

CARBON COUNTY
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

**CARBON COUNTY
FINANCIAL STATEMENTS
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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Carbon County
Price, Utah 84501

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 Carbon County, Utah as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Carbon 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 Scofield Reservoir Special Service District, which represents 8.75 percent of the assets, 7.69 percent of net position and .98 percent of revenues of the Statement of Net Position and the Statement of Activity. Those statements were unaudited and their reports have been furnished to us, and our opinion insofar as it relates to the amounts included for Scofield Reservoir Special Service District, is based solely on the report provided. 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 Carbon County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carbon County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 Carbon County, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 22 to the financial statements, in 2015, the County adopted Government Accounting Standards Board Statement 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27 and No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - An amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of American require that the management's discussion and analysis and budgetary comparison information on pages 4 through 11 and pages 71 through 78 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 Carbon County's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of federal Regulations (CFR) part 200, Uniform Administrative Requirements, cost principals and audit requirements for Federal Awards, and is also not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 15, 2016, on our consideration of Carbon 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 Carbon County's internal control over financial reporting and compliance.

SMUIN, RICH & MARSING



Price, Utah

July 15, 2016

**CARBON COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2015**

This discussion of Carbon County's financial performance provides an overview of the County's financial activities for the year ending December 31, 2015. This report is in conjunction with the County's financial statements.

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

Financial Highlights

- The assets of Carbon County exceeded its liabilities as of December 31, 2015 by \$156,253,250 (net position), compared to \$147,044,299 as of December 31, 2014 (restated), an increase of \$9,208,951. Of this amount, \$5,745,936 (unrestricted net position) may be used to meet the governments' ongoing obligations to citizens and creditors. Current year net position increased by \$9,208,951.
- The government's total net position increased by \$9,150,434. Net position increased by \$4,205,042 in the prior year (restated). The major difference between the two years was a special capital contribution (special item increase) and a decrease in funding for capital projects and a decrease in capital projects expenditures in 2015.
- At the close of the current year, the Carbon County governmental funds reported combined ending fund balances of \$20,976,678, an increase of \$115,606 in comparison with the prior year. The General Funds' total fund balance (committed, assigned and unassigned) is \$4,288,481. This is approximately 20.4 percent of the combined total and is available for spending at the government's discretion.
- At the end of the current year, unassigned fund balance for the general fund was \$3,616,460, or approximately 84.3 percent of total balance in the General Fund.
- Carbon County's total debt decreased \$1,239,336 during the current year, because there was no new loan proceeds and the County made debt payments of \$1,239,336.
- In 2015, the County adopted GASB No's. 68 & 71, which requires the County to report the County's proportionate share of the unfunded pension liability of the Utah Retirement System. For additional information see notes 5 and 22.
- At the end of the current year, Carbon County received a substantial contribution which consisted of Land, Buildings and Equipment from Carbon County Recreation and Transportation District. The total contribution was included in the capital assets for the County in the Statement of Net Position and included as a Special item in the State of Activities in the amount of \$8,764,258.

Overview of the Financial Statements

This annual report consists of a series of financial statements. Government-wide financial statements consist of the following: the Statement of Net Position and the Statement of Activities, which provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements, for governmental activities, tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. This report also contains notes and other supplementary information in addition to the basic financial statements.

Government-wide financial statements

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

The Statement of Net Position presents information on all of Carbon County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Carbon County is improving or deteriorating.

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

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

The government-wide financial statements include not only Carbon County itself (known as the primary government), but also two legally separate special service districts, the Scofield Special Service District and the Carbon County Recreation & Transportation Special Service District, for which Carbon County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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. Carbon 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 Carbon County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Fund financial statements (Continued)

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

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

Carbon County maintains 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, municipal services fund, Southeastern Utah District Health, Building Authority, and capital projects all of which are considered to be major funds. Data from the other 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.

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

- Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Carbon County uses an enterprise fund to account for its County Court Complex operations.
- Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Carbon County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.
- The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are part of the basic financial statements.
- Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Carbon County. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information.

Government-wide financial analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Carbon County, assets exceeded liabilities by \$156,253,250 at December 31, 2015.

By far the largest portion of Carbon County's net position (88.40 percent) reflects its investment in capital assets (e.g. land, building, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. Carbon County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Carbon 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.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 25,255,952	\$ 30,579,012	\$ 1,365,227	\$ 1,253,264	\$ 26,621,179	\$ 31,832,276
Capital assets	167,697,610	160,506,462	748,762	805,523	168,446,372	161,311,985
Deferred outflow or resources	1,927,625	1,688,559			1,927,625	1,688,559
Total assets/deferred outflows	\$ 194,881,187	\$ 192,774,033	\$ 2,113,989	\$ 2,058,787	\$ 196,995,176	\$ 194,832,820
Long-term debt outstanding	\$ 30,335,352	\$ 31,574,688			\$ 30,335,352	\$ 31,574,688
Other liabilities	9,661,456	16,131,510			9,661,456	16,131,510
Deferred inflow of resources	743,596		\$ 1,522	\$ 4,837	745,118	4,837
Total liabilities/deferred inflows	\$ 40,740,404	\$ 47,706,198	\$ 1,522	\$ 4,837	\$ 40,741,926	\$ 47,711,035
Net position:						
Net investment in capital assets	\$ 137,362,258	\$ 128,931,774	\$ 748,762	\$ 805,523	\$ 138,111,020	\$ 129,737,297
Restricted	11,032,589	10,923,275	1,363,705	1,248,427	12,396,294	12,171,702
Unrestricted (Deficit) - restated	5,745,936	5,212,786			5,745,936	5,212,786
Total net position	\$ 154,140,783	\$ 145,067,835	\$ 2,112,467	\$ 2,053,950	\$ 156,253,250	\$ 147,121,785

A portion of Carbon County's net assets (7.6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$5,745,936 may be used to meet the government's on-going obligations to citizens and creditors.

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

Government-wide financial analysis (Continued)

Governmental activities increased Carbon County's net position by \$9,150,434. Key elements of this increase are as follows:

Table 2
Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for services	\$ 6,183,532	\$ 7,237,418	\$ 185,898	\$ 278,846	\$ 6,369,430	\$ 7,516,264
Operating grants and cont.	4,628,621	4,383,143			4,628,621	4,383,143
Capital grants and cont.	6,502,949	13,570,722			6,502,949	13,570,722
General Revenues:						
Property taxes	6,976,079	6,822,063			6,976,079	6,822,063
Sales taxes	1,955,779	1,975,320			1,955,779	1,975,320
Other general revenues	3,991,339	3,519,226			3,991,339	3,519,226
Special item - Asset contribution	8,764,258				8,764,258	
Total revenues	\$ 39,002,557	\$ 37,507,892	\$ 185,898	\$ 278,846	\$ 39,188,455	\$ 37,786,738
Program expenses						
General government	\$ 6,048,109	\$ 6,879,429			\$ 6,048,109	\$ 6,879,429
Public safety	7,798,235	8,902,038			7,798,235	8,902,038
Public health	4,224,182	4,569,031			4,224,182	4,569,031
Highways and public improve.	8,911,709	8,591,942			8,911,709	8,591,942
Parks and recreation	1,751,748	2,236,937			1,751,748	2,236,937
Conservation & Econ. Dev.	530,581	593,208			530,581	593,208
Contributions and Misc.	214,920	158,663			214,920	158,663
Capital outlay	76,326	1,255,849			76,326	1,255,849
Interest on long-term liab.	296,313	115,753			296,313	115,753
County Court Complex			\$ 127,381	\$ 130,240	127,381	130,240
Total expenses	\$ 29,852,123	\$ 33,302,850	\$ 127,381	\$ 130,240	\$ 29,979,504	\$ 33,433,090
Excess (deficiency) before transfers	\$ 9,150,434	\$ 4,205,042	\$ 58,517	\$ 148,606	\$ 9,208,951	\$ 4,353,648
Change in net position	\$ 9,150,434	\$ 4,205,042	\$ 58,517	\$ 148,606	\$ 9,208,951	\$ 4,353,648
Net assets - beginning (restated)	\$ 145,067,835	\$ 140,862,793	\$ 2,053,950	\$ 1,905,344	\$ 147,121,785	\$ 142,768,137
Prior period adjustment	(77,486)				(77,486)	
Net assets - ending(restated)	154,140,783	145,067,835	2,112,467	2,053,950	156,253,250	147,121,785
Change in net position	\$ 9,150,434	\$ 4,205,042	\$ 58,517	\$ 148,606	\$ 9,208,951	\$ 4,353,648

Government-wide financial analysis (Continued)

For 2015 Carbon County experienced a decrease in growth totaling \$9,606,492 as reported to the State Tax Commission. This decrease in value is due primarily to the value of centrally assessed property, which decreased \$61,652,893. Certified tax rates automatically adjust for the changes in property values.

Business-type activities increased Carbon County's net position by \$58,517. Key elements of this increase are shown in Table 2 Change in Net Position.

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

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

At the end of the year, Carbon County's governmental funds reported combined ending fund balances of \$20,976,678, which is an increase of \$115,606 in comparison with the prior year. Approximately, 17.2 percent or \$3,616,460 constitutes unreserved fund balance, which is available for spending at the government's discretion. The general fund is the chief operating fund of Carbon County. At the end of the current year, unreserved fund balance of the general fund was \$3,616,460.

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

Total unrestricted net position of the proprietary funds at year end amounted to \$1,363,705.

General Fund Budgetary Highlights

Changes from the original budget to the final are outlined below:

<u>Function</u>	<u>Original</u>	<u>Final</u>	<u>Inc. (Dec.)</u>
General Government	\$ 5,628,885	\$ 5,924,085	\$ 295,200
Public Safety	3,930,735	3,935,855	5,120
Public Health	361,192	382,000	20,808
Highway and Public Improvements	1,216,700	1,218,200	1,500
Parks, recreation and public property	213,600	256,600	43,000
Conservation and Economic Development	60,100	63,320	3,220
Contributions and miscellaneous	228,730	222,530	(6,200)
Other Financing Sources (Uses)	<u>(1,090,169)</u>	<u>(1,119,369)</u>	<u>(29,200)</u>
Net			<u><u>\$ (388,628)</u></u>

Capital Asset and Debt Administration

Capital Assets

Carbon County's investment in capital assets for its governmental activities as of December 31, 2015, amounts to \$167,697,610 (net of accumulated depreciation). This investment in capital assets includes land, rights of way, buildings, improvements other than buildings, equipment, and infrastructure, which includes roads, highways, and bridges. The total increases in Carbon County's governmental activities capital assets for the current year was \$7,191,148.

Carbon County's investment in capital assets for its business-type activities as of December 31, 2015, amounts to \$748,762 (net of accumulated depreciation). This investment in capital assets includes land and buildings. The total amount represents a decrease in Carbon County's business-type activities capital assets for the current year of \$56,761.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Right of ways	\$ 1,401,918	\$ 1,401,918			\$ 1,401,918	\$ 1,401,918
Land	2,117,894	1,867,894	\$ 198,000	\$ 198,000	2,315,894	2,065,894
Buildings	57,698,932	30,890,533	550,762	607,523	58,249,694	31,498,056
Improvements other than buildings	32,278,796	33,214,621			32,278,796	33,214,621
Fixtures and equipment	4,807,380	5,602,789			4,807,380	5,602,789
Infrastructure	69,246,690	71,168,739			69,246,690	71,168,739
Water stock	146,000	146,000			146,000	146,000
Work in progress		16,213,968				16,213,968
	<u>\$ 167,697,610</u>	<u>\$ 160,506,462</u>	<u>\$ 748,762</u>	<u>\$ 805,523</u>	<u>\$ 168,446,372</u>	<u>\$ 161,311,985</u>

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

Long-term debt

As presented in the schedule below, the total long-term debt of Carbon County as of December 31, 2015 was \$31,149,723, which included revenue bonds, capital leases and compensated absences.

