>816,736</u>	<u>6,510,092</u>	<u>3,114,200</u>	<u>17,628,288</u>
Operating Expenses							
Personnel Services	817,309	598,642	222,357	150,756	1,945,177	2,093,201	5,827,442
Supplies and Materials	1,772,856	1,670,466	426,019	392,652	2,307,901	731,720	7,301,614
Depreciation	1,396,388	5,662	90,715	83,225	46,011	104,629	1,726,630
Total Operating Expenses	<u>3,986,553</u>	<u>2,274,770</u>	<u>739,091</u>	<u>626,633</u>	<u>4,299,089</u>	<u>2,929,550</u>	<u>14,855,686</u>
Operating Income (Loss)	<u>368,217</u>	<u>5,807</u>	<u>(187,178)</u>	<u>190,103</u>	<u>2,211,003</u>	<u>184,650</u>	<u>2,772,602</u>
Non-Operating Revenue (Expense)							
Interest	17,461	10,011	5,292	762	10,868	7,430	51,824
Grants and Other	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	5,738	10,205	15,943
Total Non-Operating Income (Expense)	<u>17,461</u>	<u>10,011</u>	<u>5,292</u>	<u>762</u>	<u>16,606</u>	<u>17,635</u>	<u>67,767</u>
Net Income (Loss) Before Operating Transfers	<u>385,678</u>	<u>15,818</u>	<u>(181,886)</u>	<u>190,865</u>	<u>2,227,609</u>	<u>202,285</u>	<u>2,840,369</u>
Operating Transfers In	-	-	-	-	-	-	-
Operating Transfers Out	-	(203,577)	-	(299,626)	(2,581,950)	-	(3,085,153)
Net Operating Transfers	<u>-</u>	<u>(203,577)</u>	<u>-</u>	<u>(299,626)</u>	<u>(2,581,950)</u>	<u>-</u>	<u>(3,085,153)</u>
Net Income (Loss) Before Capital Contributions	<u>385,678</u>	<u>(187,759)</u>	<u>(181,886)</u>	<u>(108,761)</u>	<u>(354,341)</u>	<u>202,285</u>	<u>(244,784)</u>
Capital Contributions	-	-	-	-	-	-	-
Net Income	<u>385,678</u>	<u>(187,759)</u>	<u>(181,886)</u>	<u>(108,761)</u>	<u>(354,341)</u>	<u>202,285</u>	<u>(244,784)</u>
Net Position - Beg	<u>7,662,801</u>	<u>1,527,167</u>	<u>1,021,766</u>	<u>390,116</u>	<u>1,556,996</u>	<u>1,147,695</u>	<u>13,306,541</u>
Net Position - End	<u>\$ 8,048,479</u>	<u>\$ 1,339,408</u>	<u>\$ 839,880</u>	<u>\$ 281,355</u>	<u>\$ 1,202,655</u>	<u>\$ 1,349,980</u>	<u>\$ 13,061,757</u>

UTAH COUNTY
Combining Statement of Fund Cash Flows
Internal Service Funds
Year Ended December 31, 2012

	Internal Service Funds						Totals
	Motor Pool	Kitchen	Telephone	Radio	Building Maintenance	Information Systems	
Cash flows from operating activities:							
Receipts from interfund services provided	\$ 4,330,665	\$ 2,225,213	\$ 552,163	\$ 862,967	\$ 6,656,782	\$ 3,124,834	\$ 17,752,624
Payment for Salaries, Wages, Benefits	(817,309)	(598,642)	(222,357)	(150,756)	(1,945,177)	(2,093,201)	(5,827,442)
Payment for Supplies, Materials, Services	(1,742,518)	(1,667,632)	(258,871)	(213,552)	(2,066,566)	(757,113)	(6,706,252)
Net cash provided (used) by operating activities	<u>1,770,838</u>	<u>(41,061)</u>	<u>70,935</u>	<u>498,659</u>	<u>2,645,039</u>	<u>274,520</u>	<u>5,218,930</u>
Cash flows from noncapital financing activities:							
Operating transfers (net)	-	(203,577)	-	(299,626)	(2,581,950)	-	(3,085,153)
Cash flows from capital and related financing activities:							
Purchases of capital assets	(2,077,566)	-	(198,252)	(379,526)	(168,218)	(51,119)	(2,874,681)
Receipts from sale of capital assets	-	-	-	-	5,738	10,205	15,943
Net cash provided (used) by capital and related act.	<u>(2,077,566)</u>	<u>-</u>	<u>(198,252)</u>	<u>(379,526)</u>	<u>(162,480)</u>	<u>(40,914)</u>	<u>(2,858,738)</u>
Cash flows from investing activities:							
Grants and other	-	-	-	-	-	-	-
Interest received	17,461	10,011	5,292	762	10,868	7,430	51,824
Net increase in cash and cash equivalents	<u>(289,267)</u>	<u>(234,627)</u>	<u>(122,025)</u>	<u>(179,731)</u>	<u>(88,523)</u>	<u>241,036</u>	<u>(673,137)</u>
Cash and Cash Equivalents - Beginning	<u>3,251,501</u>	<u>1,325,171</u>	<u>734,922</u>	<u>180,116</u>	<u>1,249,504</u>	<u>968,661</u>	<u>7,709,875</u>
Cash and Cash Equivalents - Ending	<u>\$ 2,962,234</u>	<u>\$ 1,090,544</u>	<u>\$ 612,897</u>	<u>\$ 385</u>	<u>\$ 1,160,981</u>	<u>\$ 1,209,697</u>	<u>\$ 7,036,738</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:							
Operating income (loss)	\$ 368,217	\$ 5,807	\$ (187,178)	\$ 190,103	\$ 2,211,003	\$ 184,650	\$ 2,772,602
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and Amortization	1,396,388	5,662	90,715	83,225	46,011	104,629	1,726,630
(Increase) decrease in accounts receivable	(24,105)	(55,364)	250	46,231	146,690	10,653	124,355
(Increase) decrease in inventory	(44,149)	485	(45,745)	22,333	-	2,955	(64,121)
Increase (decrease) in accounts payable	74,487	2,349	212,893	156,767	241,335	(28,367)	659,464
Total adjustments	<u>1,402,621</u>	<u>(46,868)</u>	<u>258,113</u>	<u>308,556</u>	<u>434,036</u>	<u>89,870</u>	<u>2,446,328</u>
Net cash provided (used) by operating activities	<u>\$ 1,770,838</u>	<u>\$ (41,061)</u>	<u>\$ 70,935</u>	<u>\$ 498,659</u>	<u>\$ 2,645,039</u>	<u>\$ 274,520</u>	<u>\$ 5,218,930</u>
Noncash investing, capital, and financing activities:	none	none	none	none	none	none	none

UTAH COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Balance January 1 2012	Additions	Deductions	Balance December 31 2012
<u>Auditor's Trusts</u>				
Assets				
Cash	\$ 3,394,207	\$ 1,065,650	\$ 973,991	\$ 3,485,866
Accounts Receivable	372,557	34,056	372,557	34,056
Prepays	3,787	5,488	3,787	5,488
Total	<u>\$3,770,551</u>	<u>\$1,105,194</u>	<u>\$1,350,335</u>	<u>\$3,525,410</u>
Liabilities				
Accounts Payable	\$ 823,836	\$ 366,438	\$ 823,836	\$ 366,438
Due Other Governments	2,946,715	738,756	526,499	3,158,972
	<u>\$3,770,551</u>	<u>\$1,105,194</u>	<u>\$1,350,335</u>	<u>\$3,525,410</u>
<u>Treasurer's Trust</u>				
Assets				
Cash	\$ 54,670,864	\$383,398,956	\$386,323,573	\$ 51,746,247
Taxes Receivable	953,828	880,435	953,828	880,435
Total Assets	<u>\$55,624,692</u>	<u>\$384,279,391</u>	<u>\$387,277,401</u>	<u>\$52,626,682</u>
Liabilities				
Due Other Governments	<u>\$ 55,624,692</u>	<u>\$384,279,391</u>	<u>\$387,277,401</u>	<u>\$ 52,626,682</u>
<u>Totals - All Agency Funds</u>				
Assets				
Cash	\$ 82,025,017	\$384,464,606	\$387,297,564	\$ 79,192,059
Taxes Receivable	923,442	880,435	953,828	850,049
Accounts Receivable	372,557	34,056	372,557	34,056
Prepays	3,787	5,488	3,787	5,488
Total Assets	<u>\$83,324,803</u>	<u>\$385,384,585</u>	<u>\$388,627,736</u>	<u>\$80,081,652</u>
Liabilities				
Due to Other Governments	\$ 82,500,967	\$385,018,147	\$387,803,900	\$ 79,715,214
Accounts Payable	823,836	366,438	823,836	366,438
Total Liabilities	<u>\$ 83,324,803</u>	<u>\$385,384,585</u>	<u>\$388,627,736</u>	<u>\$ 80,081,652</u>

UTAH COUNTY
Combining Statement of Net Position
Discretely Presented Component Units
December 31, 2012

ASSETS AND DEFERRED OUTFLOW OF RESOURCES	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Total
Current Assets						
Cash and Investments	\$ 35,459,563	\$ 6,082,288	\$ 917,858	\$ 189,913	\$ 10,679,675	\$ 53,329,297
Accounts Receivable	4,043,982	391,364	375,620	68,218	3,200,831	8,080,015
Taxes Receivable	-	-	53,252	-	-	53,252
Inventory	1,152	-	-	10,643	-	11,795
Other	108,085	27,558	-	19,033	627,436	782,112
Total	<u>39,612,782</u>	<u>6,501,210</u>	<u>1,346,730</u>	<u>287,807</u>	<u>14,507,942</u>	<u>62,256,471</u>
Capital Assets						
Land	2,673,916	2,207,049	95,583	-	903,708	5,880,256
Construction in Progress	74,872,713	-	36,706	-	-	74,909,419
Water Rights	-	-	437,671	-	-	437,671
Depreciable Assets - Net	55,228,198	3,816,310	6,109,683	33,144	5,444,692	70,632,027
Total	<u>132,774,827</u>	<u>6,023,359</u>	<u>6,679,643</u>	<u>33,144</u>	<u>6,348,400</u>	<u>151,859,373</u>
Other Assets	19,420,504	123,983	-	176,812	397,493	20,118,792
Total Assets	191,808,113	12,648,552	8,026,373	497,763	21,253,835	234,234,636
Deferred Outflow of Resources	-	153,639	-	-	-	153,639
Total Assets and Deferred Outflow of Resources	<u>191,808,113</u>	<u>12,802,191</u>	<u>8,026,373</u>	<u>497,763</u>	<u>21,253,835</u>	<u>234,388,275</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET ASSETS						
Current Liabilities						
Accounts Payable	739,438	354,522	21,977	37,104	464,980	1,618,021
Accrued Interest	383,911	-	73,565	-	-	457,476
Other Current Liabilities	1,149,413	84,312	10,796	57,677	2,461,452	3,763,650
Current Portion of Long-Term Debt	3,235,000	-	44,579	2,293	-	3,281,872
Total Current Liabilities	<u>5,507,762</u>	<u>438,834</u>	<u>150,917</u>	<u>97,074</u>	<u>2,926,432</u>	<u>9,121,019</u>
Long-Term Liabilities						
Mortgage or Leases Payable	-	-	-	-	-	-
Bonds Payable	80,728,669	-	2,964,608	-	-	83,693,277
Other Long-Term Liabilities	-	104,146	-	-	-	104,146
Compensated Absences and OPEB	-	-	-	-	1,330,627	1,330,627
Total Long-Term Liabilities	<u>80,728,669</u>	<u>104,146</u>	<u>2,964,608</u>	<u>-</u>	<u>1,330,627</u>	<u>85,128,050</u>
Total Liabilities	86,236,431	542,980	3,115,525	97,074	4,257,059	94,249,069
Deferred Inflows of Resources	-	-	-	95,175	-	95,175
Total Liabilities and Deferred Inflow of Resources	<u>86,236,431</u>	<u>542,980</u>	<u>3,115,525</u>	<u>192,249</u>	<u>4,257,059</u>	<u>94,344,244</u>
Net Position						
Net Investment in Capital Assets	55,263,222	6,023,359	3,670,456	-	6,348,400	71,305,437
Restricted	14,822,213	-	-	131,989	-	14,954,202
Unrestricted	35,486,247	6,235,852	1,240,392	173,525	10,648,376	53,784,392
Total Net Position	<u>\$ 105,571,682</u>	<u>\$ 12,259,211</u>	<u>\$ 4,910,848</u>	<u>\$ 305,514</u>	<u>\$ 16,996,776</u>	<u>\$ 140,044,031</u>

UTAH COUNTY
Combining Statement of Revenues, Expenses and Changes in Net Position
Discretely Presented Component Units
Year Ended December 31, 2012

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Total
Operating Revenue						
Charges for Services	\$ 13,089,430	\$ 6,953,623	\$ 1,067,154	\$ 1,282,732	\$ 25,950,088	\$ 48,343,027
Operating Expense						
Cost of Services	3,185,096	1,583,007	376,208	734,932	19,804,051	25,683,294
General and Administrative	2,190,117	5,389,569	308,953	648,358	5,545,304	14,082,301
Depreciation	2,136,190	428,268	256,869	9,661	551,564	3,382,552
Total Operating Expense	7,511,403	7,400,844	942,030	1,392,951	25,900,919	43,148,147
Operating Income (Loss)	5,578,027	(447,221)	125,124	(110,219)	49,169	5,194,880
Nonoperating Revenue (Expenses)						
Interest Revenue	422,164	39,052	212	8,211	102,958	572,597
Interest Expense and Fiscal Charges	(4,409,063)	-	(80,328)	-	-	(4,489,391)
Other Revenue (Expense)	7,932,446	2,212,061	168,872	5,072	616,075	10,934,526
Total Nonoperating Revenue (Exp.)	3,945,547	2,251,113	88,756	13,283	719,033	7,017,732
Net Income (Loss)	9,523,574	1,803,892	213,880	(96,936)	768,202	12,212,612
Net Position - Beginning	96,048,108	10,455,319	4,696,968	402,450	16,228,574	127,831,419
Net Position - Ending	\$ 105,571,682	\$ 12,259,211	\$ 4,910,848	\$ 305,514	\$ 16,996,776	\$ 140,044,031

UTAH COUNTY
Combining Statement of Cash Flows
Discretely Presented Component Units
Year Ended December 31, 2012

	Timpanogos Special Service District	North Pointe Solid Waste Special Service District	North Fork Special Service District	Utah Valley Convention and Visitors Bureau	Wasatch Mental Health	Totals
Cash flows from operating activities:						
Cash Received From Customers	\$ 11,693,647	\$ 7,441,039	\$ 1,089,822	\$ 1,340,880	\$ 24,704,394	\$ 46,269,782
Payment for Salaries, Wages, Benefits	(3,151,410)	(1,568,682)	(376,907)	(734,932)	(19,492,605)	(25,324,536)
Payment for Supplies, Materials, Services	(3,752,949)	(5,839,733)	(304,129)	(675,083)	(5,815,943)	(16,387,837)
Net cash provided (used) by operating activities	<u>4,789,288</u>	<u>32,624</u>	<u>408,786</u>	<u>(69,135)</u>	<u>(604,154)</u>	<u>4,557,409</u>
Cash flows from noncapital financing activities:						
Property Taxes Collected and Other	-	-	177,048	-	68,433	245,481
Cash flows from capital and related financing activities:						
Purchase of Capital Assets	(12,739,817)	(3,662,999)	(37,114)	(18,967)	(372,063)	(16,830,960)
Proceeds From Sale of Capital Assets	363,168	2,179,538	-	-	509,353	3,052,059
Proceeds From Issuance of Debt	-	-	-	-	189,390	189,390
Interest Paid on Long Term Debt	(4,657,251)	-	(9,315)	-	-	(4,666,566)
Principal Paid on Long Term Debt	(3,125,000)	-	(378,641)	(3,803)	-	(3,507,444)
Impact Fees and Capital Facility Fees and Other	7,252,775	-	-	-	-	7,252,775
Net cash provided (used) by capital and related	<u>(12,906,125)</u>	<u>(1,483,461)</u>	<u>(425,070)</u>	<u>(22,770)</u>	<u>326,680</u>	<u>(14,510,746)</u>
Cash flows from investing activities:						
Receipt of Note Receivable	-	-	-	-	14,432	14,432
Land Lease Receipts and Other	-	7,800	-	-	207,676	215,476
Purchase of Investments	-	-	-	(7,312)	166,808	159,496
Interest Received	1,501,629	187,192	212	-	102,958	1,791,991
Net cash provided (used) by investing activities	<u>1,501,629</u>	<u>194,992</u>	<u>212</u>	<u>(7,312)</u>	<u>491,874</u>	<u>2,181,395</u>
Net increase in cash and cash equivalents	<u>(6,615,208)</u>	<u>(1,255,845)</u>	<u>160,976</u>	<u>(99,217)</u>	<u>282,833</u>	<u>(7,526,461)</u>
Cash and Cash Equivalents - Beginning	<u>61,495,275</u>	<u>7,462,116</u>	<u>756,882</u>	<u>216,213</u>	<u>10,364,162</u>	<u>80,294,648</u>
Cash and Cash Equivalents - Ending	<u>\$ 54,880,067</u>	<u>\$ 6,206,271</u>	<u>\$ 917,858</u>	<u>\$ 116,996</u>	<u>\$ 10,646,995</u>	<u>\$ 72,768,187</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 5,578,027	\$ (447,221)	\$ 125,124	\$ (96,936)	\$ 49,169	\$ 5,208,163
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation and amortization	2,136,190	429,906	256,869	9,661	551,564	3,384,190
(Increase) decrease in accounts receivable	(1,375,485)	70,738	22,668	(23,658)	(1,167,948)	(2,473,685)
(Increase) decrease in prepaid expenses and other	(20,298)	8,370	-	4,409	1,377,414	1,369,895
Increase (decrease) in accounts payable	-	(36,035)	4,823	(41,778)	(270,639)	(343,629)
Increase (decrease) in accrued liabilities	(1,562,832)	14,325	-	(14,749)	598,071	(965,185)
Increase (decrease) in other liabilities	33,686	(7,459)	(698)	93,916	(1,741,785)	(1,622,340)
Increase (decrease) in accrued interest	-	-	-	-	-	-
Total adjustments	<u>(788,739)</u>	<u>479,845</u>	<u>283,662</u>	<u>27,801</u>	<u>(653,323)</u>	<u>(650,754)</u>
Net cash provided (used) by operating activities	<u>\$ 4,789,288</u>	<u>\$ 32,624</u>	<u>\$ 408,786</u>	<u>\$ (69,135)</u>	<u>\$ (604,154)</u>	<u>\$ 4,557,409</u>
Noncash investing, capital, and financing activities:	none	none	none	none	none	none

UTAH COUNTY
 STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
 FOR THE YEAR ENDED DECEMBER 31, 2012