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

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenue Bonds	\$ 30,335,352	\$ 31,574,688			\$ 30,335,352	\$ 31,574,688
Compensated Absences	814,371	866,201			814,371	866,201
	<u>\$ 31,149,723</u>	<u>\$ 32,440,889</u>	<u>\$...</u>	<u>\$...</u>	<u>\$ 31,149,723</u>	<u>\$ 32,440,889</u>

Economic Factors and Next Year’s Budgets and Rates

The unemployment rate for Carbon County in 2015 was 5.6%, an increase of .4% from 2014. This is higher than the state’s average unemployment rate of 3.5%, and higher than the national average of 5.0%. Population in Carbon County hit a low point in 2005 of 19,205 and has shown a slight increase in the following years. Population in Carbon County was approximately 20,479 in 2015.

Coal mining and oil and gas production have struggled due to poor prices and regulation. The County is actively encouraging development throughout the County to improve the economy.

Requests for Information

This financial report is designed to provide a general overview of Carbon County’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Carbon County Clerk-Auditor, 120 East Main, Price, Utah, 84501.

CARBON COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2015

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>				
Assets:				
Cash and cash equivalents	\$ 14,384,882	\$ 1,365,227	\$ 15,750,109	\$ 1,397,122
Restricted - Cash and cash equivalents	7,143,892		7,143,892	3,329,340
Due from other governments	2,748,573		2,748,573	416,101
Taxes receivable	827,335		827,335	
Inventory of supplies	7,881		7,881	
Prepaid expenses	135,600		135,600	
Net pension asset	7,789		7,789	
Capital assets (net of accumulated depreciation):				
Land	2,117,894	198,000	2,315,894	1,477,184
Rights-of-way	1,401,918		1,401,918	41,550
Water stock	146,000		146,000	110,000
Buildings	57,698,932	550,762	58,249,694	117,692
Improvements other than buildings	32,278,796		32,278,796	1,943,596
Fixtures and equipment	4,807,380		4,807,380	382,083
Work in progress				60,531
Infrastructure	69,246,690		69,246,690	
Total assets	<u>\$ 192,953,562</u>	<u>\$ 2,113,989</u>	<u>\$ 195,067,551</u>	<u>\$ 9,275,199</u>
Deferred outflows of resources:				
Deferred outflows of resources related to pensions	<u>\$ 1,927,625</u>			<u>\$ 8,311</u>
Total assets and deferred outflow of resources	<u>\$ 194,881,187</u>	<u>\$ 2,113,989</u>	<u>\$ 195,067,551</u>	<u>\$ 9,283,510</u>
<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>				
Liabilities:				
Accounts payable	\$ 688,830	\$ 1,522	\$ 690,352	\$ 20,139
Accrued payroll	256,549		256,549	
Accrued liabilities	518,034		518,034	2,567
Unearned revenue	2,808,072		2,808,072	90,709
Bond interest payable	156,363		156,363	
Revenue bonds payable - Due within one year	1,632,336		1,632,336	
Revenue bonds payable - Due in more than one year	28,703,016		28,703,016	
Compensated absences	814,371		814,371	3,950
Net pension liability	4,419,237		4,419,237	21,067
Total liabilities	<u>\$ 39,996,808</u>	<u>\$ 1,522</u>	<u>\$ 39,998,330</u>	<u>\$ 138,432</u>
Deferred inflow of resources - relating to pensions	<u>\$ 743,596</u>	<u>\$...</u>	<u>\$ 743,596</u>	<u>\$ 2,673</u>
Total liabilities and inflow of resources	<u>\$ 40,740,404</u>	<u>\$ 1,522</u>	<u>\$ 40,741,926</u>	<u>\$ 141,105</u>

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

**CARBON COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2015**

	PRIMARY GOVERNMENT			COMPONENT UNITS
	GOVERN- MENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL	
<u>NET POSITION</u>				
Net investment in capital assets	\$ 137,362,258	\$ 748,762	\$ 138,111,020	\$ 4,132,636
Nonspendable:				
Inventory	7,881		7,881	
Restricted:				
Class "B" roads	3,243,612		3,243,612	
Economic development	574,230		574,230	
Municipal services	3,222,537		3,222,537	
Health care	547,902		547,902	
Capital projects	1,803,645		1,803,645	
Landfill	97,791		97,791	
Debt service	1,534,991		1,534,991	
Unrestricted	5,745,936	1,363,705	7,109,641	5,009,769
Total net position	<u>\$ 154,140,783</u>	<u>\$ 2,112,467</u>	<u>\$ 156,253,250</u>	<u>\$ 9,142,405</u>

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

**CARBON COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

Function/Programs	PROGRAM REVENUES				NET (EXPENSE) REVENUE & CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENTS UNITS
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
Primary government:								
Governmental activities:								
General government	\$ 6,048,109	\$ 184,416	\$ 203,166		\$ (5,660,527)		\$ (5,660,527)	
Public safety	7,798,235	1,982,461	470,565	\$ 199,276	(5,145,933)		(5,145,933)	
Highways and public improvements	8,911,709	2,846,083	1,207,100	6,303,673	1,445,147		1,445,147	\$ (110,810)
Public health	4,224,182	928,704	2,062,360		(1,233,118)		(1,233,118)	
Parks and recreation	1,751,748	241,868	659,000		(850,880)		(850,880)	(102,000)
Conservation and economic development	530,581		26,430		(504,151)		(504,151)	
Contributions and miscellaneous	214,920				(214,920)		(214,920)	
Capital outlay	76,326				(76,326)		(76,326)	
Interest on long-term liabilities	296,313				(296,313)		(296,313)	
Total governmental activities	\$ 29,852,123	\$ 6,183,532	\$ 4,628,621	\$ 6,502,949	\$ (12,537,021)	\$	\$ (12,537,021)	\$ (212,810)
Business-type activities:								
County Court Complex	\$ 127,381	\$ 185,898				\$ 58,517	\$ 58,517	
Total business-type activities	\$ 127,381	\$ 185,898	\$	\$	\$	\$ 58,517	\$ 58,517	
Total primary government	\$ 29,979,504	\$ 6,369,430	\$ 4,628,621	\$ 6,502,949	\$ (12,537,021)	\$ 58,517	\$ (12,478,504)	
Component Units:								
Scofield Reservoir Special Service District								\$ 4,460
Total component units	\$	\$	\$	\$	\$	\$	\$	\$ 4,460
General revenues:								
Property taxes					\$ 6,976,079		\$ 6,976,079	
State PILT					125,503		125,503	\$ 125,503
Federal PILT					1,096,402		1,096,402	
Sales taxes					1,955,779		1,955,779	
Miscellaneous taxes					256,319		256,319	
Unrestricted investment earnings					80,871		80,871	46,267
Royalties and rents					1,458,494		1,458,494	
Contributions to other governments								(5,028,240)
Gain/(Loss) on sale of fixed assets					(37,102)		(37,102)	
Miscellaneous					461,423		461,423	84
Mineral reserve monies					549,429		549,429	4,940,668
Special item - Contribution of capital assets - received (contributed)					8,764,258		8,764,258	(7,843,538)
Total general revenues and transfers					\$ 21,687,455	\$	\$ 21,687,455	\$ (7,759,256)
Change in net position					\$ 9,150,434	\$ 58,517	\$ 9,208,951	\$ (7,967,606)
Net position - beginning					145,067,835	2,053,950	147,121,785	17,116,482
Prior period adjustment					(77,486)		(77,486)	(6,471)
Net position - ending					\$ 154,140,783	\$ 2,112,467	\$ 156,253,250	\$ 9,142,405

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

**CARBON COUNTY
BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	SOUTHEASTERN UTAH						TOTAL GOVERNMENTAL FUNDS
	GENERAL FUND	DISTRICT HEALTH	MUNICIPAL SERVICES	CAPITAL PROJECTS FUND	BUILDING AUTHORITY	OTHER GOVERNMENTAL FUNDS	
ASSETS							
Cash and cash equivalents	\$ 2,439,740	\$ 685,426	\$ 6,422,941	\$ 1,815,157	\$ 1,698,843	\$ 2,008,201	\$ 15,070,308
Restricted cash and cash equivalents				2,742	4,058,729	2,396,995	6,458,466
Receivables (net):							
Taxes	784,616		42,719				827,335
Other	1,587,631	249,006	379,716	76,773		455,447	2,748,573
Inventories		7,881					7,881
Prepaid expenses	135,600						135,600
Total assets	\$ 4,947,587	\$ 942,313	\$ 6,845,376	\$ 1,894,672	\$ 5,757,572	\$ 4,860,643	\$ 25,248,163
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 280,903	\$ 36,871	\$ 141,551	\$ 91,027	\$ 89,178	\$ 49,300	\$ 688,830
Accrued payroll	135,713	32,987	87,849				256,549
Accrued liabilities	242,490	32,338	149,827			93,379	518,034
Unearned revenue		18,402			2,789,670		2,808,072
Total liabilities	\$ 659,106	\$ 120,598	\$ 379,227	\$ 91,027	\$ 2,878,848	\$ 142,679	\$ 4,271,485
Fund balances:							
Nonspendable:							
Inventory		\$ 7,881					\$ 7,881
Restricted:							
Class "B" Road			\$ 3,243,612				3,243,612
Debt service reserve					\$ 1,269,059		1,269,059
Permanent funds						\$ 2,396,995	2,396,995
Committed:							
Landfill	\$ 97,791						97,791
Municipal services			3,222,537				3,222,537
Building Authority					1,609,665		1,609,665
RDA Development						583,188	583,188
Assigned:							
Economic Development - restaurant tax	574,230					544,462	1,118,692
Economic Development - other						37,305	37,305
Health Care		547,902					547,902
Debt service		265,932					265,932
Capital projects				\$ 1,803,645			1,803,645
Parks and recreation						681,538	681,538
Emergency services						98,622	98,622
Aging programs						375,854	375,854
Unassigned:							
General	3,616,460						3,616,460
Total fund balances	\$ 4,288,481	\$ 821,715	\$ 6,466,149	\$ 1,803,645	\$ 2,878,724	\$ 4,717,964	\$ 20,976,678
Total liabilities and fund balances	\$ 4,947,587	\$ 942,313	\$ 6,845,376	\$ 1,894,672	\$ 5,757,572	\$ 4,860,643	\$ 25,248,163

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

**CARBON COUNTY
BALANCE SHEET RECONCILIATION TO
STATEMENT OF NET POSITION
DECEMBER 31, 2015**

Total fund balances - governmental fund types: \$ 20,976,678

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Land	\$ 2,117,894	
Rights of Way	1,401,918	
Water stock	146,000	
Buildings	57,698,932	
Improvements other than buildings	32,278,796	
Fixtures and equipment	4,807,380	
Infrastructure	<u>69,246,690</u>	
Total		167,697,610

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

Revenue bonds payable - Due within one year	\$ (1,632,336)	
Revenue bonds payable - Due in more than one year	(28,703,016)	
Bond interest payable	(156,363)	
Net pension liability	(4,419,237)	
Deferred inflow of resources - related to pension	(743,596)	
Deferred outflow of resources - related to pension	1,927,625	
Compensated absences	<u>(814,371)</u>	
Total		(34,541,294)

The net pension asset is not an available resource, therefore, it is not reported in the governmental funds.