Taxing Unit	Year-End Real Property Value	Year-End Centrally Assessed Value	Total Real & Centrally Assessed Value	Total Personal Property Value	Less: Real & Centrally Assessed RDA Value	Less: Personal Property RDA Value	RDA Adjusted Real Property Value	RDA Adjusted Personal Property Value	RDA Adjusted Taxable Value	Current Year Real Property Tax Rate	Prior Year Personal Property Tax Rate	Real & Cent. Assessed Taxes Charged	Personal Property Taxes Charged	Total Taxes Charged
Alpine City	599,179,079	7,598,150	606,777,229	5,790,966			606,777,229	5,790,966	612,568,195	0.001916	0.001870	1,162,585	10,829	1,173,414
Alpine School District	13,448,919,050	667,458,475	14,116,377,525	1,100,150,719	(855,533,377)	(443,999,149)	13,260,844,148	656,151,570	13,916,995,718	0.008828	0.008828	117,066,732	5,782,008	122,848,740
American Fork	1,363,565,561	35,832,060	1,399,397,621	89,972,533	(99,056,904)	(20,710,489)	1,300,340,717	69,262,044	1,369,602,761	0.002812	0.002794	3,656,558	193,518	3,850,076
Benjamin Cemetery	51,359,247	8,739,020	60,098,267	564,379			60,098,267	564,379	60,662,646	0.000168	0.000167	10,097	94	10,191
Cedar Fort	15,721,938	861,014	16,582,952	863,306			16,582,952	863,306	17,446,258	0.001268	0.001244	21,027	1,074	22,101
Cedar Hills	333,807,723	4,450,755	338,258,478	5,634,882			338,258,478	5,634,882	343,893,360	0.003183	0.003153	1,076,677	17,767	1,094,444
Central Utah Water	22,130,044,367	1,133,164,321	23,263,208,688	1,760,005,408	(1,244,359,717)	(534,917,290)	22,018,848,971	1,225,088,118	23,243,937,089	0.000455	0.000436	10,018,576	534,138	10,552,715
Draper	142,443,748	461,287	142,905,035	31,930			142,905,035	31,930	142,936,965	0.002009	0.001996	287,096	64	287,160
Eagle Mountain	620,895,324	35,388,207	656,283,531	4,978,897			656,283,531	4,978,897	661,262,428	0.001668	0.001636	1,094,681	8,145	1,102,826
Elk Ridge	106,139,267	1,453,716	107,592,983	678,537			107,592,983	678,537	108,271,520	0.002715	0.002621	292,115	1,778	293,893
Fairfield	7,403,959	121,870	7,525,829	836			7,525,829	836	7,526,665	0.001665	0.001808	12,531	2	12,532
Genola	45,929,230	5,037,310	50,966,540	465,054			50,966,540	465,054	51,431,594	0.001024	0.000957	52,190	445	52,635
Goshen	19,416,379	1,327,763	20,744,142	334,281			20,744,142	334,281	21,078,423	0.000936	0.000981	19,417	328	19,744
Highland	822,055,322	25,697,895	847,753,217	8,844,757			847,753,217	8,844,757	856,597,974	0.002005	0.002004	1,699,745	17,725	1,717,470
Jordan Valley Water	120,026,580	448,730	120,475,310	31,930			120,475,310	31,930	120,507,240	0.000443	0.000424	53,371	14	53,384
Lehi	2,471,989,976	36,478,914	2,508,468,890	479,164,438	(223,146,178)	(385,558,712)	2,285,322,712	93,605,726	2,378,928,438	0.002585	0.002519	5,907,559	235,793	6,143,352
Lehi Metro Water	2,471,989,976	36,478,914	2,508,468,890	479,164,438	(223,146,178)	(385,558,712)	2,285,322,712	93,605,726	2,378,928,438	0.000013	0.000013	29,709	1,217	30,926
Lindon	826,058,342	13,601,195	839,659,537	117,698,789	(84,233,850)	(3,654,424)	755,425,687	114,044,365	869,470,052	0.002107	0.002080	1,591,682	237,212	1,828,894
Mapleton	419,207,566	6,778,495	425,986,061	4,808,653			425,986,061	4,808,653	430,794,714	0.003639	0.003570	1,550,163	17,167	1,567,330
Nebo School District	4,761,860,892	378,761,077	5,140,621,969	381,021,604	(68,954,865)	(53,533,871)	5,071,667,104	327,487,733	5,399,154,837	0.009615	0.009370	48,764,079	3,068,560	51,832,639
North Fork Fire SSD	184,816,650	2,362,119	187,178,769	2,749,081			187,178,769	2,749,081	189,927,850	0.000862	0.000992	161,348	2,727	164,075
North Utah County Water	7,221,967,996	467,511,099	7,689,479,095	631,525,663	(336,683,360)	(406,269,201)	7,352,795,735	225,256,462	7,578,052,197	0.000029	0.000028	213,231	6,307	219,538
Orem	3,873,885,964	93,214,779	3,967,100,743	313,546,173	(388,936,747)	(54,894,775)	3,578,163,996	258,651,398	3,836,815,394	0.001921	0.001879	6,873,653	486,006	7,359,659
Orem Metro Water	3,873,885,964	93,214,779	3,967,100,743	313,546,173	(388,936,747)	(54,894,775)	3,578,163,996	258,651,398	3,836,815,394	0.000040	0.000039	143,127	10,087	153,214
Payson	617,732,692	8,756,852	626,489,544	53,455,422	(28,964,858)	(14,648,641)	597,524,686	38,806,781	636,331,467	0.001380	0.001323	824,584	51,341	875,925
Pleasant Grove	1,209,510,646	24,629,403	1,234,140,049	37,354,730	(14,480,279)	-	1,219,659,770	37,354,730	1,257,014,500	0.002315	0.002256	2,823,512	84,272	2,907,785
Provo City	3,919,992,008	87,002,827	4,006,994,835	278,833,085	(166,635,634)	(15,426,360)	3,840,359,201	263,406,725	4,103,765,926	0.003032	0.002843	11,643,969	748,865	12,392,834
Provo School District	3,919,264,425	86,944,769	4,006,209,194	278,833,085	(121,212,476)	(9,999,258)	3,884,996,718	268,833,827	4,153,830,545	0.007319	0.007153	28,434,291	1,922,968	30,357,259
Pole Canyon Local Dist	523,481	686,962	1,210,443	-			1,210,443	-	1,210,443	0.000607	0.001641	735	-	735
Salem	273,856,851	5,410,033	279,266,884	10,013,240			279,266,884	10,013,240	289,280,124	0.002106	0.002003	588,136	20,057	608,193
Santaquin	277,835,983	10,711,221	288,547,204	6,604,418			288,547,204	6,604,418	295,151,622	0.001817	0.001830	524,290	12,086	536,376
Saratoga Springs	737,914,152	12,632,243	750,546,395	12,560,113			750,546,395	12,560,113	763,106,508	0.003054	0.003120	2,292,169	39,188	2,331,356
Service Area #6	797,128,976	384,532,742	1,181,661,718	38,665,427	1,181,661,718		1,181,661,718	38,665,427	1,220,327,145	0.001442	0.001372	1,703,956	53,049	1,757,005
Service Area #7	553,436,644	41,650,143	595,086,787	28,431,064	595,086,787		595,086,787	28,431,064	623,517,851	0.000875	0.000761	520,701	21,636	542,337
Service Area #8	797,128,976	384,532,742	1,181,661,718	38,665,427	1,181,661,718		1,181,661,718	38,665,427	1,220,327,145	0.000374	0.000548	441,941	21,189	463,130
Service Area #9	242,544,445	342,657,882	585,202,327	585,202,327	585,202,327		585,202,327	585,202,327	595,409,449	0.000155	0.000293	90,706	2,991	93,697
Soldier Summit Water SSD	1,147,887	198,195	1,346,082	27,241			1,346,082	27,241	1,373,323	0.003657	0.003876	4,923	106	5,028
South Valley Sewer Dist	146,283,336	441,425	146,724,761	29,518			146,724,761	29,518	146,754,279	0.000407	0.000399	59,717	12	59,729
Spanish Fork	1,247,207,133	16,928,544	1,264,135,677	128,396,194	(39,990,007)	(38,885,230)	1,224,145,670	89,510,964	1,313,656,634	0.001221	0.001186	1,494,682	106,160	1,600,842
Springville	1,213,695,415	28,858,012	1,242,553,427	147,404,731			1,242,553,427	147,404,731	1,389,958,158	0.002190	0.002103	2,721,192	309,992	3,031,184
Springville Drainage	325,480,648	1,150,579	326,631,227	18,362,288			326,631,227	18,362,288	344,993,515	0.000442	0.000401	144,371	7,363	151,734
Traverse Ridge	120,026,580	448,730	120,475,310	31,930			120,475,310	31,930	120,507,240	0.003773	0.003803	454,553	121	454,675
State Assessing & Collecting	22,130,044,367	1,133,164,321	23,263,208,688	1,760,005,408	-	-	23,263,208,688	1,760,005,408	25,023,214,096	0.000168	0.000172	3,908,219	302,721	4,210,940
Local Assessing & Collecting	22,130,044,367	1,133,164,321	23,263,208,688	1,760,005,408	-	-	23,263,208,688	1,760,005,408	25,023,214,096	0.000029	0.000027	674,633	47,520	722,153
Utah County	22,130,044,367	1,133,164,321	23,263,208,688	1,760,005,408	(1,244,359,717)	(534,917,290)	22,018,848,971	1,225,088,118	23,243,937,089	0.001116	0.001098	24,573,035	1,345,147	25,918,182
Utah County Jail Bond	22,130,044,367	1,133,164,321	23,263,208,688	1,760,005,408	(1,244,359,717)	(534,917,290)	22,018,848,971	1,225,088,118	23,243,937,089	0.000011	0.000045	242,207	55,129	297,336
Vineyard	81,594,173	284,729,384	366,323,557	13,304,146	(198,915,260)	(1,138,660)	167,408,297	12,165,486	179,573,783	0.002758	0.002249	461,712	27,360	489,072
Woodland Hills	85,876,960	669,650	86,546,610	599,870			86,546,610	599,870	87,146,480	0.005519	0.005469	477,651	3,281	480,931
American Fork RDA					99,056,904	20,710,489	99,056,904	20,710,489	119,767,393	0.013251	0.013213	1,312,603	274,435	1,587,038
American Fork EDA (Egg Farm)					-	-	-	-	-	0.013251	0.013213	-	-	-
Lehi RDA					223,146,178	385,558,712	223,146,178	385,558,712	608,704,890	0.013037	0.012951	2,909,157	5,026,529	7,935,686
Lehi EDA (Micron)					-	-	-	-	-	0.013037	0.012951	-	-	-
Lindon RDA					84,233,850	3,654,424	84,233,850	3,654,424	87,888,274	0.012517	0.012471	1,054,355	45,742	1,100,098
Orem RDA					235,700,907	32,936,865	235,700,907	32,936,865	268,637,772	0.012371	0.012309	2,915,856	407,462	3,323,318
Orem RDA (Additional)					153,235,840	21,957,910	153,235,840	21,957,910	175,193,750	0.003543	0.003497	542,915	77,797	620,711
Payson EDA Business Park					28,964,858	14,648,641	28,964,858	14,648,641	43,613,499	0.012577	0.012272	364,291	184,236	548,527
Pleasant Grove EDA					14,480,279	-	14,480,279	-	14,480,279	0.012754	0.012675	184,681	-	184,681
Provo RDA					121,212,476	9,999,258	121,212,476	9,999,258	131,211,734	0.011933	0.011575	1,446,428	119,321	1,565,750
Provo RDA (Additional)					45,423,158	5,427,102	45,423,158	5,427,102	50,850,260	0.004614	0.004422	209,582	25,041	234,623
Spanish Fork RDA					39,990,007	38,885,230	39,990,007	38,885,230	78,875,237	0.012418	0.012135	496,596	482,877	979,473
Vineyard RDA					198,915,260	1,138,660	198,915,260	1,138,660	200,053,920	0.013168	0.012640	2,619,316	14,994	2,634,310
TOTAL	171,020,928,979	9,312,671,566	180,333,600,545	13,843,374,110	(5,727,546,154)	(2,959,006,836)	174,606,054,391	10,884,367,274	185,490,421,665			300,919,616	22,473,992	3