7,789

Net position of government activities

\$ 154,140,783

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

CARBON COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	GENERAL FUND	SOUTHEASTERN UTAH DISTRICT HEALTH	MUNICIPAL SERVICES	CAPITAL PROJECTS FUND	BUILDING AUTHORITY	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:							
Taxes	\$ 7,631,205		\$ 1,319,691			\$ 237,281	\$ 9,188,177
Licenses and permits	42,383		44,740				87,123
Intergovernmental revenues	1,359,152	\$ 1,805,761	5,242,981	\$ 189,783	\$ 5,078,930	1,523,764	15,200,371
Charges for services	1,193,564	764,712	106,305			963,416	3,027,997
Fines and forfeitures	216,775						216,775
Interest income	39,113	1,191	27,812			12,755	80,871
Contributions	5,700				438,000	15,225	458,925
Miscellaneous	1,891,307	10,800	112,924			131	2,015,162
Total revenues	\$ 12,379,199	\$ 2,582,464	\$ 6,854,453	\$ 189,783	\$ 5,516,930	\$ 2,752,572	\$ 30,275,401
EXPENDITURES:							
Current:							
General government	\$ 5,727,717		\$ 88,018				\$ 5,815,735
Public safety	3,752,643		3,762,278			\$ 484,360	7,999,281
Highways and public improvements	1,007,637		3,061,334				4,068,971
Public health	363,797	\$ 2,427,700				1,336,450	4,127,947
Parks, recreation, and public property	248,252					1,359,012	1,607,264
Conservation and economic development	61,810					471,694	533,504
Capital outlay				\$ 345,732	\$ 3,989,669		4,335,401
Contributions and miscellaneous	214,920						214,920
Principal retirement		22,336			1,217,000		1,239,336
Interest and fiscal charges					139,950		139,950
Total expenditures	\$ 11,376,776	\$ 2,450,036	\$ 6,911,630	\$ 345,732	\$ 5,346,619	\$ 3,651,516	\$ 30,082,309
Excess revenues over (under) expenditures	\$ 1,002,423	\$ 132,428	\$ (57,177)	\$ (155,949)	\$ 170,311	\$ (898,944)	\$ 193,092
OTHER FINANCING SOURCES (USES):							
Transfers in						\$ 1,119,369	\$ 1,119,369
Transfers out	\$ (1,119,369)						(1,119,369)
Total other financing sources (uses)	\$ (1,119,369)	\$...	\$...	\$ -	\$...	\$ 1,119,369	\$...
Excess of revenues and other sources over (under) expenditures and other uses	\$ (116,946)	\$ 132,428	\$ (57,177)	\$ (155,949)	\$ 170,311	\$ 220,425	\$ 193,092
FUND BALANCES - beginning of year	4,405,427	689,287	6,600,812	1,959,594	2,708,413	4,497,539	20,861,072
Prior period adjustment			(77,486)				(77,486)
FUND BALANCES - end of year	\$ 4,288,481	\$ 821,715	\$ 6,466,149	\$ 1,803,645	\$ 2,878,724	\$ 4,717,964	\$ 20,976,678

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

CARBON COUNTY
STATEMENT OF CHANGES RECONCILIATION TO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

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

Net changes in fund balances - total governmental funds	\$	193,092
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.</p>		
General government	\$	28,907
Public safety		320,985
Highways		162,638
Parks and recreation		85,000
Capital outlay		<u>4,259,075</u>
Total assets shown as expenditures	\$	4,856,605
Less: depreciation		<u>(6,392,614)</u>
Difference between expenditure and depreciation		(1,536,009)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade ins, and donation) is to decrease net position. (Loss on fixed assets)</p>		
		(37,102)
<p>The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Bond interest payable change	\$	(156,363)
Retirement of long-term debt		<u>1,239,336</u>
Net effect of long-term debt issue and debt payments		1,082,973
<p>Governmental funds do not accrue not pension assets or liabilities. In the statement of activities the net effect of reporting pension activity reduced pension expense.</p>		
		631,392
<p>Special item - Contribution of assets are not recorded as revenue in the Governmental funds and therefore are not reported as revenue</p>		
		8,764,258
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Decrease in compensated absences)</p>		
		<u>51,830</u>
Change in net position of governmental activities	\$	<u><u>9,150,434</u></u>

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

**CARBON COUNTY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015**

		<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>
		<u>COUNTY COURT COMPLEX</u>
 <u>ASSETS</u> 		
Current assets:		
Cash and cash equivalents	\$	1,365,227
Total current assets	\$	1,365,227
Noncurrent assets:		
Land	\$	198,000
Buildings		1,576,152
Furniture, fixtures and equipment		326,762
Less: accumulated depreciation		<u>(1,352,152)</u>
Total noncurrent assets	\$	748,762
Total assets	\$	<u>2,113,989</u>
 <u>LIABILITIES</u> 		
Current liabilities:		
Accounts payable	\$	1,522
Total current liabilities	\$	1,522
Noncurrent liabilities:		
Total noncurrent liabilities	\$...
Total liabilities	\$	1,522
Deferred inflows of resources		
Total liabilities and inflows of resources	\$	1,522
Net Position:		
Net investment in capital assets	\$	748,762
Unrestricted		<u>1,363,705</u>
Total net position	\$	<u><u>2,112,467</u></u>

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

CARBON COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr/> COUNTY COURT COMPLEX <hr/>
Operating revenues:	
Rental income	\$ 185,898
Total operating revenues	<u>\$ 185,898</u>
Operating expenses:	
Utilities	\$ 38,684
Repairs and maintenance	31,936
Depreciation	56,761
Total operating expenses	<u>\$ 127,381</u>
Operating income (loss)	<u>\$ 58,517</u>
Nonoperating revenues (expenses):	
Total nonoperating revenues (expenses)	<u>\$...</u>
Income (loss) before contributions and transfers	<u>\$ 58,517</u>
Change in net position	\$ 58,517
Total net position - beginning	<u>2,053,950</u>
Total net position - ending	<u><u>\$ 2,112,467</u></u>

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

**CARBON COUNTY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

		BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
		COUNTY COURT COMPLEX
Cash Flows From Operating Activities:		
Receipts from customers	\$	185,898
Payments to suppliers		(73,935)
		111,963
Net cash provided (used) by operating activities	\$	111,963
Cash Flows From Capital and Related Financing Activities:		
Acquisition of capital assets		—
		—
Net cash provided (used) by capital and related financing activities	\$...
Net increase (decrease) in cash and cash equivalents	\$	111,963
Cash and cash equivalents, January 1		1,253,264
		1,253,264
Cash and cash equivalents, December 31	\$	1,365,227
		1,365,227
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$	58,517
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	\$	56,761
Increase (Decrease) in accounts payable		(3,315)
		53,446
Total adjustments	\$	53,446
Net cash provided (used) by operating activities	\$	111,963
		111,963

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

**CARBON COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2015**

	<u>AGENCY FUNDS</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 4,574,010
Accounts receivable	<u>610,257</u>
Total assets	<u>\$ 5,184,267</u>
<u>LIABILITIES</u>	
Accounts payable	\$ 282,099
Precinct fees, bail and bonds payable	18,554
Due taxing units	2,533,927
Miscellaneous reimbursements	
Due to other governments and agencies	<u>2,349,687</u>
Total liabilities	<u>\$ 5,184,267</u>

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

**CARBON COUNTY
STATEMENT OF NET POSITION
COMPONENT UNITS
DECEMBER 31, 2015**

	SCOFIELD RESERVIOR SPECIAL SERVICE DISTRICT	CARBON COUNTY RECREATION & TRANSPORTATION SPECIAL SERVICE DISTRICT	TOTAL
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>			
Current Assets:			
Cash and cash equivalents	\$ 275,053	\$ 1,122,069	\$ 1,397,122
Restricted - Cash and cash equivalents		3,329,340	3,329,340
Due from other governments		416,101	416,101
Noncurrent assets:			
Capital assets (net of accumulated depreciation):			
Land	16,128	1,461,056	1,477,184
Rights-of-way		41,550	41,550
Buildings		117,692	117,692
Equipment		382,083	382,083
Sewer systems and improvements	520,535		520,535
Improvements other than buildings		1,423,061	1,423,061
Water stock		110,000	110,000
Work in progress		60,531	60,531
Total assets	<u>\$ 811,716</u>	<u>\$ 8,463,483</u>	<u>\$ 9,275,199</u>
Deferred outflows of resources - related to pensions		\$ 8,311	\$ 8,311
Total assets and deferred outflows of resources	<u>\$ 811,716</u>	<u>\$ 8,471,794</u>	<u>\$ 9,283,510</u>
<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>			
Current Liabilities:			
Accounts payable	\$ 17,595	\$ 2,544	\$ 20,139
Accrued liabilities		2,567	2,567
Deferred revenue	90,709		90,709
Total current liabilities	<u>\$ 108,304</u>	<u>\$ 5,111</u>	<u>\$ 113,415</u>
Noncurrent liabilities:			
Compensated absences payable		\$ 3,950	\$ 3,950
Net pension liability		21,067	21,067
Total noncurrent liabilities	<u>\$...</u>	<u>\$ 25,017</u>	<u>\$ 25,017</u>
Total liabilities	<u>\$ 108,304</u>	<u>\$ 30,128</u>	<u>\$ 138,432</u>
Deferred inflow of resources - related to pensions		\$ 2,673	\$ 2,673
Total liabilities and deferred inflow of resources	<u>\$ 108,304</u>	<u>\$ 32,801</u>	<u>\$ 141,105</u>
<u>NET POSITION</u>			
Net investment in capital assets	\$ 536,663	\$ 3,595,973	\$ 4,132,636
Unrestricted	166,749	4,843,020	5,009,769
Total net position	<u>\$ 703,412</u>	<u>\$ 8,438,993</u>	<u>\$ 9,142,405</u>

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

**CARBON COUNTY
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Function/Programs	NET (EXPENSE) REVENUE & CHANGES IN NET ASSETS					
	EXPENSES	PROGRAM REVENUES		PRIMARY GOVERNMENT		
		CHARGES FOR SERVICES	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental activities:						
Carbon County Recreation & Transportation Special Service District						
Highways and public improvements	\$ 110,810			\$ (110,810)		\$ (110,810)
Parks, recreation and public improvements	242,000	\$ 140,000		(102,000)		(102,000)
Total governmental activities	\$ 352,810	\$ 140,000	\$...	\$ (212,810)	\$...	\$ (212,810)
Business-type activities:						
Scofield Reservoir Special Service District						
	\$ 97,509	\$ 50,544	\$ 51,425		\$ 4,460	\$ 4,460
Total business-type activities	\$ 97,509	\$ 50,544	\$ 51,425	\$...	\$ 4,460	\$ 4,460
Total component units	\$ 450,319	\$ 190,544	\$ 51,425	\$ (212,810)	\$ 4,460	\$ (208,350)
General revenues:						
Mineral lease revenue				\$ 4,940,668		\$ 4,940,668
State PILT				125,503		125,503
Investment earnings				45,100		45,100
Miscellaneous revenue				84		84
Contributions to other governments				(5,028,240)		(5,028,240)
Special item - Contribution of capital assets				(7,843,538)	\$ 1,167	(7,842,371)
Total general revenues and transfers				\$ (7,760,423)	\$ 1,167	\$ (7,759,256)
Change in net assets				\$ (7,973,233)	\$ 5,627	\$ (7,967,606)
Net position - beginning - as restated				16,412,226	704,256	17,116,482
Prior period adjustment					(6,471)	(6,471)
Net position - ending				\$ 8,438,993	\$ 703,412	\$ 9,142,405

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

CARBON COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

- The financial statements include:

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

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

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

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

A. Reporting Entity

For financial reporting purposes, Carbon County has included all funds, organizations, account groups, agencies, boards and commissions. The County has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the County are such 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 appointing a voting majority of an organization's governing body and (1) the ability of the County to impose its will on that organization or (2) the potential for the organization to provide specific financial benefits to, or impose specific burdens on the County.

As required by generally accepted accounting principles, these financial statements present the 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, which issued separate financial statements, as noted below, can be obtained from their respective administrative offices.

The following County Districts had separately issued financial statements and were audited or had financial statements compiled or reviewed by other independent auditors:

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

A. **Reporting Entity (Continued)**

Price River Water Improvement District and Carbon Water Conservancy District - The water conservancy districts were created for the conservation and development of the water and land resources of Utah and for the greatest beneficial use of water within the state. Water conservancy districts are created under the "Water Conservancy Act". The Districts' were audited or had financial statements compiled or reviewed by other independent auditors and issued under separate cover.

Blended Component Units

These component units are entities, which are legally separate from the County, but are so intertwined with the County that they are, in substance, the same as the County. They are reported as part of the County and blended into the appropriate funds.

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

Southeastern Utah District Health - State law allows the creation of multi-county health departments. Local health departments are responsible within their boundaries for providing, directly or indirectly, basic public health services. The County Commissioners within the boundaries of the health district appoints the health district board.

Discrete Component Units

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

Scofield Reservoir Special Service District

The District was created by the Carbon County Commission under state statute. They have a seven-member board. Their primary purpose and function is to provide a waste disposal system for the residence in and around Scofield Reservoir. The District's review report can be obtained at 751 E 100 N, Price Utah 84501

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

A. **Reporting Entity (Continued)**

Carbon County Recreation & Transportation Special Service District

The District was created by the adoption of a resolution establishing a service district. The District has been established as a separate body politic and corporate. The County appoints the District's governing board. The District was created for the purpose of providing services for recreation, transportation, garbage, fire protection, dispatch and animal control, within the District's boundaries. The District was audited and their report has been issued under separate cover from Carbon County Rec/Trans SS District, located at 751 E 100 N, Price Utah 84501

Carbon County Recreation & Transportation Special Service District LBA

The District's Local Building Authority was created by the CCR & TSSD Board as a body politic for the purpose of financing, owning, leasing, or operating facilities to meet the needs of the District. It is comprised of a governing body that has been appointed by the District Board and may be removed and replaced at any time by its discretion. The District was audited and their report can be reviewed at 751 E 100 N, Price Utah 84501

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties for goods and services.

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

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

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

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

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

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

The use of financial resources to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statement, rather than as another financing source. Amounts paid to reduce long-term debt of the County are reported as a reduction of the related liability, rather than an expenditure in the government-wide financial statements.

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

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

The County reports the following major governmental funds:

- General Fund – The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.
- Southeastern Utah District Health Fund – The Southeastern Utah District Health Fund is used to account for revenues and expenditures used to provide basic public health services.
- Local Building Authority - The Local Building Authority activities encompasses various real estate properties which have been constructed and leased to other county operations and outside entities. The Authority is also involved with several road and infrastructure projects.
- Municipal Service Fund – This fund is used to account the various activities of the County including; protective services, highway and roads, etc. Major revenue sources are taxes, charges for services, state allotments, and operating grants.

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

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

- Capital Projects Fund – The Capital Projects fund accounts for funds received from contributions, transfers and debt proceeds. These funds are then used for capital expenditures on the County.

The County's non-major governmental funds include other special revenue funds. The non-major special revenue funds account for specific revenue sources that are legally restricted to expenditures, for specified purposes.

Proprietary Fund Financial Statements – The financial statements of the proprietary funds are reported similar to the government-wide financial statements in that they both use the economic resources measurement focus and the accrual basis of accounting.

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

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

- Agency Funds – Agency Funds are used to account for assets held by the County as an agent for other governments, private organizations, or individuals. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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

Transfers between governmental and business-type activities are reported at the net amount in the government-wide statement of activities. Interfund receivables and payables have been eliminated from the government-wide statement of net assets.

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

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

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

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

D. **Budgetary Data**

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

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

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

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

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

Statements of cash flow are presented for proprietary funds under the direct method.

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

F. Inventories

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

G. Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused, vacation and sick pay benefits. An estimate of sick leave liability and vacation pay is accrued when incurred in government-wide financial statements and proprietary funds and reported as a liability.

Employees can carry over up to 192 hours of unused vacation from one year to the next. Hours that exceed the 192 hours are lost if unused. Employees can carry over unlimited hours of unused sick leave from one year to the next. However, employees will only be paid for unused sick leave upon termination or retirement, at a rate of 4 to 1 or one month's base salary at their then current rate of pay, whichever is less.

Accrued unpaid vacation pay and other employee benefit amounts, which vest to the employee in the government-wide financial statements for governmental activities total \$814,371.

H. Long-Term Obligations

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

I. Capital Assets

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

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

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

I. **Capital Assets (Continued)**

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

Buildings	20-50 years
Improvements	15-40 years
Equipment	5-10 years
Infrastructure, (bridges)	20-50 years

J. **Net Position/Fund Balances**

The difference between assets and liabilities is "Net Position" on the government-wide and proprietary fund financial statements and "Fund Balance" on the governmental fund financial statements. Net position is divided into invested in capital assets (net of related debt), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon them by external parties or are imposed by constitutional provisions or enabling legislation.

In the governmental fund financial statements, fund balances are classified as reserved, unreserved designated, or unreserved undesignated. Reserves represent those portions of fund balance not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

K. **Pensions**

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

2. **CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2015 was as follows:

Primary Government Governmental activities:	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Capital assets not being depreciated:				
Land	\$ 1,867,894	\$ 250,000		\$ 2,117,894
Rights of Way	1,401,918			1,401,918
Water stock	146,000			146,000
Construction in progress	<u>16,213,968</u>	<u>3,559,381</u>	<u>\$ (19,773,349)</u>	
Total capital assets not not being depreciated	<u>\$ 19,629,780</u>	<u>\$ 3,809,381</u>	<u>\$ (19,773,349)</u>	<u>\$ 3,665,812</u>
Capital assets being depreciated:				
Buildings	\$ 42,164,734	\$ 28,277,375		\$ 70,442,109
Improvements other than buildings	41,883,002	376,626		42,259,628
Machinery and equipment	20,593,499	530,700	\$ (137,053)	20,987,146
Infrastructure (Roads & Bridges)	<u>157,367,458</u>	<u>400,130</u>		<u>157,767,588</u>
Total capital assets being depreciated	<u>\$262,008,693</u>	<u>\$ 29,584,831</u>	<u>\$ (137,053)</u>	<u>\$291,456,471</u>
Less accumulated depreciation for:				
Buildings	\$ 11,274,201	\$ 1,468,976		\$ 12,743,177
Improvements other than buildings	8,668,381	1,312,451		9,980,832
Machinery and equipment	14,990,710	1,289,008	\$ (99,952)	16,179,766
Infrastructure (Roads & Bridges)	<u>86,198,719</u>	<u>2,322,179</u>		<u>88,520,898</u>
Total accumulated depreciation	<u>\$121,132,011</u>	<u>\$ 6,392,614</u>	<u>\$ (99,952)</u>	<u>\$127,424,673</u>
Total capital assets, being depreciated, net	<u>\$140,876,682</u>	<u>\$ 23,192,217</u>	<u>\$ (37,101)</u>	<u>\$164,031,798</u>
Governmental activities capital assets, net	<u>\$160,506,462</u>	<u>\$ 27,001,598</u>	<u>\$ (19,810,450)</u>	<u>\$167,697,610</u>

2. **CAPITAL ASSETS (Continued)**

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 198,000			\$ 198,000
Total capital assets not being depreciated	\$ 198,000	\$...	\$...	\$ 198,000
Capital assets being depreciated:				
Buildings	\$ 1,576,152			\$ 1,576,152
Machinery and equipment	326,762			326,762
Total capital assets being depreciated	\$ 1,902,914	\$...	\$...	\$ 1,902,914
Less accumulated depreciation for:				
Buildings	\$ 1,121,894	\$ 39,404		\$ 1,161,298
Machinery and equipment	173,496	17,358		190,854
Total accumulated depreciation	\$ 1,295,390	\$ 56,762	\$...	\$ 1,352,152
Total capital assets, being depreciated, net	\$ 607,524	\$ (56,762)	\$...	\$ 550,762
Business-type activities capital assets, net	\$ 805,524	\$ (56,762)	\$...	\$ 748,762

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

Governmental activities:

General government	\$ 437,500
Public safety	369,285
Public Health	5,078,124
Highways and public improvements	238,039
Parks and recreation	260,604
Conservation and economic development	9,062
Total depreciation expense - governmental activities	<u>\$ 6,392,614</u>

Business-type activities:

County Court Complex	<u>\$ 56,762</u>
Total depreciation expense - Business-Type Activities	<u>\$ 56,762</u>

Total depreciation expense	<u><u>\$ 6,449,376</u></u>
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2. **CAPITAL ASSETS (Continued)**

Component units:	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>
Capital assets not being depreciated:				
Land and rights of way	\$ 1,768,734		\$ 250,000	\$ 1,518,734
Water stock	110,000			110,000
Works of art	11,500		11,500	
Work in progress	<u>214,760</u>	<u>\$ 60,531</u>	<u>214,760</u>	<u>60,531</u>
Total capital assets not being depreciated	<u>\$ 2,104,994</u>	<u>\$ 60,531</u>	<u>\$ 476,260</u>	<u>\$ 1,689,265</u>
Capital assets being depreciated:				
Buildings	\$ 7,677,856		\$ 7,485,933	\$ 191,923
Improvements other than buildings	4,374,559	\$ 524,044	985,092	3,913,511
Machinery and equipment	<u>812,192</u>	<u>73,917</u>	<u>40,932</u>	<u>845,177</u>
Total capital assets being depreciated	<u>\$ 12,864,607</u>	<u>\$ 597,961</u>	<u>\$ 8,511,957</u>	<u>\$ 4,950,611</u>
Less accumulated depreciation for:				
Buildings	\$ 833,183	\$ 5,046	\$ 763,998	\$ 74,231
Improvements other than buildings	1,991,700	123,443	145,228	1,969,915
Machinery and equipment	<u>429,437</u>	<u>54,349</u>	<u>20,692</u>	<u>463,094</u>
Total accumulated depreciation	<u>\$ 3,254,320</u>	<u>\$ 182,838</u>	<u>\$ 929,918</u>	<u>\$ 2,507,240</u>
Total capital assets, being depreciated, net	<u>\$ 9,610,287</u>	<u>\$ 415,123</u>	<u>\$ 7,582,039</u>	<u>\$ 2,443,371</u>
Component units capital assets, net	<u>\$ 11,715,281</u>	<u>\$ 475,654</u>	<u>\$ 8,058,299</u>	<u>\$ 4,132,636</u>

Depreciation expense was recorded as an expense for the following component units:

Carbon County Recreation & Transportation Special Service District	\$ 150,338
Scofield Reservoir Special Service District	<u>32,500</u>
Total depreciation expense	<u>\$ 182,838</u>

3. **LONG-TERM DEBT**

Primary Government

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

Year Ending December 31,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 1,632,336	\$ 136,525	\$ 1,768,861			
2017	1,640,336	133,025	1,773,361			
2018	1,647,000	129,425	1,776,425			
2019	1,657,000	125,725	1,782,725			
2020	1,667,000	121,950	1,788,950			
2021-2025	8,471,000	549,625	9,020,625			
2026-2030	6,627,696	439,900	7,067,596			
2031-2035	2,838,000	323,725	3,161,725			
2036-2040	2,699,984	183,125	2,883,109			
2041-2043	1,455,000	34,800	1,489,800			
	<u>\$ 30,335,352</u>	<u>\$ 2,177,825</u>	<u>\$ 32,513,177</u>	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>

Revenue Bonds – Revenue Bonds payable at December 31, 2015, with their outstanding balances are comprised of the following individual issues:

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2001A
(ACTIVE RE-ENTRY BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$400,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to construct an office building. The building will be leased to Active Re-Entry, a non-profit corporation.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
09-01-16		\$ 16,000	\$ 16,000
09-01-17		16,000	16,000
09-01-18		16,000	16,000
09-01-19		16,000	16,000
09-01-20		16,000	16,000
2021-2025		80,000	80,000
2026		15,190	15,190
	<u>\$...</u>	<u>\$ 175,190</u>	<u>\$ 175,190</u>