UTAH COUNTY
 STATEMENT OF TAXES LEVIED, COLLECTED, AND TREASURER'S RELIEF
 FOR THE YEAR ENDED DECEMBER 31, 2012

Taxing Unit	Treasurer's Relief			Total Relief	Current Year Taxes Collected	Collection Rate	Other Collections		Delinquent Collections		Total All Collections
	Unpaid Taxes	Abatements	Other				Motor Vehicles	Misc. Collections	Tax	Interest / Penalty	
Alpine City	93,687	2,730	2,598	99,016	1,074,399	91.56%	107,559	8,436	86,039	2,297	1,278,729
Alpine School District	8,698,720	542,801	410,266	9,651,787	113,196,953	92.14%	10,480,783	1,345,104	11,584,666	621,444	137,228,949
American Fork	278,436	21,919	(7,648)	292,708	3,557,369	92.40%	310,098	15,898	275,600	12,741	4,171,706
Benjamin Cemetery	1,316	119	28	1,463	8,728	85.64%	469	93	696	35	10,021
Cedar Fort	2,018	103	126	2,246	19,855	89.84%	2,809	417	3,831	484	27,395
Cedar Hills	37,927	6,760	95	44,782	1,049,661	95.91%	110,946	3,258	43,670	1,782	1,209,318
Central Utah Water	757,085	46,802	19,967	823,854	9,728,861	92.19%	874,456	98,493	878,985	45,742	11,626,537
Draper	20,158	1,659	(2,289)	19,529	267,631	93.20%	4,413	5,940	27,983	983	306,951
Eagle Mountain	69,550	6,878	(679)	75,748	1,027,078	93.13%	133,780	11,206	117,871	7,385	1,297,320
Elk Ridge	24,532	2,690	518	27,740	266,154	90.56%	28,786	1,389	53,189	2,402	351,919
Fairfield	520	207	546	1,273	11,259	89.84%	-	24	347	24	11,654
Genola	2,980	269	19	3,268	49,367	93.79%	5,670	1,362	4,454	165	61,017
Goshen	1,147	312	28	1,488	18,257	92.47%	4,506	138	1,270	72	24,242
Highland	93,548	7,747	107	101,402	1,616,068	94.10%	162,602	31,653	172,441	7,424	1,990,188
Jordan Valley Water	3,431	366	(507)	3,290	50,094	93.84%	1,040	820	5,232	204	57,390
Lehi	451,263	24,737	6,429	482,428	5,660,924	92.15%	546,011	39,624	656,421	30,450	6,933,429
Lehi Metro Water	2,269	124	59	2,452	28,474	92.07%	2,939	204	3,271	144	35,031
Lindon	165,444	3,596	35,531	204,571	1,624,324	88.81%	119,485	11,251	177,117	8,979	1,941,155
Mapleton	141,446	3,867	2,281	147,594	1,419,736	90.58%	135,696	14,306	199,925	10,579	1,780,243
Nebo School District	3,979,617	268,543	181,551	4,429,711	47,402,929	91.45%	4,615,826	466,300	4,266,204	225,061	56,976,319
North Fork Fire SSD	16,201	62	251	16,514	147,562	89.94%	704	104	17,742	459	166,572
North Utah County Water	15,124	947	8,706	24,777	194,761	88.71%	18,027	3,124	18,121	822	234,855
Orem	522,436	33,917	14,706	571,059	6,788,600	92.24%	647,572	24,172	580,276	42,071	8,082,691
Orem Metro Water	10,878	706	272	11,857	141,357	92.26%	13,586	505	12,059	877	168,384
Payson	43,155	6,025	(364)	48,817	827,108	94.43%	110,186	4,111	61,140	3,102	1,005,648
Pleasant Grove	215,301	14,959	7,639	237,899	2,669,886	91.82%	300,114	128,958	192,926	9,882	3,301,765
Provo City	802,479	40,767	36,881	880,127	11,512,708	92.90%	886,935	50,272	775,890	41,307	13,267,113
Provo School District	1,937,121	98,407	157,882	2,193,410	28,163,849	92.77%	2,209,748	123,387	2,036,439	108,233	32,641,656
Pole Canyon Local Dist	-	-	1	1	734	99.89%	415	10	-	-	1,159
Salem	55,904	4,052	3,103	63,059	545,133	89.63%	63,727	6,901	42,452	2,177	660,389
Santaquin	48,928	4,485	5,400	58,813	477,563	89.04%	61,181	1,801	46,770	2,263	589,578
Saratoga Springs	178,701	15,365	2,622	196,688	2,134,668	91.56%	208,986	33,426	414,017	22,000	2,813,097
Service Area #6	151,256	4,058	(930)	154,384	1,602,621	91.21%	11,350	37,442	127,943	4,225	1,783,580
Service Area #7	52,827	2,400	(3,019)	52,208	490,129	90.37%	6,270	10,518	53,182	1,579	561,678
Service Area #8	39,230	1,053	10,295	50,578	412,552	89.08%	4,381	9,785	48,523	1,607	476,848
Service Area #9	6,899	11	1,343	8,253	85,444	91.19%	100	2,147	5,458	240	93,390
Soldier Summit Water SSD	27	-	98	126	4,902	97.50%	-	107	40	17	5,066
South Valley Sewer Dist	3,823	336	(480)	3,679	56,050	93.84%	982	760	5,015	185	62,991
Spanish Fork	78,655	8,371	5,611	92,637	1,508,205	94.21%	184,556	9,291	108,466	5,786	1,816,305
Springville	307,156	15,310	10,060	332,526	2,698,658	89.03%	252,005	15,677	242,277	11,974	3,220,591
Springville Drainage	16,318	428	350	17,096	134,638	88.73%	23	308	14,185	573	149,727
Traverse Ridge	29,222	3,116	(4,292)	28,046	426,629	93.83%	8,125	6,966	41,755	1,416	484,892
State Assessing & Collecting	279,539	17,281	37,417	334,236	3,876,704	92.06%	336,409	36,871	417,597	23,836	4,691,418
Local Assessing & Collecting	48,254	2,983	1,724	52,961	669,192	92.67%	58,071	6,242	72,085	4,115	809,704
Utah County	1,856,938	114,793	77,932	2,049,664	23,868,519	92.09%	2,241,046	304,527	2,232,250	1,821,715	30,468,057
Utah County Jail Bond	18,302	1,131	42,650	62,083	235,253	79.12%	22,088	2,808	22,001	17,955	300,106
Vineyard	20,148	-	(900)	19,248	469,824	96.06%	3,124	25,613	34,592	2,015	535,168
Woodland Hills	49,157	3,081	(858)	51,380	429,551	89.32%	30,359	2,201	72,547	4,392	539,050
American Fork RDA	112,597	-	119,499	232,096	1,354,941	85.38%	-	-	1,105	-	1,356,046
American Fork EDA (Egg Farm)	-	-	-	-	-	-	-	-	-	-	-
Lehi RDA	55,540	-	3,895	59,435	7,876,251	99.25%	-	-	966	-	7,877,217
Lehi EDA (Micron)	-	-	-	-	-	-	-	-	-	-	-
Lindon RDA	93,768	-	(22,894)	70,875	1,029,223	93.56%	-	-	140,220	-	1,169,443
Orem RDA	347,844	-	(183,464)	164,380	3,158,938	95.05%	-	-	332,086	-	3,491,024
Orem RDA (Additional)	-	-	30,038	30,038	590,674	95.16%	-	-	55,685	-	646,358
Payson EDA Business Park	24,934	-	(4,027)	20,906	527,621	96.19%	-	-	54,777	-	582,398
Pleasant Grove EDA	118,097	-	(118,290)	(193)	184,874	100.10%	-	-	-	-	184,874
Provo RDA	266,569	-	(112,716)	153,853	1,411,897	90.17%	-	-	79,731	-	1,491,628
Provo RDA (Additional)	-	-	29,068	29,068	205,555	87.61%	-	-	14,432	-	219,987
Spanish Fork RDA	130,913	-	(36,272)	94,641	884,831	90.34%	-	-	76,555	-	961,386
Vineyard RDA	-	-	62,445	62,445	2,571,865	97.63%	-	-	14,266	-	2,586,131
TOTAL	22,779,336	1,336,277	830,407	24,946,020	298,447,589		25,327,946	2,903,948	27,024,782	3,113,221	356,817,486

**SUPPLEMENTAL STATISTICAL
INFORMATION**

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities										
Invested in capital assets, net of related debt	\$ 86,642	\$ 93,970	\$ 82,939	\$ 90,253	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013
Restricted	1,030	12,065	19,426	19,558	41,738	57,779	65,996	59,731	89,872	68,756
Unrestricted	62,687	56,792	70,162	74,919	55,411	42,505	39,507	44,299	23,636	38,352
Total governmental activities net position	<u>\$ 150,359</u>	<u>\$ 162,827</u>	<u>\$ 172,527</u>	<u>\$ 184,730</u>	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>
Business-type activities										
None										
Total business-type activities net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary government										
Invested in capital assets, net of related debt	\$ 86,642	\$ 93,970	\$ 82,939	\$ 90,253	\$ 105,233	\$ 119,433	\$ 142,039	\$ 177,039	\$ 207,283	\$ 180,013
Restricted	1,030	12,065	19,426	19,558	41,738	57,779	65,996	59,731	89,872	68,756
Unrestricted	62,687	56,792	70,162	74,919	55,411	42,505	39,507	44,299	23,636	38,352
Total primary government net position	<u>\$ 150,359</u>	<u>\$ 162,827</u>	<u>\$ 172,527</u>	<u>\$ 184,730</u>	<u>\$ 202,382</u>	<u>\$ 219,717</u>	<u>\$ 247,542</u>	<u>\$ 281,069</u>	<u>\$ 320,791</u>	<u>\$ 287,121</u>

Source: Utah County statements of net position at December 31, 2003 through 2012.

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses										
Governmental activities:										
General government	\$ 22,147	\$ 17,625	\$ 27,603	\$ 22,530	\$ 28,738	\$ 34,435	\$ 32,490	\$ 26,063	\$ 22,277	\$ 31,836
Public safety	21,059	23,858	27,948	30,316	34,002	36,630	39,441	40,388	43,146	44,994
Public health	19,978	21,359	22,756	23,305	25,128	26,836	26,904	28,268	30,297	31,462
Highways and streets	4,383	4,330	4,859	5,134	5,566	6,158	5,942	4,738	10,168	59,278
Parks and recreation	3,667	3,544	3,860	4,763	7,240	6,048	5,690	5,319	3,185	5,157
Interest on long-term liabilities	2,895	2,775	2,197	3,009	2,314	1,960	4,435	11,379	11,398	12,662
Total governmental activities expenses	<u>74,129</u>	<u>73,491</u>	<u>89,223</u>	<u>89,057</u>	<u>102,988</u>	<u>112,067</u>	<u>114,902</u>	<u>116,155</u>	<u>120,471</u>	<u>185,389</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$ 74,129</u>	<u>\$ 73,491</u>	<u>\$ 89,223</u>	<u>\$ 89,057</u>	<u>\$ 102,988</u>	<u>\$ 112,067</u>	<u>\$ 114,902</u>	<u>\$ 116,155</u>	<u>\$ 120,471</u>	<u>\$ 185,389</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 9,430	\$ 10,306	\$ 13,846	\$ 13,958	\$ 16,065	\$ 20,346	\$ 20,275	\$ 10,791	\$ 15,887	\$ 14,152
Public safety	4,073	5,383	5,651	6,968	7,170	7,773	8,922	9,606	9,657	12,461
Public health	3,323	3,369	3,912	2,652	2,652	6,055	6,431	6,309	6,415	7,692
Highways and streets	-	-	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Interest on long-term liabilities	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	19,899	20,570	19,786	19,573	20,990	14,332	16,209	22,439	23,575	26,923
Capital grants and contributions	-	-	3,487	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>36,725</u>	<u>39,628</u>	<u>46,682</u>	<u>43,151</u>	<u>46,877</u>	<u>48,506</u>	<u>51,837</u>	<u>49,145</u>	<u>55,534</u>	<u>61,228</u>
Total primary government program revenues	<u>\$ 36,725</u>	<u>\$ 39,628</u>	<u>\$ 46,682</u>	<u>\$ 43,151</u>	<u>\$ 46,877</u>	<u>\$ 48,506</u>	<u>\$ 51,837</u>	<u>\$ 49,145</u>	<u>\$ 55,534</u>	<u>\$ 61,228</u>

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Net (expense)/revenue										
Governmental activities	\$ (37,404)	\$ (33,863)	\$ (42,541)	\$ (45,906)	\$ (56,111)	\$ (63,561)	\$ (63,065)	\$ (67,010)	\$ (64,937)	\$ (124,161)
Business-type activities	-	-	-	-	-	-	-	-	-	-
Total primary government net expense	<u>\$ (37,404)</u>	<u>\$ (33,863)</u>	<u>\$ (42,541)</u>	<u>\$ (45,906)</u>	<u>\$ (56,111)</u>	<u>\$ (63,561)</u>	<u>\$ (63,065)</u>	<u>\$ (67,010)</u>	<u>\$ (64,937)</u>	<u>\$ (124,161)</u>
General Revenues and Other Changes in Net position										
Governmental activities:										
Taxes										
Property taxes	\$ 26,229	\$ 27,672	\$ 29,075	\$ 30,782	\$ 30,327	\$ 34,782	\$ 38,404	\$ 38,872	\$ 40,167	\$ 40,093
Sales taxes ¹	17,097	18,804	21,096	23,887	39,532	42,187	50,591	55,366	59,556	48,403
Investment earnings	748	688	1,650	3,307	3,567	2,492	1,228	1,810	765	935
Capital charges	-	-	-	-	-	-	-	-	-	-
(Loss)/Gain on Disposal or Impairment of Capit	-	(980)	300	-	-	-	-	-	-	-
Miscellaneous ¹	383	148	122	135	337	1,434	667	4,488	4,171	1,059
Total governmental activities	<u>44,457</u>	<u>46,332</u>	<u>52,243</u>	<u>58,111</u>	<u>73,763</u>	<u>80,895</u>	<u>90,890</u>	<u>100,536</u>	<u>104,659</u>	<u>90,490</u>
Business-type activities:										
None	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 44,457</u>	<u>\$ 46,332</u>	<u>\$ 52,243</u>	<u>\$ 58,111</u>	<u>\$ 73,763</u>	<u>\$ 80,895</u>	<u>\$ 90,890</u>	<u>\$ 100,536</u>	<u>\$ 104,659</u>	<u>\$ 90,490</u>
Change in Net position										
Governmental activities	\$ 7,053	\$ 12,469	\$ 9,702	\$ 12,205	\$ 17,652	\$ 17,334	\$ 27,825	\$ 33,526	\$ 39,722	\$ (33,671)
Business-type activities ²	-	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ 7,053</u>	<u>\$ 12,469</u>	<u>\$ 9,702</u>	<u>\$ 12,205</u>	<u>\$ 17,652</u>	<u>\$ 17,334</u>	<u>\$ 27,825</u>	<u>\$ 33,526</u>	<u>\$ 39,722</u>	<u>\$ (33,671)</u>

Source: Utah County statements of activities for years ended December 31, 2003 through 2012

Notes:

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

²The County has no business-type activities.

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

Year	Property Tax	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax (Public Transit) ³	Section 2218 Sales Tax (Roads) ²	Total
2003	\$ 26,229	\$ 12,094	\$ 1,133	\$ 912	\$ 2,957				\$43,325
2004	27,672	13,224	1,147	919	3,183	\$ 331 ¹			46,476
2005	29,075	15,011	1,220	1,016	3,302	547			50,171
2006	30,782	17,796	1,280	1,191	2,962	657			54,668
2007	30,327	19,256	1,286	1,488	3,993	691	\$ 1,026 ¹		58,067
2008	34,782	18,108	897	2,143	4,381	640	1,281		62,232
2009	38,404	16,539	1,311	1,719	4,397	601	1,145	\$ 11,724 ¹	75,840
2010	38,872	17,027	1,766	1,705	4,515	649	1,174	\$ 11,361	77,069
2011	40,167	17,906	1,724	1,902	4,928	729	1,284	\$ 13,365	82,005
2012	39,383	19,282	1,607	2,125	5,269	780	1,395	\$ 14,505	84,346

¹ First year of tax

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

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

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

Year	Option Sales Tax	Local Sales Tax	Hotel Sales Tax	Restaurant Sales Tax	Car Rental Sales Tax	Section 2216 Sales Tax	Section 2218 Sales Tax
2003	0.25%	1.00%	3.00%	1.00%	na	na	na
2004	0.25%	1.00%	3.00%	1.00%	7.00% ³	na	na
2005	0.25%	1.00%	3.00%	0.90% ⁴	7.00%	na	na
2006	0.25%	1.00%	3.00%	0.70% ⁵	7.00%	na	na
2007	0.25%	1.00%	4.25% ⁶	1.00% ⁷	7.00%	0.25%	na
2008	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	na ⁸
2009	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25% ¹⁰
2010	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2011	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%
2012	0.25%	1.00%	4.25%	1.00%	7.00%	0.30%	0.25%

³ Tax enacted April 1, 2004.

⁴ Tax change enacted January 1, 2005.

⁵ Tax change enacted January 1, 2006.

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

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

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

⁹ Tax change enacted January 1, 2008.

¹⁰ Tax enacted January 1, 2009.

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General fund										
Assigned	\$ -	\$ 6,489	\$ 3,569	\$ -	\$ -	\$ 1,925	\$ 373	\$ 2,723	\$ 1,472	\$ 8,315
Unassigned	14,527	6,587	7,003	16,460	17,125	13,334	11,430	11,831	15,861	13,949
Total general fund	<u>\$ 14,527</u>	<u>\$ 13,076</u>	<u>\$ 10,572</u>	<u>\$ 16,460</u>	<u>\$ 17,125</u>	<u>\$ 15,259</u>	<u>\$ 11,803</u>	<u>\$ 14,554</u>	<u>\$ 17,333</u>	<u>\$ 22,264</u>
All other governmental funds										
Restricted for:										
Transient room tax	\$ 1,881	\$ 1,766	\$ 1,824	\$ 1,764	\$ 1,754	\$ 2,108	\$ 1,947	\$ 1,825	\$ 1,887	\$ 444
Assessing and collecting	-	-	6,489	5,002	2,946	3,668	7,152	6,509	5,271	3,384
Public transit tax	-	-	-	-	12,941	28,907	162,395	144,203	37,013	39,582
TRCC tax	4,438	5,726	7,132	7,529	7,362	3,906	5,043	7,435	8,392	4,122
Special service areas	2,880	2,373	2,495	2,610	3,002	3,547	5,459	7,260	7,874	6,958
Bond proceeds	3,457	1,851	-	-	-	-	-	38,789	35,316	10,262
Debt service	3,305	4,546	5,753	6,976	7,489	8,000	7,931	5,006	3,729	1,588
Other purposes	891	1,247	1,386	1,768	2,229	878	-	-	-	-
Committed for:										
Public health and welfare	9,400	10,043	11,023	10,830	10,560	7,051	5,284	4,960	5,455	5,685
Public safety	-	-	-	-	-	-	-	-	433	534
Capital projects	11,216	16,204	29,628	25,231	13,478	9,526	7,569	6,014	8,563	8,014
Debt service	-	-	2,585	6,551	9,246	9,265	9,258	9,585	9,580	9,593
Assigned	1,623	1,721	1,886	1,529	930	112	110	97	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 39,091</u>	<u>\$ 45,477</u>	<u>\$ 70,201</u>	<u>\$ 69,790</u>	<u>\$ 71,937</u>	<u>\$ 76,968</u>	<u>\$ 212,148</u>	<u>\$ 231,683</u>	<u>\$ 123,513</u>	<u>\$ 90,166</u>

Source: Utah County Balance Sheets - governmental funds at December 31, 2003 through 2012

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

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues										
Taxes	\$ 43,324	\$ 46,145	\$ 49,623	\$ 54,012	\$ 69,168	\$ 76,969	\$ 88,996	\$ 97,280	\$ 99,723	\$ 88,497
Licenses and permits	96	97	101	101	99	101	293	346	296	267
Intergovernmental	22,608	22,480	24,243	23,703	24,714	25,861	29,587	26,190	30,565	32,609
Charges for services	12,967	15,689	16,776	16,740	19,114	19,137	19,104	19,579	21,747	25,349
Fines and forfeitures	1,055	1,377	2,076	2,606	2,937	3,056	2,853	3,030	3,230	3,002
Interest	748	688	1,650	3,307	3,580	2,499	1,228	1,786	767	935
Miscellaneous	383	465	669	792	1,028	1,778	666	1,469	3,865	1,059
Total revenues	<u>81,181</u>	<u>86,941</u>	<u>95,138</u>	<u>101,261</u>	<u>120,640</u>	<u>129,401</u>	<u>142,727</u>	<u>149,680</u>	<u>160,193</u>	<u>151,718</u>
Expenditures										
General government	31,995	23,486	25,918	36,946	41,938	41,482	59,364	81,985	57,133	55,754
Public safety	20,616	23,653	27,394	29,672	33,346	36,243	38,227	39,152	42,077	43,840
Public health	19,911	21,332	22,570	22,974	19,366	26,662	26,518	27,744	30,083	31,061
Highways and public improvements	4,340	4,447	4,863	4,997	11,232	6,205	5,741	4,410	115,119	78,012
Parks and recreation	3,427	3,627	3,609	4,481	6,972	10,615	5,382	5,012	2,879	4,850
Debt service:										
Principal	2,664	3,219	3,329	4,372	4,957	5,108	5,280	9,277	9,327	10,805
Interest and fiscal charges	2,036	1,982	2,285	2,557	2,500	2,362	4,079	11,365	11,682	12,900
Total expenditures	<u>84,989</u>	<u>81,746</u>	<u>89,968</u>	<u>105,999</u>	<u>120,311</u>	<u>128,677</u>	<u>144,591</u>	<u>178,945</u>	<u>268,300</u>	<u>237,222</u>
Excess of revenues over (under) expenditures	(3,808)	5,195	5,170	(4,738)	329	724	(1,864)	(29,265)	(108,107)	(85,504)

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Other financing sources (uses)										
Transfers in	11,046	14,312	18,842	18,155	15,668	19,999	18,823	29,086	25,549	31,783
Transfers out	(11,060)	(14,568)	(18,529)	(15,677)	(13,308)	(17,557)	(15,221)	(22,831)	(22,886)	(28,698)
Bonds issued	-	-	16,182	7,737	-	-	129,986	45,291	3,320	51,675
Refunding bonds issued	-	-	23,872	-	-	-	-	-	-	-
Payments for bond redemption	-	-	(23,615)	-	-	-	-	-	(3,370)	-
Bond premiums and discounts	-	-	-	-	-	-	-	-	106	2,326
Capital leases	-	-	-	-	123	-	-	-	-	-
Sale of capital assets	-	-	300	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(14)</u>	<u>(256)</u>	<u>17,052</u>	<u>10,215</u>	<u>2,483</u>	<u>2,442</u>	<u>133,588</u>	<u>51,546</u>	<u>2,719</u>	<u>57,086</u>
Net change in fund balances	<u>\$ (3,822)</u>	<u>\$ 4,939</u>	<u>\$ 22,222</u>	<u>\$ 5,477</u>	<u>\$ 2,812</u>	<u>\$ 3,166</u>	<u>\$ 131,724</u>	<u>\$ 22,281</u>	<u>\$ (105,388)</u>	<u>\$ (28,418)</u>

Source: Utah County statement of revenues, expenditures, and changes in fund balances - governmental funds for years ending December 31, 2003 through 2012

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

Year	Real Property	Centrally Assessed Property	Personal Property	Less: Real & Centrally Assessed RDA Value	Less: Personal Property RDA Value	RDA Adjusted Taxable Value	Tax Rate	Total Taxes Charged	Total Taxes Collected	Collection Rate
2003	\$ 14,539,346	¹ na	1,142,746	\$ (671,951)	(205,555)	\$ 14,804,586	0.000862	\$ 12,760	\$ 11,719	91.84%
2004	15,362,730	¹ na	1,099,699	(698,070)	(162,047)	15,602,312	0.000878	13,684	12,563	91.81%
2005	16,327,963	¹ na	1,077,036	(724,142)	(129,650)	16,551,207	0.000866	14,345	13,124	91.49%
2006	18,898,271	¹ na	1,119,024	(742,083)	(129,199)	19,146,013	0.000924	17,634	16,204	91.90%
2007	24,468,903	¹ na	1,276,153	(994,764)	(135,278)	24,615,014	0.000745	18,542	16,586	89.45%
2008	25,679,425	\$ 892,257	2,443,057	(1,201,477)	(1,194,682)	26,618,580	0.000727	19,352	16,956	87.52%
2009	24,645,814	939,209	2,123,419	(1,244,046)	(826,096)	25,638,300	0.000785	20,126	17,748	88.51%
2010	23,454,923	974,728	1,963,760	(1,135,109)	(721,133)	24,537,169	0.001036	25,421	22,790	89.65%
2011	22,293,795	980,261	1,767,953	(1,172,968)	(582,425)	23,286,616	0.001098	25,569	23,486	91.85%
2012	22,130,044	1,133,164	1,760,005	(1,244,359)	(534,917)	23,243,937	0.001116	25,918	23,868	92.09%

¹Amount includes both real property and centrally assessed property.