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

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2001B
(FAIRGROUNDS BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$120,000 in revenue bonds. The bonds are non-interest bearing. The proceeds will be used to construct buildings at the Carbon County Fairgrounds. The buildings will be leased to Carbon County.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
09-01-16		\$ 6,000	\$ 6,000
09-01-17		6,000	6,000
09-01-18		6,000	6,000
09-01-19		6,000	6,000
09-01-20		6,000	6,000
2021-2022		12,000	12,000
	<u>\$...</u>	<u>\$ 42,000</u>	<u>\$ 42,000</u>

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2006A
(EMERGENCY SERVICES BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$275,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to construct a building to house the County's emergency service agencies.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 14,000	\$ 14,000
01-01-17		14,000	14,000
01-01-18		14,000	14,000
01-01-19		14,000	14,000
01-01-20		14,000	14,000
2021-2025		70,000	70,000
2026-2027		23,000	23,000
	<u>\$...</u>	<u>\$ 163,000</u>	<u>\$ 163,000</u>

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

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2006B
(EMERGENCY SERVICES BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$2,166,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to construct a building to house the County’s emergency service agencies.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 108,000	\$ 108,000
01-01-17		108,000	108,000
01-01-18		108,000	108,000
01-01-19		108,000	108,000
01-01-20		108,000	108,000
2021-2025		540,000	540,000
2026-2027		222,000	222,000
	<u>\$...</u>	<u>\$ 1,302,000</u>	<u>\$ 1,302,000</u>

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2006C
(ROAD AND MAINTENANCE BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$1,525,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to construct a new road and maintenance building to house the County’s road shop and abatement functions.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 61,000	\$ 61,000
01-01-17		61,000	61,000
01-01-18		61,000	61,000
01-01-19		61,000	61,000
01-01-20		61,000	61,000
2021-2025		305,000	305,000
2026-2030		305,000	305,000
2031-2032		122,000	122,000
	<u>\$...</u>	<u>\$ 1,037,000</u>	<u>\$ 1,037,000</u>

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

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2006D
(NORTH SPRINGS SHOOTING RANGE)**

The Municipal Building Authority of Carbon County Utah sold \$1,290,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to construct a new outdoor shooting range.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 65,000	\$ 65,000
01-01-17		65,000	65,000
01-01-18		65,000	65,000
01-01-19		65,000	65,000
01-01-20		65,000	65,000
2021-2025		325,000	325,000
2026-2027		120,000	120,000
	<u>\$...</u>	<u>\$ 770,000</u>	<u>\$ 770,000</u>

**CARBON COUNTY BUILDING AUTHORITY – LEASE REVENUE BOND SERIES 2006E
(FAIRGROUNDS EXPO BUILDING)**

The Municipal Building Authority of Carbon County Utah sold \$998,000 in revenue bonds. The bonds are non-interest bearing and the proceeds along with other funds will be used to expand the exhibition building at the County's fairgrounds.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 50,000	\$ 50,000
01-01-17		50,000	50,000
01-01-18		50,000	50,000
01-01-19		50,000	50,000
01-01-20		50,000	50,000
2021-2025		250,000	250,000
2026-2027		98,000	98,000
	<u>\$...</u>	<u>\$ 598,000</u>	<u>\$ 598,000</u>

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

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2006F (DEPT. OF NATURAL RESOURCES BUILDING)

The Municipal Building Authority of Carbon County Utah sold \$3,100,000 in revenue bonds. The proceeds from the bonds will be used to construct a commercial building. The bonds are non-interest bearing.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
04-01-16		\$ 155,000	\$ 155,000
04-01-17		155,000	155,000
04-01-18		155,000	155,000
04-01-19		155,000	155,000
04-01-20		155,000	155,000
2021-2025		775,000	775,000
2026-2027		167,506	167,506
	<u>\$...</u>	<u>\$ 1,717,506</u>	<u>\$ 1,717,506</u>

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2007 (CONSUMER WASH ROAD)

The Municipal Building Authority of Carbon County Utah sold \$3,000,000 in non-interest bearing revenue bonds. The proceeds will be used to purchase and reconstruct 8.75 miles of the Consumer Wash Road.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 150,000	\$ 150,000
01-01-17		150,000	150,000
01-01-18		150,000	150,000
01-01-19		150,000	150,000
01-01-20		150,000	150,000
2021-2025		750,000	750,000
2026-2028		450,000	450,000
	<u>\$...</u>	<u>\$ 1,950,000</u>	<u>\$ 1,950,000</u>

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

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2008B (PUBLIC SERVICE ANNEX BUILDING)

The Municipal Building Authority of Carbon County Utah sold \$573,000 in revenue bonds. The proceeds from the bonds will be used to construct a commercial building. The bonds are non-interest bearing.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
04-01-16		\$ 29,000	\$ 29,000
04-01-17		29,000	29,000
04-01-18		29,000	29,000
04-01-19		29,000	29,000
04-01-20		29,000	29,000
2021-2025		143,000	143,000
2026-2029		111,000	111,000
	<u>\$...</u>	<u>\$ 399,000</u>	<u>\$ 399,000</u>

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2008C (EQUIPMENT STORAGE SHOP)

The Municipal Building Authority of Carbon County Utah sold \$460,000 in revenue bonds. The proceeds from the bonds will be used to construct a commercial building. The bonds are non-interest bearing.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
10-01-16		\$ 23,000	\$ 23,000
10-01-17		23,000	23,000
10-01-18		23,000	23,000
10-01-19		23,000	23,000
10-01-20		23,000	23,000
2021-2025		115,000	115,000
2026-2028		69,000	69,000
	<u>\$...</u>	<u>\$ 299,000</u>	<u>\$ 299,000</u>

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

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2008 (CARBONVILLE ROAD PROJECT)

The Municipal Building Authority of Carbon County Utah sold \$1,000,000 in revenue bonds. The proceeds from the bonds will be used to make major road improvements. The bonds are non-interest bearing.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 40,000	\$ 40,000
01-01-17		40,000	40,000
01-01-18		40,000	40,000
01-01-19		40,000	40,000
01-01-20		40,000	40,000
2021-2025		200,000	200,000
2026-2030		200,000	200,000
2031-2034		160,000	160,000
	<u>\$...</u>	<u>\$ 760,000</u>	<u>\$ 760,000</u>

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH – TAXABLE LEASE REVENUE BONDS SERIES 2010 (CHILDREN’S JUSTICE CENTER BUILDING)

The Municipal Building Authority of Carbon County Utah sold \$427,000 in revenue bonds. The proceeds from the bonds will be used to build a Children’s Justice Center Building. The bonds are non-interest bearing.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
07-01-16		\$ 14,000	\$ 14,000
07-01-17		14,000	14,000
07-01-18		14,000	14,000
07-01-19		14,000	14,000
07-01-20		14,000	14,000
2021-2025		70,000	70,000
2026-2030		70,000	70,000
2031-2035		72,000	72,000
2036-2040		75,000	75,000
	<u>\$...</u>	<u>\$ 357,000</u>	<u>\$ 357,000</u>

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

**MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH LEASE REVENUE
BOND- SERIES 2011A**

The Municipal Building of Carbon County Utah sold \$1,312,000 in revenue bonds during the current year. The proceeds will used to fund projects at the Carbon County Fairgrounds.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
07-01-16		\$ 44,000	\$ 44,000
07-01-17		44,000	44,000
07-01-18		44,000	44,000
07-01-19		44,000	44,000
07-01-20		44,000	44,000
2021-2025		220,000	220,000
2026-2030		220,000	220,000
2031-2035		218,000	218,000
2036-2040		215,000	215,000
2040		43,000	43,000
	<u>\$...</u>	<u>\$ 1,136,000</u>	<u>\$ 1,136,000</u>

**MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH LEASE REVENUE
BOND-SERIES 2011B**

The Municipal Building Authority sold \$1,250,000 in revenue bonds, to fund in part, the 9 Mile Canyon Road Project.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
07-01-16		\$ 83,000	\$ 83,000
07-01-17		83,000	83,000
07-01-18		83,000	83,000
07-01-19		83,000	83,000
07-01-20		83,000	83,000
2021-2025		419,000	419,000
2026		84,000	84,000
	<u>\$...</u>	<u>\$ 918,000</u>	<u>\$ 918,000</u>

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

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH LEASE REVENUE BOND - SERIES 2012

The Municipal Building Authority of Carbon County Utah sold revenue bonds in the amount of \$1,000,000. The proceeds were used to construct a new animal shelter.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
10-01-16		\$ 33,000	\$ 33,000
10-01-17		33,000	33,000
10-01-18		33,000	33,000
10-01-19		33,000	33,000
10-01-20		33,000	33,000
2021-2025		165,000	165,000
2026-2030		165,000	165,000
2031-2035		168,000	168,000
2036-2040		170,000	170,000
2041-2042		68,000	68,000
	<u>\$...</u>	<u>\$ 901,000</u>	<u>\$ 901,000</u>

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH - SERIES 2013A BONDS

The Municipal Building Authority of Carbon County Utah sold bonds in the amount of \$5,745,000, bearing no interest. The proceeds are being used to construct a new courthouse.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
10-01-16		\$ 192,000	\$ 192,000
10-01-17		192,000	192,000
10-01-18		192,000	192,000
10-01-19		192,000	192,000
10-01-20		192,000	192,000
2021-2025		960,000	960,000
2026-2030		960,000	960,000
2031-2035		960,000	960,000
2036-2040		960,000	960,000
2041-2043		561,000	561,000
	<u>\$...</u>	<u>\$ 5,361,000</u>	<u>\$ 5,361,000</u>

3. LONG-TERM DEBT (Continued)

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH -
SERIES 2013B BONDS

The Municipal Building Authority of Carbon County Utah sold bonds in the amount of \$5,728,000, bearing 2.5% interest. The proceeds are being used to construct a new courthouse.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
10-01-16	\$ 136,525	\$ 137,000	\$ 273,525
10-01-17	133,025	140,000	273,025
10-01-18	129,425	144,000	273,425
10-01-19	125,725	148,000	273,725
10-01-20	121,950	151,000	272,950
2021-2025	549,625	815,000	1,364,625
2026-2030	439,900	922,000	1,361,900
2031-2035	323,725	1,043,000	1,366,725
2036-2040	183,125	1,181,000	1,364,125
2041-2043	34,800	783,000	817,800
	<u>\$ 2,177,825</u>	<u>\$ 5,464,000</u>	<u>\$ 7,641,825</u>

MUNICIPAL BUILDING AUTHORITY OF CARBON COUNTY UTAH LEASE REVENUE
BOND - SERIES 2014

The Municipal Building Authority of Carbon County Utah sold bonds in the amount of \$6,500,000, bearing 1.5% interest. The proceeds are being used to construct roads in 9 mile canyon.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16	\$ 97,500	\$ 390,000	\$ 487,500
01-01-17	91,650	395,000	486,650
01-01-18	85,725	401,000	486,725
01-01-19	79,710	407,000	486,710
01-01-20	73,605	2,131,000	2,204,605
2021-2025	273,060	2,295,000	2,568,060
2026-2030	105,975	481,000	586,975
	<u>\$ 807,225</u>	<u>\$ 6,500,000</u>	<u>\$ 7,307,225</u>

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

SOUTHEASTERN UTAH DISTRICT HEALTH - BUILDING CAPITAL LEASE

Southeastern Utah District Health entered into a capital lease with Grand County Building Authority for the purchase of land, building and improvements.