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

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

Source: Tax Division - Utah County Auditor's Office

Notes:

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

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

	2012	2011	2010	2009	2008
County-wide rates¹:					
General Fund	0.001116	0.001098	0.001036	0.000785	0.000727
Bond Debt Service Fund	0.000011	0.000045	0.000072	0.000093	0.000082
State Assessing & Collecting	0.000168	0.000172	0.000162	0.000142	0.000121
Local Assessing & Collecting	0.000029	0.000027	0.000024	0.000183	0.000175
Discharge of Judgment	N/A	N/A	N/A	N/A	N/A
Total Direct Rate ²	0.001324	0.001342	0.001294	0.001203	0.001105
Other County rates³:					
Law Enforcement - Service Area 6	0.001442	0.001372	0.001378	0.001400	0.000982
Urban Structure Fire - Service Area 7	0.000875	0.000761	0.000670	0.000661	0.000529
Planning - Service Area 8	0.000374	0.000548	0.000573	0.000559	0.000508
Rural Structure Fire - Service Area 9	0.000155	0.000293	0.000300	0.000283	0.000202
Soldier Summit Special Service District	0.003657	0.003876	0.004476	0.003233	0.002356
School district rates:					
Alpine School District	0.008828	0.008812	0.008220	0.007541	0.007057
Nebo School District	0.009615	0.009370	0.009173	0.008701	0.008150
Provo City School District	0.007319	0.007153	0.006706	0.006639	0.006214
City and town rates:					
Alpine	0.001916	0.001870	0.001226	0.001121	0.001029
American Fork	0.002812	0.002794	0.002630	0.002423	0.002426
Cedar Fort	0.001268	0.001244	0.001311	0.001280	0.001320
Cedar Hills	0.003183	0.003153	0.002994	0.002768	0.002596
Draper	0.002009	0.001996	0.001896	0.001818	0.001528
Eagle Mountain	0.001668	0.001636	0.001510	0.001400	0.001230
Elk Ridge	0.002715	0.002621	0.002494	0.002343	0.001768
Fairfield ⁴	0.001665	0.001808	0.001921	0.001895	0.002053
Genola	0.001024	0.000957	0.000953	0.000993	0.000988
Goshen	0.000936	0.000981	0.000980	0.000978	0.000326
Highland	0.003167	0.002004	0.001948	0.001804	0.001565
Lehi	0.002585	0.002519	0.002370	0.001789	0.001901
Lindon	0.002107	0.002080	0.001873	0.001686	0.001296
Mapleton	0.003639	0.003570	0.003416	0.003085	0.002655
Orem	0.002414	0.001879	0.001739	0.001676	0.001578
Payson	0.001380	0.001323	0.001272	0.001213	0.001172
Pleasant Grove	0.002315	0.002256	0.002085	0.001943	0.001806
Provo	0.003032	0.002843	0.002394	0.002307	0.002122
Salem	0.002106	0.002003	0.001336	0.001228	0.001070
Santaquin	0.001817	0.001830	0.001677	0.001571	0.001434
Saratoga Springs	0.003054	0.003120	0.002744	0.002436	0.002019
Spanish Fork	0.001221	0.001186	0.001134	0.001076	0.001033
Springville	0.002190	0.002103	0.002213	0.001538	0.001413
Vineyard	0.002758	0.002249	0.001815	0.001695	0.001802
Woodland Hills	0.005519	0.005469	0.005213	0.004530	0.003600
Other taxing district rates:	0.000013-0.003773	0.000013-0.003803	0.000012-0.003171	0.000009-0.002635	0.000008-0.002073

Source: Utah State Tax Commission - http://propertytax.utah.gov/library/pdf/taxrate_pdfs/budgetratesbyentity2012.pdf

Notes:

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

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

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

⁴ Fairfield incorporated on December 20, 2004.

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

	2007	2006	2005	2004	2003
County-wide rates¹:					
General Fund	0.000745	0.000913	0.000866	0.000878	0.000862
Bond Debt Service Fund	0.000098	0.000155	0.000174	0.000187	0.000191
State Assessing & Collecting	0.000121	0.000139	0.000173	0.000180	0.000181
Local Assessing & Collecting	0.000036	0.000044	0.000178	0.000180	0.000177
Discharge of Judgment	N/A	0.000011	N/A	N/A	N/A
Total Direct Rate ²	0.001000	0.001262	0.001391	0.001425	0.001411
Other County rates³:					
Law Enforcement - Service Area 6	0.000962	0.001072	0.001091	0.001078	0.001110
Urban Structure Fire - Service Area 7	0.000524	0.000600	0.000614	0.000604	0.000632
Planning - Service Area 8	0.000504	0.000577	0.000591	0.000581	0.000608
Rural Structure Fire - Service Area 9	0.000188	0.000194	0.000195	0.000196	0.000195
Soldier Summit Special Service District	0.001913	0.001888	0.001846	0.001809	0.001880
School district rates:					
Alpine School District	0.006937	0.006883	0.008082	0.008119	0.007884
Nebo School District	0.008150	0.008696	0.009203	0.009247	0.008087
Provo City School District	0.005239	0.006147	0.006124	0.006234	0.006071
City and town rates:					
Alpine	0.001051	0.001091	0.001091	0.001298	0.001316
American Fork	0.002213	0.002731	0.002276	0.002298	0.002345
Cedar Fort	0.000954	0.000553	0.000559	0.000860	0.000876
Cedar Hills	0.002616	0.002857	0.001690	0.001700	0.001898
Draper	0.001616	0.001274	0.001469	0.001327	0.001354
Eagle Mountain	0.001163	0.001747	0.001789	0.001861	0.001692
Elk Ridge	0.001655	0.002156	0.002209	0.002209	0.002304
Fairfield ⁴	0.001914	0.002296	N/A	N/A	N/A
Genola	0.000984	0.001041	0.001061	0.001071	0.001066
Goshen	0.000341	0.000368	0.000370	0.000371	0.000374
Highland	0.001420	0.001390	0.001459	0.001445	0.001460
Lehi	0.001834	0.002604	0.002663	0.002462	0.002541
Lindon	0.001390	0.001702	0.001862	0.001837	0.001874
Mapleton	0.001960	0.002031	0.002587	0.002574	0.002613
Orem	0.001670	0.002045	0.002036	0.001800	0.001698
Payson	0.001174	0.001492	0.001575	0.001579	0.001584
Pleasant Grove	0.001608	0.002033	0.002349	0.002477	0.002617
Provo	0.002236	0.002722	0.002891	0.002873	0.002776
Salem	0.001167	0.001516	0.001593	0.001595	0.001615
Santaquin	0.001436	0.001883	0.001959	0.001961	0.001959
Saratoga Springs	0.000933	0.001331	0.001358	0.001559	0.001561
Spanish Fork	0.001144	0.001164	0.001333	0.001320	0.001303
Springville	0.001405	0.001827	0.001905	0.001846	0.001808
Vineyard	0.001485	0.001931	0.002037	0.004736	0.002000
Woodland Hills	0.002850	0.001718	0.001718	0.001801	0.001699
Other taxing district rates:	0.000008-0.001997	0.000011-0.002389	0.000011-0.003181	0.000010-0.003507	0.000013-0.003120

Source: Utah State Tax Commission - http://propertytax.utah.gov/library/pdf/taxrate_pdfs/budgetratesbyentity2012.pdf

Notes:

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

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

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

⁴ Fairfield incorporated on December 20, 2004.

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

Taxpayers	Type of Business	2012			2003		
		Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ¹	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Values ²
PacifiCorp	Electricity	\$ 483,762	1	1.93%	\$ 643,120	1	4.10%
IM Flash Technologies, LLC	Semiconductor	223,228	2	0.89%	228,763	2	1.46%
Questar Gas	Natural Gas	176,760	3	0.71%	197,357	3	1.26%
Kern River Gas	Natural Gas	99,446	4	0.40%	96,668	5	0.62%
Union Pacific Railroad	Transportation	90,826	5	0.36%	102,250	4	0.65%
University Mall	Retail	88,840	6	0.36%	96,139	6	0.61%
Novell, Inc.	Computer software	88,576	7	0.35%	---	---	---
Qwest Corporation	Telecommunications	80,855	8	0.32%	79,560	7	0.51%
Walmart	Retail	68,848	9	0.28%	67,592	10	0.43%
Intermountain Healthcare	Healthcare	53,268	10	0.21%	---	---	---
Adobe Systems	Computer software	---	---	---	78,924	8	0.50%
Nu Skin Enterprises	Personal care	---	---	---	78,649	9	0.50%
Totals		<u>\$ 1,454,409</u>		<u>5.81%</u>	<u>\$ 1,669,022</u>		<u>10.64%</u>

Source: Utah County Treasurer

Notes:

¹ Percentage of total taxable values equals the taxable value divided by the total taxable value of \$25,023,213.

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

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

Year	Governmental Activities			Business-Type Activities ¹	Total Primary Government	Percentage of Personal Income ²	Per Capita ²
	General Obligation Bonds	Revenue Bonds	Lease Obligations				
2003	\$ 20,970	\$ 23,160	\$ 1,866		\$ 45,996	0.54%	\$ 112
2004	19,235	21,940	1,602		42,777	0.48%	99
2005	17,440	36,140	1,337		54,917	0.55%	121
2006	15,455	41,630	1,075		58,160	0.53%	121
2007	13,390	39,065	899		53,354	0.44%	104
2008	11,250	36,385	931		48,566	0.37%	92
2009	9,020	164,055	629		173,704	1.39%	319
2010	6,695	202,515	307		209,517	1.62%	406
2011	4,220	195,920	-		200,140	1.46%	377
2012	1,680	239,330	-		241,010	N/A	446

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

Notes:

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

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

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

Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Taxable Value of Property¹	Population²	Per Capita
2003	\$ 20,970	\$ 3,305	\$ 17,665	0.11%	409,465	\$ 43
2004	19,235	4,546	14,689	0.09%	434,114	34
2005	17,440	5,753	11,687	0.07%	454,694	26
2006	15,455	6,976	8,479	0.04%	482,291	18
2007	13,390	7,489	5,901	0.02%	512,902	12
2008	11,250	8,000	3,250	0.01%	529,755	6
2009	9,020	7,931	1,089	0.00%	545,307	2
2010	6,695	5,006	1,689	0.01%	516,564	3
2011	4,220	3,729	491	0.00%	530,499	1
2012	1,680	1,588	92	0.00%	540,504	-

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

Notes:

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

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

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

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Debt limit (2%) ¹	\$ 314,000	\$ 472,000	\$ 540,000	\$ 620,000	\$ 817,000	\$ 896,204	\$ 851,335	\$ 819,641	\$ 779,312	\$ 730,620
Total net debt applicable to limit	17,665	14,689	11,687	8,479	5,901	3,250	1,089	1,689	491	92
Legal debt margin	<u>\$ 296,335</u>	<u>\$ 457,311</u>	<u>\$ 528,313</u>	<u>\$ 611,521</u>	<u>\$ 811,099</u>	<u>\$ 892,954</u>	<u>\$ 850,246</u>	<u>\$ 817,952</u>	<u>\$ 778,821</u>	<u>\$ 730,528</u>
Total net debt applicable to the limit as a percentage of debt limit	5.63%	3.11%	2.16%	1.37%	0.72%	0.36%	0.13%	0.21%	0.06%	0.01%

Source: Utah County Auditor's Office

Notes:

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

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

³ **Legal debt margin calculation for 2012:**

	<u>Taxable Value²</u>	<u>Adjusted Fair Market Value¹</u>
Residential values	\$ 14,065,087	\$ 25,572,885
Non-residential values	10,958,126	10,958,126
Totals	<u>\$ 25,023,213</u>	<u>\$ 36,531,011</u>
Debt limit (adjusted fair market value x 0.02)		\$ 730,620
Debt applicable to limit:		
General obligation bonds		1,680
Less: Amount set aside for repayment of general obligation debt		<u>(1,588)</u>
Total net debt applicable to limit		<u>92</u>
Legal debt margin		<u>\$ 730,528</u>

UTAH COUNTY
Demographic and Economic Statistics
Last Ten Years

Year	Population¹	Personal Income (amounts expressed in thousands)²	Per Capita Personal Income²	Median Age¹	School Enrollment³	Unemployment Rate⁴
2003	409,465	\$8,528,563	\$20,998	25.0	88,121	5.3%
2004	434,114	\$8,999,688	\$21,622	25.4	91,071	4.8%
2005	454,694	\$10,048,232	\$23,330	25.1	92,788	4.0%
2006	482,291	\$11,055,927	\$24,662	24.2	94,938	2.9%
2007	512,902	\$12,252,051	\$26,092	24.3	98,336	2.5%
2008	529,755	\$13,173,054	\$27,015	24.5	102,103	3.4%
2009	545,307	\$12,495,514	\$24,753	24.6	105,874	7.3%
2010	516,564	\$12,946,888	\$24,906	24.6	108,556	7.9%
2011	530,499	\$13,723,793	\$25,870	24.5	111,736	6.5%
2012	540,504	N/A	N/A	24.4	115,507	5.5%

Sources:

¹U.S. Census Bureau, Population Division, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States, States, Counties, and Puerto Rico Commonwealth and Municipios: April 1, 2010 to July 1, 2012. Release Date: June 2013

²U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Table CA1-3, Nov. 2012. Estimates are in current dollars (not adjusted for inflation). Per Capita estimates reflect population estimates available as of Nov. 2012. Last updated Nov. 25, 2012. Retrieved June 12, 2013. 2012 statistics were not available for personal income and per capita income.