<u>DATE</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
01-01-16		\$ 22,336	\$ 22,336
01-01-17		22,336	22,336
01-01-18		19,000	19,000
01-01-19		19,000	19,000
01-01-20		19,000	19,000
2021-2025		95,000	95,000
2026-2030		95,000	95,000
2031-2035		95,000	95,000
2036-2040		98,984	98,984
	<u>\$...</u>	<u>\$ 485,656</u>	<u>\$ 485,656</u>

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

SUMMARY OF NET CHANGES - PRIMARY GOVERNMENT

<u>Description</u>	<u>Balance</u> <u>01-01-15</u>	<u>Retired</u>	<u>Issued</u>	<u>Balance</u> <u>12-31-15</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
<u>Governmental Activities</u>					
Lease Revenue 2001A	\$ 191,190	\$ (16,000)		\$ 175,190	\$ 16,000
Lease Revenue 2001B	48,000	(6,000)		42,000	6,000
MBA Lease Revenue 2006A	177,000	(14,000)		163,000	14,000
MBA Lease Revenue 2006B	1,410,000	(108,000)		1,302,000	108,000
MBA Lease Revenue 2006C	1,098,000	(61,000)		1,037,000	61,000
MBA Lease Revenue 2006D	835,000	(65,000)		770,000	65,000
MBA Lease Revenue 2006E	648,000	(50,000)		598,000	50,000
MBA Lease Revenue 2006F	1,872,506	(155,000)		1,717,506	155,000
MBA Lease Revenue 2007	2,100,000	(150,000)		1,950,000	150,000
MBA Lease Revenue 2008B	428,000	(29,000)		399,000	29,000
MBA Lease Revenue 2008C	322,000	(23,000)		299,000	23,000
MBA Lease Revenue 2008	800,000	(40,000)		760,000	40,000
MBA Lease Revenue 2010	371,000	(14,000)		357,000	14,000
MBA Lease Revenue 2011A	1,180,000	(44,000)		1,136,000	44,000
MBA Lease Revenue 2011B	1,001,000	(83,000)		918,000	83,000
MBA Lease Revenue 2012	934,000	(33,000)		901,000	33,000
MBA Bond Series 2013A	5,553,000	(192,000)		5,361,000	192,000
MBA Bond Series 2013B	5,598,000	(134,000)		5,464,000	137,000
MBA Lease Revenue 2014	6,500,000			6,500,000	390,000
	<u>\$ 31,066,696</u>	<u>\$ (1,217,000)</u>	<u>\$...</u>	<u>\$ 29,849,696</u>	<u>\$ 1,610,000</u>
<u>Governmental Activities</u>					
SEUDH Capital Leases:					
Series 2011	\$ 507,992	\$ (22,336)		\$ 485,656	\$ 22,336
	<u>\$ 507,992</u>	<u>\$ (22,336)</u>	<u>\$...</u>	<u>\$ 485,656</u>	<u>\$ 22,336</u>

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

COMPONENT UNITS

SUMMARY OF NET CHANGES - COMPONENT UNITS

<u>Description</u>	<u>Balance 01-01-15</u>	<u>Retired</u>	<u>Issued</u>	<u>Balance 12-31-15</u>	<u>Due Within One Year</u>
CCR&TSSD - Local Bldg Authority Taxable Lse Rev Bond Series 2009	\$ 3,780,000	\$(3,780,000)	_____	_____	_____
	<u>\$ 3,780,000</u>	<u>\$(3,780,000)</u>	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>

4. **DEPOSITS AND INVESTMENTS**

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

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

Custodial Credit Risk-Deposits

The Act requires the depositing of public funds only in a "qualified depository" or a "permitted depository". A "qualified depository" is a Utah depository institution, which complies with capital ratios and public deposit limits established by rule of the Council and which has been certified by the State Commissioner of Financial Institutions for deposit of public funds. A "permitted depository" is an out-of-state financial institution that meets quality criteria established by rule of the Council. The custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be recovered.

The County's deposits are insured up to \$250,000, per account by the Federal Deposit Insurance Corporation. The deposits in the bank in excess of the insured amount are uninsured and uncollateralized. Uninsured deposits are not collateralized nor are they required to be by State statute. At December 31, 2015, the bank balance of the County's deposits was \$1,105,727. Of this balance, \$500,000 was insured. The remaining balance, \$605,727 was uninsured.

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

Investments

Investments are recorded at fair value or at cost where there is no material difference from fair value based upon quoted market prices as of December 31, 2015, with the difference between the purchase price and market price being recorded as interest income.

The Act also defines the types of securities allowed as appropriate investments for the County and the conditions for making investment transactions. Investment transactions are to be conducted through qualified depositories, certified dealers, or directly with the issuer of the securities.

Allowable investments under the Act include:

- Negotiable or nonnegotiable deposits of qualified depositories and permitted depositories.
- Repurchase agreements with qualified depositories or government security dealers certified by the director of the State Division of Securities as meeting quality criteria established by the State Money Management Council.
- Commercial paper, which has a remaining term of 270 days or less, which is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Service or Standard and Poor’s.
- Bankers’ acceptances, that are eligible for discount at a Federal reserve bank, and which have a remaining term of 270 days or less.
- Obligations of the United States Treasury, including bills, notes, and bonds.
- Obligations other than mortgage pools and other mortgage derivative products issued by or fully guaranteed as to principal and interest by the following agencies or instrumentalities of the United States in which a market is made by a primary reporting government securities dealer: Federal Farm Credit banks, Federal Home Loan banks, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Student Loan Marketing Association, Federal Agriculture Mortgage Corporation, and Tennessee Valley Authority.
- Corporate obligations maturing in two years or less, which are rated “A” or higher by two nationally recognized statistical rating organizations, one of which must be Moody’s Investors Service or Standard and Poor’s.
- Shares or certificates in a money market mutual fund that comply with Rule 2a-7 of the Securities Exchange Commission.
- Utah Public Treasurer’s Investment Fund.

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

The carrying amount and fair value of the County's investments at December 31, 2015 is as follows:

<u>Investment Type</u>	Carrying Amount and Fair Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
Debt Securities:					
Repurchase Agreements	\$ 7,615,061	\$ 7,615,061			
	\$ 7,615,061	\$ 7,615,061	\$...	\$...	\$...
Other Investments:					
Utah Public Treas. Invest. Fund	16,429,568				
Total investments	\$ 24,044,629				

The Utah Public Treasurer's Investment Fund ("the Pool") is a voluntary external Local Government Investment Pool managed by the Utah State Treasurer to improve investment efficiency and yield. These monies are invested in securities permitted by the Act and contain no withdrawal restrictions other than timely notice of intent to withdraw an amount greater than \$2,000,000. Investment activity of the State Treasurer in the management of the Pool is reviewed monthly by the Council and is audited by the Utah State Auditor. Monies invested in this fund are not insured and are subject to the same market risks as any similar investment in money market funds.

Government and agency securities consist of U.S. Treasury bonds, notes and bills, Federal Home notes and government mutual funds with underlying securities that are U.S. Treasury bonds, notes and bills.

Interest Rate Risk-Investments

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The County's policy for managing interest rate risk is to comply with the Utah Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and to 365 days or less for fixed rate negotiable deposits, and fixed rate corporate obligations. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

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

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County and Component Units follows the Utah Money Management Act as previously discussed as its policy for reducing exposure to investment credit risk.

The County's rated debt investments as of December 31, 2015 were rated by Standard and Poor's and/or an equivalent nationally recognized statistical rating organization and the ratings are presented below using the Standard and Poor's rating scale.

	<u>Carrying Amount and Fair Value</u>	<u>Quality Rating</u>
<u>Debt Securities</u>		
Repurchase Agreements	\$ 7,615,061	Not Rated

Custodial Credit Risk-Investment

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

The County's investments at December 31, 2015 were held by the County or in the County's name by the County's custodial banks except for repurchase agreements with qualified depositories totaling \$7,615,061 where the underlying securities were uninsured and held by the investment's counterparty, not in the name of the County.

Concentration of Credit Risk-Investment

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The County's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% depending upon the total dollar amount held in the portfolio. The Money Management Council limitations do not apply to securities issued by the United States government and its agencies. The County complies with the concentration limits of Rule 17 of the Utah Money Management Act.

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

Total Reconciliation

<u>Description</u>	<u>Primary Government</u>	<u>Component Units</u>	<u>Fiduciary Funds</u>
Cash and cash equivalents	\$ 15,750,109	\$ 1,397,122	\$ 4,574,010
Restricted cash and cash equivalents	<u>7,143,892</u>	<u>3,329,340</u>	
	<u>\$ 22,894,001</u>	<u>\$ 4,726,462</u>	<u>\$ 4,574,010</u>
Deposits	\$ 227,604	\$ 384,704	\$ 2,040,435
Investments (includes PTIF and Sweep accts.)	<u>22,666,397</u>	<u>4,341,758</u>	<u>2,533,575</u>
	<u>\$ 22,894,001</u>	<u>\$ 4,726,462</u>	<u>\$ 4,574,010</u>

5. **PENSION PLANS**

General Information about the Pension Plan

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

CARBON COUNTY

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

5. **PENSION PLANS (Continued)**

SOUTHEASTERN UTAH HEALTH

- Public Employees Contributory Retirement System (Contributory System); is a multiple employer, cost sharing, public employees, retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); are multiple employer, cost sharing, public employees, retirement systems.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

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

5. PENSION PLANS (Continued)

Summary of Benefits by System

CARBON COUNTY

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% to 4% depending on the employer
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

5. PENSION PLANS (Continued)

SOUTHEASTERN UTAH HEALTH

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefit	Benefit Percent Per Year of Service	COLA**
Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

*with actuarial reductions

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

5. **PENSION PLANS (Continued)**

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

Utah State Retirement Systems

	Employee Paid	Paid by Employer for Employee	Employer Contribution Rates
CARBON COUNTY			
Contributory System			
11 - Local Governmental Division Tier 1	N/A	6.00%	14.460%
111 - Local Governmental Division Tier 2	N/A	N/A	14.910%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	N/A	18.470%
Public Safety Retirement System			
75 - Other Division A Noncontributory Tier 1	N/A	N/A	35.710%
122 - Other Division A Contributory Tier 2	N/A	N/A	23.660%
SOUTHEASTERN UTAH HEALTH			
Contributory System			
11 - Local Governmental Division Tier 1	1.990%	4.010%	14.460%
111 - Local Governmental Division Tier 2	N/A	N/A	14.910%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	N/A	18.470%

5. **PENSION PLANS (Continued)**

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

At December 31, 2014, Carbon County reported a net pension asset of \$7,249 and a net pension liability of \$3,832,678 and Southeastern Utah Health reported a net pension asset of \$540 and a net pension liability of \$586,559.

	Proportionate Share	Net Pension Asset	Net Pension Liability
CARBON COUNTY			
Noncontributory System	0.5005300%		\$ 2,173,419
Contributory System	0.6765446%		195,145
Public Safety System	1.1642284%		1,464,114
Tier 2 Public Employees System	0.1147323%	\$ 3,477	
Tier 2 Public Safety and Firefighter System	0.2549850%	3,772	
		<u>\$ 7,249</u>	<u>\$ 3,832,678</u>
SOUTHEASTERN UTAH HEALTH			
Noncontributory System	0.1344757%		\$ 583,925
Contributory System	0.0091320%		2,634
Tier 2 Public Employees System	0.0178322%	\$ 540	
		<u>\$ 540</u>	<u>\$ 586,559</u>

The net pension asset and liability were measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2014, and rolled forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability was based upon actual historical employer contributions to the plan from the census data submitted to the plan for pay periods ending in 2014.