³Utah State Office of Education, School Finance & Statistics (as of fall enrollment for each year). District enrollment only for Kindergarten-Grade 12. Retrieved June 12, 2013.

⁴Utah Department of Workforce Services. Annual average unemployment rate, seasonally adjusted. Retrieved June 12, 2013.

UTAH COUNTY
Principal Employers
Most Current Year and Four Years Ago

<u>Employer</u>	<u>Industry</u>	<u>2012</u> ¹			<u>2008</u> ²		
		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u> ³	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u> ³
Brigham Young University	Higher Education (Private)	15,000-19,999	1	7.03% - 9.38%	10,000-14,999	1	4.61% - 6.91%
Alpine School District	Public Education	5,000-6,999	2	2.34% - 3.28%	5,000-6,999	2	2.30% - 3.23%
Utah Valley Regional Medical Center	Healthcare	4,000-4,999	3	1.88% - 2.34%	4,000-4,999	3	1.84% - 2.30%
Utah Valley University	Higher Education (Public)	4,000-4,999	4	1.88% - 2.34%	2,000-2,999	7	0.92% - 1.38%
Nebo School District	Public Education	3,000-3,999	5	1.41% - 1.88%	3,000-3,999	4	1.38% - 1.84%
State of Utah	State Government	3,000-3,999	6	1.41% - 1.88%	3,000-3,999	5	1.38% - 1.84%
Walmart	Retail	2,000-2,999	7	0.94% - 1.41%	2,000-2,999	8	0.92% - 1.38%
Provo School District	Public Education	1,000-1,999	8	0.47% - 0.94%	1,000-1,999	9	0.46% - 0.92%
Vivint	Electrical Contractors	1,000-1,999	9	0.47% - 0.94%	---	---	---
IM Flash Technologies	Semiconductor	1,000-1,999	10	0.47% - 0.94%	---	---	---
Utah Office Supply	Office Supplies	---	---	---	2,000-2,999	6	0.92% - 1.38%
Novell, Inc.	Software	---	---	---	1,000-1,999	10	0.46% - 0.92%

Notes:

¹ Source: Utah Department of Workforce Services.

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

³ Average employed labor force (not seasonally adjusted) for 2012 was 213,251 and for 2008 was 216,997. Source: Utah Department of Workforce Services.

UTAH COUNTY
Full-Time Equivalent County Government Employees by Function¹
Last Six Years²

FUNCTION	2007	2008	2009	2010	2011	2012
General government						
Financial administration	79.0	90.5	86.0	82.8	90.5	91.8
Central administration	65.0	68.5	57.3	51.5	52.0	52.5
Judicial and legal	76.8	77.8	77.5	81.5	85.5	83.5
Public works administration and surveying	9.0	11.0	15.0	5.0	5.0	2.0
Motor pool	10.0	10.0	10.0	10.0	10.0	10.0
Property management	28.5	30.3	26.0	25.0	24.0	25.5
Telecommunications	4.0	4.0	4.0	4.0	4.0	4.0
Elections	3.5	5.3	5.0	5.0	5.0	5.0
Public safety						
Police protection employees with power of arrest	117.3	139.5	115.0	118.8	122.3	120.8
Other police protection employees	57.5	50.5	51.5	22.5	21.5	22.0
Corrections	229.0	241.3	226.0	221.3	226.3	253.0
Firefighters ³	25.0	25.0	28.0	27.0	27.0	26.0
Other fire protection employees	1.5	1.5	1.3	1.5	1.3	1.5
Public health and welfare						
Public welfare	5.5	4.5	5.5	5.5	5.8	5.3
Health	230.8	244.0	238.5	228.0	277.3	243.8
Roads and public improvements	25.8	28.0	17.0	26.3	21.5	18.0
Parks and recreation						
Parks & recreation	6.5	7.0	7.3	4.5	3.5	10.8
Natural resources	3.3	2.0	3.0	3.0	1.0	3.0
Total	977.8	1,040.5	973.8	923.0	983.3	978.3

Source: Utah County Office of Personnel Management

Notes:

¹ Total work hours by employees are divided by 2,080 to obtain full-time equivalent employment.

² Statistics relating to employees by function were not available until 2007.

³ Estimated full-time equivalents based upon summer season.

UTAH COUNTY
Operating Indicators by Department
Last Ten Years

DEPARTMENT	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Government:										
Clerk/Auditor										
Marriage licenses issued	4,762	4,867	4,932	5,105	4,976	4,985	5,024	4,906	4,974	5,080
Treasurer										
Number of tax notices sent	130,827	135,385	142,059	148,922	157,079	164,034	165,235	165,751	166,086	166,435
Recorder										
Number of recordings	202,949	146,499	152,272	176,663	179,205	136,181	133,890	115,151	95,242	115,839
Personnel:										
W-2 forms issued	1,200	1,244	1,299	1,343	1,466	1,464	1,404	1,316	1,329	1,361
Payroll direct deposits issued	20,765	24,195	25,313	26,554	28,192	29,541	29,493	27,956	27,878	28,693
Sheriff's Office:										
Citations issued	*	*	*	7,098	8,071	8,699	8,230	8,698	8,670	7,380
DUIs reported	*	*	*	256	298	380	354	256	282	268
Average number of inmates housed	*	*	639	631	598	641	726	759	814	846
Arrests made	*	*	*	2,655	2,944	2,811	2,498	2,403	2,391	2,124
Health:										
Food inspections completed	2,296	2,294	2,360	2,055	1,737	1,864	2,318	2,199	2,351	2,967
Pool inspections completed	300	302	288	353	346	405	396	458	458	493
Septic tank inspections completed	81	70	55	93	92	102	63	75	50	60
Vaccinations given	91,890	78,612	77,198	69,628	73,389	70,585	105,756	62,713	57,564	62,368
Average WIC clients served (monthly)	13,006	13,463	13,389	12,605	12,172	12,854	14,529	14,448	14,062	13,582

Sources: Various County government departments

Note:

* Some indicators were not available for the full ten years.

UTAH COUNTY

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

YEAR ENDED DECEMBER 31, 2012

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UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Thru Grantor's Number	Expenditures
<u>Corporation for National and Community Service</u>			
Cluster			
Foster Grandparent Program	94.011		\$ 259,920
Senior Companion Program	94.016		214,657
Total Corporation for National and Community Service			<u>474,577</u>
<u>U.S. Department of Agriculture</u>			
ARRA - Capital Improvement and Maintenance Passed through State of Utah	10.687		143,697
Schools and Roads-Grants to States	10.665		1,171,949
Passed Through Utah Department of Health			
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	13-1363	255,533
Special Supplemental Nutrition Program for Women, Infants, and Children-Client Services	10.557	12-0714	811,590
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	12-0714	193,853
Special Supplemental Nutrition Program for Women, Infants, and Children-Breast Feeding	10.557	13-1363	50,225
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	13-1363	70,575
Special Supplemental Nutrition Program for Women, Infants, and Children-Nutrition	10.557	12-0714	223,256
Special Supplemental Nutrition Program for Women, Infants, and Children-Food (Commodities)	10.557		7,275,783
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	13-1363	27,516
Special Supplemental Nutrition Program for Women, Infants, and Children-Administration	10.557	12-0714	196,976
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	13-1363	30,535
Special Supplemental Nutrition Program for Women, Infants, and Children - Peer Counseling	10.557	12-0714	105,215
Special Supplemental Nutrition Program for Women, Infants and Children - WIC National Conference	10.557		6,000
Special Supplemental Nutrition Program for Women, Infants and Children - National Breast Feeding Award	10.557	12-0714	30,260
Summer Food Service Program for Children	10.559	13-0528	1,000
Passed Through Utah Department of Agriculture & Food			
Program on Research on the Economic of Invasive Species Management - Squorrose	10.254	13-1269	69,906
Program on Research on the Economic of Invasive Species Management - North Shore	10.254	13-1268	29,990
Passed Through Utah Dept of Natural Resources			
Program on Research on the Economic of Invasive Species Management - Watershed Restoration	10.254	13-0884	<u>15,675</u>
Total U.S. Department of Agriculture			<u>10,709,534</u>
<u>U.S. Department of Transportation</u>			
Passed Through State Department of Public Safety			
State & Community Highway Safety - Motorcycles	20.600		29,000
State & Community Highway Safety	20.600	CP13-02-07	3,838
State & Community Highway Safety	20.600	CP12-02-07	18,544
Interagency Hazardous Materials - HMEP	20.703		863
Total U.S. Department of Transportation			<u>52,245</u>

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Grantor's Number	Expenditures
<u>U.S. Department of Health and Human Services</u>			
Drug-Free Communities and Support	93.276		108,913
Passed Through Utah Department of Human Services			
Block Grants for Prevention & Treatment of Substance Abuse - CTC	93.959	09-2034	6,949
Block Grants for Prevention & Treatment of Substance Abuse - CTC	93.959	12-2201	20,621
Block Grants for Prevention & Treatment of Substance Abuse	93.959	12-2419	1,006,669
Block Grants for Prevention and Treatment of Substance Abuse	93.959	09-2480	890,992
Substance Abuse and Mental Health Services - Access to Recovery	93.275	11-2120	390,266
Child Abuse & Neglect State Grants	93.669	12-1254	49,401
Substance Abuse - Significant Projects	93.243	10-1321	60,784
Substance Abuse - Significant Projects	93.243	12-2419	20,000
Passed Through Utah Department of Health			
Affordable Care Act Abstinence Education Program	93.235	13-1225	17,529
Affordable Care Act Abstinence Education Program	93.235	12-0285	24,643
Centers for Disease Control & Prevention - Investigations and Technical Assistance	93.283	12-0126	182,396
Centers for Disease Control & Prevention - Investigations and Technical Assistance	93.283	13-0970	204,194
Maternal and Child Health Services Block Grants to States	93.994	12-0126	15,822
Maternal and Child Health Services Block Grants to States	93.994	13-0970	27,960
Maternal and Child Health Services Block Grants to States	93.994	13-1225	73,732
Maternal and Child Health Services Block Grants to States	93.994	12-0285	73,732
Preventive Health & Health Services Block Grant	93.991	12-0126	16,775
Preventive Health & Health Services Block Grant	93.991	13-0970	45,310
Immunization Grant	93.268	12-1749	124,293
Bioterrorism Hospital Preparedness	93.889	13-0760	60,435
Bioterrorism Hospital Preparedness	93.889	12-0842	69,357
Medical Assistance Program	93.778	13-1171	32,763
Medical Assistance Program	93.778	12-0726	25,240
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977	12-1749	4,400
Project Grants & Cooperative Agreements for Tuberculosis Control Programs	93.116	12-1749	16,555
Project Grants & Cooperative Agreements for HIV Prevention Activities - Health Department Based	93.940	12-1749	10,500
Advance Registration of Volunteer Professional	93.089		3,500
Public Health Emergency Preparedness	93.069	12-0797	203,362
Public Health Emergency Preparedness	93.069	13-0760	210,664
Injury Prevention and Control Research	93.136	13-0970	7,973
Community Transformation	93.531	12-0126	20,000
Strengthen Public Health Immunization	93.539	13-1226	7,818
Strengthen Public Health Immunization	93.539	13-1315	183,309
Chronic Disease Prevention and Control	93.945	13-0970	6,248
Block Grant for Community Mental Health	93.958	12-2419	6,848

UTAH COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/Pass Through Grantor Program Title	Federal CFDA Number	Pass-Thru Grantor's Number	Expenditures
<u>U.S. Dept. of Health and Human Services (Continued)</u>			
Passed Through Utah Department of Health (Continued)			
Affordable Care Act: Building Epidemiology Laboratory, Etc Cooperative Agreements	93.521	12-2078	12,404
Affordable Care Act: Building Epidemiology Laboratory, Etc Cooperative Agreements	93.521	13-1483	315
Public Health Emergency Response -Asthma	93.070	12-0126	9,557
Public Health Emergency Response -Asthma	93.070	13-0970	15,000
Affordable Care Act: Communities Putting Prevention to Work	93.520	12-0126	21,413
Passed Through Mountainland Assoc. of Government			
Social Services Block Grant	93.667		12,234
Special Programs for the Aging	93.044		5,000
Passed Through Department of Workforce Services			
Temporary Assistance for Needy Families	93.558	13-0534,5,6	5,370
Passed through National Association of County and City Health Officials			
Medical Reserve Corp. Small Grant	93.008	MRC-12 200	5,000
Medical Reserve Corps	93.008	2011-041222	15,000
Passed through Utah State University			
Temporary Assistance for Needy Families	93.558		3,744
Total US Dept. of Health & Human Services			<u>4,334,990</u>
<u>U.S. Department of Justice</u>			
Coverdell Forensics Sciences	16.742		59,353
State Criminal Alien Assistance	16.606		93,388
Bulletproof Vest Partnership Program	16.607		1,038
Cluster - Byrne Memorial Justice Assistance			
Direct			
ARRA-Byrne Memorial Justice Assistance	16.804		19,021
Passed Through Utah Chapter of National Children's Alliance			
ARRA-Byrne Memorial Justice Assistance	16.803	9AR74	92,943
ARRA-Byrne Memorial Justice Assistance	16.803	9AR86	9,352
Passed Through State Common Criminal and Juv. Justice Byrne Memorial Justice Assistance			
	16.738	11A186	5,518
Passed Through State Comm. on Criminal & Juv. Justice			
Sexual Assault Services Formula Program	16.017	12-Voca-70	39,485
Sexual Assault Services Formula Program	16.017	12-Voca-71	24,580
Sexual Assault Services Formula Program	16.017	12-Voca-72	31,555
Sexual Assault Services Formula Program	16.017	12-Voca-69	21,830
Crime Victim Assistance - VOCA	16.575	11-Voca-72	29,097
Crime Victim Assistance - VOCA	16.575	11-Voca-73	20,853
Crime Victim Assistance - Child Abuse Treatment	16.575	11-Voca-71	46,957
Crime Victim Assistance - Victim/Witness Coordinator	16.575	01-Voca-70	20,665
Residential Substance Abuse Treatment For State Prisoners	16.593	10R04	101,810
Residential Substance Abuse Treatment For State Prisoners	16.593	11R04	45,507
ARRA - Violence Against Women Formula Grant	16.588	09-WREC-10	20,952
ARRA - Violence Against Women Formula Grant	16.588	11-VAWA-38	34,035
Passed Through Utah Chapter of the National Children's Alliance			
National Children's Alliance Missing Children's Assistance	16.768	8-Prov-UT-SA12	10,000
Passed Through Utah Office of the Attorney General			
ARRA-Internet Crimes Against Children	16.800	2009-SN-B9-K045	11,694
Total U.S. Department of Justice			<u>739,633</u>
<u>Environmental Protection Agency</u>			
Passed Through Utah Dept. of Environmental Quality			
Capitalization Grants for Drinking Water State			
Revolving Funds	66.468	11-0080	6,370
Performance Partnership Grants	66.605	11-0080	3,145
Total Environmental Protection Agency			<u>9,515</u>

UTAH COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2012

Federal Grantor/Pass Through Grantor Program Title	CFDA Number	Grantor's Number	Expenditures
<u>U.S. Department of Homeland Security</u>			
Disaster Grants- Public Assistance	97.036		153
Passed Through State Division of Homeland Security			
Emergency Management Performance Grants	97.042	EMPG-2012-DEM-025	65,000
Chemical Stockpile Emergency Preparedness Program	97.040	HLS-CSEPP-2011-003	64,878
Homeland Security Grant Program	97.067	10-SHSP-REG2	42,279
Homeland Security Grant Program	97.067	11-SHSP-BOMBSQD	85,185
Homeland Security Grant Program	97.067	DEM-2010-CCP-002	6,453
Passed Through Salt Lake Valley MMRS			
Homeland Security Grant Program	97.067		5,447
Passed Through Utah Dept of Transportation			
Disaster Grants - Public Assistance	97.036	DR-4011-UT	6,882
Total U.S. Department of Homeland Security			<u>276,277</u>
 <u>U.S. Department of Housing & Urban Development</u>			
Community Development Block Grant	14.218		<u>729,957</u>
 <u>U.S. Department of Interior</u>			
Mineral Leasing Act	15.437		<u>7</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 17,326,735</u>

UTAH COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2012

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards is a summary of activities related to the County expenditure of Federal awards. The schedule has been prepared on the same basis of accounting as the financial statements. Most of the awards are reimbursement based. Therefore, as expenditures of Federal funds are made, revenue is recognized.

NOTE B - ACCOUNTS RECEIVABLE

The financial statements include accounts receivable from Federal programs. These receivables are recorded according to the same basis of accounting as the financial statements. The receivables reflect Federal awards that have been expended by yearend and not yet reimbursed.



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

Utah County
Provo, Utah

June 24, 2013

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Utah County's, basic financial statements, and have issued our report thereon dated June 24, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants



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

Utah County
Provo, Utah

June 24, 2013

Report on Compliance for Each Major Federal Program

We have audited Utah County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Utah County's major federal programs for the year ended December 31, 2012. Utah County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Utah County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2012.

Report on Internal Control Over Compliance

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

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

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Utah County, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Utah County's basic financial statements. We issued our report thereon dated June 24, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Gilbert & Stewart

Gilbert & Stewart
Certified Public Accountants

UTAH COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2012

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Utah County.
2. No significant deficiencies in internal control were disclosed during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of Utah County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs were disclosed.
5. The auditor's report on compliance for the major Federal award programs for Utah County expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 are reported in Part C of this schedule.
7. The programs tested as a major program included: WIC 10.557; Block Grants for Prevention and Treatment of Substance Abuse 93.959; Community Development Block Grant – 14.218; and Schools and Roads – 10.665.
8. The threshold for distinguishing between Type A and B programs was \$519,802.
9. Utah County was determined to be a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR AWARD PROGRAMS

None

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

None



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
 IN ACCORDANCE WITH THE
 STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

June 24, 2013

Provo, Utah

We have audited Utah County's compliance with general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* applicable to the County for the year ended December 31, 2012.

The general compliance requirements applicable to the County are identified as follows:

- | | |
|---|--|
| Public Debt | Asset Forfeiture |
| Cash Management | Uniform Building Code Standard |
| Purchasing Requirements | Statement of Taxes Charged, Collected, and Disbursed |
| Budgetary Compliance | Assessing and Collecting Property Taxes |
| Truth in Taxation & Property Tax
Limitations | Other General Compliance Requirements |
| Liquor Law Enforcement | Impact Fees |
| Justice Courts | Transient Room Tax |
| B & C Road Funds | URS Compliance |
| | Fund Balance |

The County received the following major state programs from the State of Utah:

- B Road Funds (Department of Transportation)
- Substance Abuse – State Treatment (Department of Human Service)
- Liquor Law Enforcement (State Tax Commission)
- Women & Children Grant (Department of Human Services)

Management Responsibility

Management is responsible for compliance with the 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 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 of Utah Legal Compliance Audit Guide* issued by the Office of the Utah State Auditor. Those standards and the *State of Utah Legal Compliance*

Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on a general compliance requirement or a major state programs 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 general compliance requirement and each major state program. However, our audit does not provide a legal determination of the County's compliance.

Opinion

In our opinion, Utah County complied, in all material respects, with the compliance requirements referred to above that are applicable to each of its general compliance requirements and each of its major state programs for the year ended December 31, 2012.

Gilbert & Stewart

GILBERT & STEWART
Certified Public Accountants

UTAH COUNTY

**COMMUNICATION WITH THOSE CHARGED WITH
GOVERNANCE**

DECEMBER 31, 2012



June 24, 2013

Utah County Commission
Utah County
Provo, UT

We have audited the financial statements of Utah County, as of and for the year ended December 31, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 5, 2013. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Utah County are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2012. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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

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

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated June 24, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Utah State Compliance Findings – Current Year

12-01 General Compliance – Justice Courts

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

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

County's Response: We concur with the finding and recommendation. Processes are in place to ensure that reports and payments will be submitted on time.

Utah State Compliance Findings – Prior Year

11-01 General Compliance – Cash Management

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

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

Current Status: See current year finding 12-01

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

1. We noted that manual overrides are periodically used during the payroll processing function. These overrides are sometimes required to make certain changes during the payroll process. We noted, however, that the current system does not provide a log or other tracking mechanism to provide accountability and control over these overrides. We recommend that the system be modified to provide for logs and tracking to provide control over this function. It was communicated to us that the County will be implementing a new Human Resource Information System ("HRIS"). Please note that the controls for the new system will need to be audited.
2. For the past several years there have been a few instances where employees who did not work any hours received a paycheck. In some instances, the County has not

entirely recouped the payment from the employee who was erroneously paid. The most likely reason for this occurrence is the time entry clerk selected the wrong employee during the time entry process. There are three controls that should prevent this from happening: (1) The time entry clerk should be reviewing the time entry report to make sure the system entry matches the original time sheets; (2) The department head should be reviewing the time entry clerk's work to make sure the system entry matches the original time sheets; (3) The Office of Personnel Management should be ensuring the payroll records submitted by the departments match the system entry. This system of internal controls is in place but is not functioning correctly. We recommend that the County consider having each employee enter their time directly into the time entry system avoiding the manual re-keying process. The supervisor would then review, print and approve these entries but would not actually be required to re-enter the amounts.

3. In connection with management of Federal programs; we noted instances where grant reports were submitted to the grantee with incorrect amounts. In most of these instances the reports were submitted with zero expenditures even though the County had expenditures during the reporting period. We recommend reminding employees who manage grants that grant reports submitted to the grantee should match the expenses recorded in the general ledger system during the reporting period. Improvement was made during the year but we noted the problem still exists in the County Attorney's Office with untimely draw downs and reports not tying to actual expenditures for the period being reported on.
4. We noted a few instances where certain retired employees have received retirement health insurance benefit but appear to not qualify for the benefit under the County's current post employment plan. We recommend reviewing these instances and tightening controls over approval of benefit payments.

This information is intended solely for the use of management of Utah County, the County Commission, and the Utah State Auditor and is not intended and should not be used by anyone other than these specified parties.

Very truly yours,

Gilbert & Stewart

GILBERT & STEWART PC
Certified Public Accountants