For the year ended December 31, 2014, the Carbon County recognized pension expense of \$1,047,705 and Southeastern Utah Health recognized pension expense of \$139,379. At December 31, 2014, Carbon County and Southeastern Utah Health reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

5. PENSION PLANS (Continued)

CARBON COUNTY

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 123	\$ 247,004
Changes in assumptions		420,960
Net difference between projected and actual earnings on pension plan investments	93,704	
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	1,614,810	
Total	<u>\$ 1,708,637</u>	<u>\$ 667,964</u>

SOUTHEASTERN UTAH HEALTH

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		\$ 18,473
Changes in assumptions		57,159
Net difference between projected and actual earnings on pension plan investments	\$ 13,308	
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	205,680	
Total	<u>\$ 218,988</u>	<u>\$ 75,632</u>

Carbon County reported \$2,505,418 and Southeastern Utah Health reported \$205,680 as deferred outflows of resources related to pensions results from contributions made by the Carbon County and Southeastern Utah Health prior to our fiscal year end, but subsequent to the measurement date of December 31, 2014. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

5. PENSION PLANS (Continued)

<u>Year Ended December 31,</u>	<u>Deferred Outflows (inflows) of Resources</u>	
	<u>Carbon County</u>	<u>Southeastern Utah Health</u>
2015	\$ (179,948)	\$ (15,928)
2016	(156,086)	(15,606)
2017	(146,340)	(15,474)
2018	(87,824)	(14,725)
2019	(619)	(95)
Thereafter	(3,322)	(496)

Actuarial assumptions - The total pension liability in the December 31, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases	3.50 - 10.50 percent, average, including inflation
Investment rate of return	7.50 percent, net of pension plan investment expense, including inflation

5. **PENSION PLANS (Continued)**

Active member mortality rates are a function of the member's gender, occupation, and age and are developed based upon plan experience. Retiree mortality assumptions are highlighted in the table below.

Retired Member Mortality

Class of Member

Educators

Men EDUM (90%)

Women EDUF(100%)

Public Safety and Firefighters

Men RP 2000mWC (100%)

Women EDUF (120%)

Local Government, Public Employees

Men RP 2000mWC (100%)

Women EDUF (120%)

EDUM = Constructed mortality table based on actual experience of male educators multiplied by given percentage EDUF = Constructed mortality table based on actual experience of female educators multiplied by given percentage

RP 2000mWC = RP 2000 Combined mortality table for males with white collar adjustments multiplied by given percentage

The actuarial assumptions used in the January 1, 2014, valuation were based on the results of an actuarial experience study for the five year period ending - December 31, 2013.

5. **PENSION PLANS (Continued)**

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

<u>Asset Class</u>	<u>Expected Return Arithmetic Basis</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
		Inflation	2.75%
		Expected arithmetic nominal return	<u>7.98%</u>

The 7.50 percent assumed investment rate of return is comprised of an inflation rate of 2.75 percent, a real return of 4.75 percent that is net of investment expense.

Discount rate - The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

5. **PENSION PLANS (Continued)**

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent) or one-percentage point higher (8.50 percent) than the current rate:

	Decrease (6.50%)	Rate (7.50%)	Increase (8.50%)
Proportionate Share of Net Pension (Asset) / Liability			
Carbon County	\$ 9,510,887	\$ 3,825,429	\$ (866,213)
Southeastern Utah Health	1,412,527	586,019	(102,303)

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Pension Beginning and Ending Values

GASB 68 schedule	Beginning values			Ending values		
	NPL/(NPA)	Asset	Liability	NPL/(NPA)	Asset	Liability
Carbon County						
Noncontributory	\$ 2,701,119		\$ 2,701,119	\$ 2,173,419		\$ 2,173,419
Contributory	212,109		212,109	195,145		195,145
Public Safety	1,906,287		1,906,287	1,464,114		1,464,114
Firefighters						
Judges						
Governors & Legislators						
Tier 2 Public employees	690		690	(3,477)	\$ 3,477	
Tier 2 Public safety						
Tier 2 Public Safety & Firefighter	(1,506)	\$ 1,506		(3,772)	3,772	
Total	\$ 4,818,699	\$ 1,506	\$ 4,820,205	\$ 3,825,429	\$ 7,249	\$ 3,832,678

5. PENSION PLANS (Continued)

Pension Beginning and Ending Values

GASB 68 schedule	Beginning values			Ending values		
	NPL/(NPA)	Asset	Liability	NPL/(NPA)	Asset	Liability
Southeastern Utah Health						
Noncontributory	\$ 725,700		\$ 725,700	\$ 583,925		\$ 583,925
Contributory	2,863		2,863	2,634		2,634
Public Safety						
Firefighters						
Judges						
Governors & Legislators						
Tier 2 Public employees	107		107	(540)	\$ 540	
Tier 2 Public Safety & Firefighter						
Total	\$ 728,670	\$...	\$ 728,670	\$ 586,019	\$ 540	\$ 586,559

6. CONTINGENT LIABILITIES

The County and certain of its officials are defendants in a variety of legal actions involving matters of contract, property, tort, taxation and civil rights. The resolution of these matters is not expected to have a material effect on the County's financial position and have not been provided for the accompanying financial statements.

7. PROPERTY TAXES

The County adopts, by June 22, the proposed tax rates as part of its budget for the current year, which began January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable on or before November 30.

The County Treasurer collects property taxes levied by the County and other taxing entities within the County (such as the school district). These tax collections are accounted for in the Treasurer's Tax Collection Trust. The Treasurer apportions and remits collected taxes to the Funds of the County and to other taxing entities periodically.

8. OFF BALANCE SHEET RISK

Carbon County, the Primary Government, and its Component Units have many bank accounts with various banking institutions. Some of the bank account balances are substantially over \$250,000. By maintaining several accounts with the same bank with balances exceeding \$250,000, the County has amounts that exceed the FDIC insurance limitation. Consequently, there is a potential loss to the extent that amounts are not insured.

9. **RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County pays an annual premium to ULGT (Utah Local Governments Trust) for its general insurance coverage.

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

10. **MUNICIPAL SOLID WASTE LANDFILLS**

Carbon County has a landfill that operates within the County. The County has filed with the State for operating permits for the landfill and has received a written approval.

Carbon County has obtained information necessary to determine the nature and source of landfill closure and post closure care requirements. An amount of liability for closure and post closure care costs, estimated total current cost of closure and post closure care remaining to be recognized, percentage of landfill capacity used to date and the nature of the estimates and the potential for changes due to inflation or deflation, technology, or applicable laws or regulations has been calculated by the County and the engineers. The County has set aside an amount of \$97,661 to be put into an account held by the Utah Public Treasurer's Investment Pool.

11. **RECONCILIATION OF INTERFUND TRANSFERS**

The following table provides a reconciliation of all interfund transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General		\$ 1,119,369
Travel bureau		162,000
Fairgrounds	\$ 162,000	
RSVP	29,200	
Economic development	122,950	
Council on aging	416,717	
Nutrition	550,502	
	<u>\$ 1,281,369</u>	<u>\$ 1,281,369</u>

12. **BUDGETARY COMPLIANCE**

Unfavorable budget variances were incurred in the following funds:

GENERAL FUND -

General government -

Commission	\$	782
Justice Court		5,343
Clerk/Auditor		9,311
Treasurer		367
Attorney		9,290
Assessor		4,464

13. **JOINT VENTURE**

The County is a member of a joint venture known as Four Corners Community Mental Health Center.

Under Utah State Code Sections 17A-3-600 and 17A-3-700, the State has given substance abuse and mental health authorities to counties to provide mental health and substance abuse services to persons living within their boundaries. To comply with Utah State Code, Carbon, Emery and Grand counties have joined together and created Four Corners Community Mental Health Center. The Center is the entity created by the counties to hold the mental health and substance abuse authorities and provide services required by the State of Utah. The Center has been organized as a non-profit corporation and the governing boards of three counties appointed the original board of directors. The Center contracts with the counties to provide mental health and substance abuse services to the citizens of the three-county area. As part of this contract, the counties provide funds to the Center by contracting for grants with the State of Utah and passing proceeds through to the Center, and by each county making additional local contributions. Because of these agreements, the three counties have an ongoing financial responsibility.

Four Corners Community Mental Health Center, was audited for the fiscal year ended June 30, 2015, by Wiggins & Company, Ogden, Utah.

14. **FUND BALANCE RESERVATIONS/NET POSITION RESTRICTIONS**

GENERAL FUND –

\$574,230 is the balance of Restaurant tax collected, to be used for the promotion of tourism and related activity within the county and surrounding area.

\$97,791 is reserved to cover the estimated costs of the landfill closure at some future date.

MUNICIPAL SERVICES FUND –

\$3,243,612 is reserved for Class “B” Road expenditures for the County.

\$3,222,537 is the balance of Municipal Services Fund and has been reserved for the purpose of meeting sinking fund and reserve requirements of bond covenants.

SEU DISTRICT HEALTH DEPARTMENT –

\$547,902 is the restricted fund balance of Southeastern Utah Health District and represents amounts that are legally restricted for specific purposes by external contracts.

BUILDING AUTHORITY –

\$1,269,059 is for debt service requirements, \$1,609,665 is for capital expenditures

The remaining reserved fund balances simply represents the balance of funds available for expenditures related to the purpose for which the fund was created.

15. **FUND EQUITY**

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

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

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

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

15. **FUND EQUITY (Continued)**

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

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

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

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

16. **MAJOR CONSTRUCTION PROJECTS**

During the current year (2015), the County finalized construction of a new County Building in a new location. The County has secured funding for the new building, which is comprised of a grant from the Community Impact Board (CIB) of \$6,000,900, two loans from the CIB for \$5,728,000 and \$5,745,000. The County was responsible for making a cash contribution of \$3,000,000, and in kind work of \$416,924. The total cost of the project has been recorded in the Capital assets of the County. The County has secured all funding sources.

During the current year (2015), the County has finalized specific construction projects of road improvements in an area called Nine Mile canyon, but other projects are ongoing and have received additional funding in the next calendar year (2016). The County secured funding for the project, which comprised of a grant from the Community Impact Board (CIB) of \$9,750,000 and a loan from the CIB for \$6,500,000. The County was responsible to make a cash contribution of \$250,000, which has been performed. The total cost of the project has been recorded in the Capital assets of the County. The County has secured all funding sources.

17. **USE OF ESTIMATES**

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

18. **SUBSEQUENT EVENTS**

The County's Building Authority is involved in road construction projects and a salt shed project located in an area called Nine Mile Canyon, which is located in the North Eastern part of the County. The Building Authority has entered into a loan from the Community Impact Board in the amount of \$6,500,000 with an interest rate of 1.5%, a grant from the Community Impact Board in the amount of \$9,750,000 and the County is required to contribute cash of \$250,000 for the purpose of road construction in the Nine Mile Canyon area. The total estimated cost incurred by the County is estimated to be \$16,500,000. The first payment on the loan was originally due October 1, 2015, but was changed because the County received additional funding on the project of \$480,000 in March, 2016 and additional funding for a salt shed in 2016. A new payment schedule will be generated.

19. **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 statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County reports a deferred outflow of resources relating to pensions, which is created from the difference of the measurement of pension liability and payments on pension obligations subsequent to the measurement date.

In addition to liabilities, the statement of 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 of resources (revenue) until that time. The County reports a deferred inflow of resources relating to pensions, which is created because of the differences between expected and actual experiences and changes in assumptions as they relate to pension accounting and reporting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

20. **UNEARNED REVENUE**

As part of the funding for the new County Building and the Nine Mile Road project, the County issued bonds to the Community Impact Board (CIB) and received grant funds from the CIB. The County received a combined \$17,973,000 in loans and a combined \$15,750,900 in grants. The County recorded the bonds as liabilities and the grants as revenue. At December 31, 2015, the County had not used all of the grant proceeds in these construction projects. The balance of the grants that have been received, but unused has been recorded as unearned revenue in the amount of \$2,808,076.

21. **SPECIAL ITEM**

During 2015, Carbon County received a onetime contribution of land, a building and improvements, and equipment from Carbon County Recreation and Transportation District. The entire transfer of ownership occurred in relation to a lease agreement between the two government entities which indicated that once the debt obligation attached to the facility was retired, then the entire property (land, building, improvements and equipment) would revert to Carbon County. The debt obligation was retired during 2015 and therefore, the property was deeded to Carbon County. The facility transferred is referred to as the Carbon County Senior Center.

22. **RESTATEMENT OF NET POSITION**

In 2015, Carbon County adopted Government Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No.68*.

The new standards require the County to recognize a liability in its government-wide and enterprise financial statements for its proportionate share of the net pension liability (of all employers for benefits provided through the pension plans as administered by Utah Retirement Systems) – the collective net pension liability. The County is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions. The County contributions to the pension plans subsequent to the measurement date (December 31) of the collective net pension liability also are required to be reported as deferred outflows of resources related to pensions.

The governmental fund financial statements of the County are not affected by these new standards. Pension expenditures in the governmental funds continue to be recognized equal to the total of a) amounts paid by the County to the pension plans and b) the change between the beginning and ending balances of amounts of contributions currently payable to the pensions.

22. **RESTATEMENT OF NET POSITION (Continued)**

The beginning net position reported in governmental activities in the government-wide financial statements of the County has been restated to reflect the new standards as follows:

Beginning net position, as previously stated	\$ 148,926,646
Net pension asset	1,506
Net pension liability	(5,548,875)
Deferred outflows of resources related to pensions	<u>1,688,558</u>
Beginning net position, as restated	<u>\$ 145,067,835</u>

The notes to the basic financial statements now include additional information about the defined benefit pension plans. Also, the County will be presenting in required supplementary information 10-year schedules containing a) the net pension liability and certain related ratios and b) information about statutorily required contributions, contributions to the pension plans, and related ratios. Because this is the first year such information is available, only one year of required supplementary information is presented with these financial statements; information for additional years will be presented in future reports as it becomes available.

There was not changes in the beginning net position reported in the enterprise fund financial statements of the County, because the business type activities do not reflect any payroll or payroll related items. Therefore, no changes needed to be made in the prior year net position.

23. **PRIOR PERIOD ADJUSTMENT**

During the audit year ending December 31, 2015, a prior period adjustment was required to eliminate a duplicate receivable from the previous year. It was determined that accounts receivable had been reflected in a prior year audit and the required adjustment should have occurred in a the prior audit year. The amount of the prior period adjustment was \$77,486.

CARBON COUNTY
Required Supplementary Information

- | | |
|------------|--|
| SCHEDULE 1 | Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund |
| SCHEDULE 2 | Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Southeastern Utah District Health Department |
| SCHEDULE 3 | Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Municipal Services Fund |
| SCHEDULE 4 | Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Municipal Building Authority |
| SCHEDULE 5 | Schedule of the Proportionate Share of the Net Pension Liability as of December 31, 2014 |
| SCHEDULE 6 | Schedule of Contributions as of December 31, 2014 |
- Notes to the Required Supplementary Information

**CARBON COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL</u>	<u>FINAL</u>		<u></u>
REVENUES				
Taxes:				
General property taxes - current year	\$ 5,022,003	\$ 5,022,003	\$ 4,738,675	\$ (283,328)
General property taxes - assessing & collecting	914,955	914,955	888,954	(26,001)
Prior year taxes - delinquent	160,000	170,000	200,461	30,461
General sales and use taxes	950,000	950,000	958,066	8,066
Fees in lieu of taxes	765,000	765,000	826,011	61,011
Franchise taxes	10,000	12,000	18,303	6,303
Miscellaneous taxes	1,000	1,000	735	(265)
Total taxes	\$ 7,822,958	\$ 7,834,958	\$ 7,631,205	\$ (203,753)
Licenses and Permits:				
Business licenses and permits	\$ 38,000	\$ 38,000	\$ 33,283	\$ (4,717)
Non-business licenses and permits	5,000	6,000	9,100	3,100
Total licenses and permits	\$ 43,000	\$ 44,000	\$ 42,383	\$ (1,617)
Intergovernmental Revenues:				
Federal sources -				
Children's Justice	\$ 365,378	\$ 365,378	\$ 380,460	\$ 15,082
Victim's Rights	35,000	36,120	29,819	(6,301)
Forest Reserve		14,000	14,454	454
Miscellaneous	33,000	125,000	875	(124,125)
Total federal sources	\$ 433,378	\$ 540,498	\$ 425,608	\$ (114,890)
State sources -				
Payment in lieu of tax	\$ 130,000	\$ 130,000	\$ 125,503	\$ (4,497)
Jail reimbursements	15,000	15,000	31,679	16,679
EMS Grant	25,000	25,000	23,767	(1,233)
Mineral reserve funds	900,000	900,000	549,429	(350,571)
Miscellaneous			203,166	203,166
Total state sources	\$ 1,070,000	\$ 1,070,000	\$ 933,544	\$ (136,456)
Total intergovernmental revenues	\$ 1,503,378	\$ 1,610,498	\$ 1,359,152	\$ (251,346)

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

**CARBON COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	BUDGET AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
Charges for Services:				
General government -				
Recorder fees	\$ 90,000	\$ 90,000	\$ 78,382	\$ (11,618)
Auditor fees	10,000	15,000	16,974	1,974
Miscellaneous	6,100	1,720	1,561	(159)
Total general government	\$ 106,100	\$ 106,720	\$ 96,917	\$ (9,803)
Public safety -				
Jail fees	\$ 15,000	\$ 60,000	\$ 60,751	\$ 751
Justice court surcharge	12,000	12,000	9,852	(2,148)
Court costs and fees	60,000	60,000	52,662	(7,338)
Total public safety	\$ 87,000	\$ 132,000	\$ 123,265	\$ (8,735)
Other charges for services -				
Parks and public property	\$ 35,000	\$ 35,000	\$ 32,199	\$ (2,801)
Ambulance fees	1,050,000	1,050,000	940,807	(109,193)
G.I.S. fees	500	500	376	(124)
Total other charges for services	\$ 1,085,500	\$ 1,085,500	\$ 973,382	\$ (112,118)
Total charges for services	\$ 1,278,600	\$ 1,324,220	\$ 1,193,564	\$ (130,656)
Fines and Forfeitures:				
Fines	\$ 250,000	\$ 250,000	\$ 216,775	\$ (33,225)
Total fines and forfeitures	\$ 250,000	\$ 250,000	\$ 216,775	\$ (33,225)
Miscellaneous Revenues:				
Interest	\$ 30,000	\$ 32,000	\$ 39,113	\$ 7,113
Rents and concessions	8,000	8,000	6,141	(1,859)
Royalties and Mineral Leases	200,000	200,000	1,452,353	1,252,353
Sale of fixed assets	50,000	50,000	12,873	(37,127)
Airport fees and fuel sales	273,200	270,000	185,987	(84,013)
Tippage fees - ECDC	50,000	50,000	71,042	21,042
Sale of materials and supplies	30,000	30,000	10,524	(19,476)
Contributions	753,774	753,774	5,700	(748,074)
Miscellaneous	83,000	139,400	152,387	12,987
Total miscellaneous revenues	\$ 1,477,974	\$ 1,533,174	\$ 1,936,120	\$ 402,946
Total Revenues	\$ 12,375,910	\$ 12,596,850	\$ 12,379,199	\$ (217,651)

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

**CARBON COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL</u>	<u>FINAL</u>		FAVORABLE (UNFAVORABLE)
EXPENDITURES				
Current:				
General Government:				
Commission	\$ 426,900	\$ 428,900	\$ 429,682	\$ (782)
Justice court	270,000	287,000	292,343	(5,343)
District court	5,000	6,000	2,459	3,541
Public defender	244,000	255,000	230,561	24,439
Personel	218,200	224,700	187,334	37,366
Clerk/Auditor	312,500	359,000	368,311	(9,311)
Treasurer	162,100	171,500	171,867	(367)
Recorder	266,000	266,000	256,306	9,694
Attorney	827,100	870,900	880,190	(9,290)
Assessor	556,500	565,500	569,964	(4,464)
Non-Departmental	456,000	464,000	427,967	36,033
Data processing	518,435	518,435	506,419	12,016
Central purchasing	5,000	5,000	3,834	1,166
Central mailing	28,000	28,500	20,806	7,694
Communications	87,600	117,100	106,538	10,562
Attorney - Childrens Justice	462,550	488,550	465,988	22,562
Building and grounds	138,000	188,000	182,047	5,953
Engineering	227,500	232,500	205,897	26,603
Safety	11,700	30,700	29,153	1,547
Elections	5,500	12,500	10,581	1,919
Graphical information service	307,100	307,100	287,629	19,471
Industrial park	93,200	97,200	91,841	5,359
Total general government	\$ 5,628,885	\$ 5,924,085	\$ 5,727,717	\$ 196,368
Public Safety:				
Victims rights	\$ 65,235	\$ 66,355	\$ 66,300	\$ 55
Dispatch	327,000	327,000	321,343	5,657
Ambulance service	1,288,000	1,288,000	1,224,504	63,496
Jail complex	2,250,500	2,254,500	2,140,496	114,004
Total public safety	\$ 3,930,735	\$ 3,935,855	\$ 3,752,643	\$ 183,212

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

**CARBON COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		<u>(UNFAVORABLE)</u>
Public Health:				
Indigent	\$ 9,000	\$ 16,000	\$ 12,018	\$ 3,982
Public health	126,000	136,000	125,362	10,638
Mental health	226,192	230,000	226,417	3,583
Total public health	<u>\$ 361,192</u>	<u>\$ 382,000</u>	<u>\$ 363,797</u>	<u>\$ 18,203</u>
Highways and Public Improvements:				
Landfill	\$ 368,600	\$ 368,600	\$ 284,888	\$ 83,712
Maintenance and abatement	496,800	496,800	456,086	40,714
Airport	351,300	352,800	266,663	86,137
Total highways and public improvements	<u>\$ 1,216,700</u>	<u>\$ 1,218,200</u>	<u>\$ 1,007,637</u>	<u>\$ 210,563</u>
Parks, Recreation and Public Property:				
Recreation - Television	\$ 108,600	\$ 151,600	\$ 150,552	\$ 1,048
Library	105,000	105,000	97,700	7,300
Total parks, recreation and public property	<u>\$ 213,600</u>	<u>\$ 256,600</u>	<u>\$ 248,252</u>	<u>\$ 8,348</u>
Conservation and Economic Development:				
Agriculture and extension services	\$ 60,100	\$ 63,320	\$ 61,810	\$ 1,510
Total conservation and economic development	<u>\$ 60,100</u>	<u>\$ 63,320</u>	<u>\$ 61,810</u>	<u>\$ 1,510</u>
Contributions and Miscellaneous:				
Contributions to other governmental agencies	\$ 162,130	\$ 162,130	\$ 157,633	\$ 4,497
Rents	10,400	10,400	10,400	
Miscellaneous	56,200	50,000	46,887	3,113
Total contributions and miscellaneous	<u>\$ 228,730</u>	<u>\$ 222,530</u>	<u>\$ 214,920</u>	<u>\$ 7,610</u>
Total expenditures	<u>\$ 11,639,942</u>	<u>\$ 12,002,590</u>	<u>\$ 11,376,776</u>	<u>\$ 625,814</u>
Excess of revenues over (under) expenditures	<u>\$ 735,968</u>	<u>\$ 594,260</u>	<u>\$ 1,002,423</u>	<u>\$ 408,163</u>

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

**CARBON COUNTY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ (1,090,169)	\$ (1,119,369)	\$ (1,119,369)	
Total other financing sources (uses)	\$ (1,090,169)	\$ (1,119,369)	\$ (1,119,369)	\$...
Excess of revenues and other sources over (under) expenditures and other uses	\$ (354,201)	\$ (525,109)	\$ (116,946)	\$ 408,163
Fund balance - beginning of year	354,201	525,109	4,405,427	3,880,318
Fund balance - end of year	<u>\$...</u>	<u>\$...</u>	<u>\$ 4,288,481</u>	<u>\$ 4,288,481</u>

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

CARBON COUNTY
SOUTHEASTERN UTAH DISTRICT HEALTH DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES				
Intergovernmental				
Federal, State and Local funds	\$ 2,013,143	\$ 2,013,143	\$ 1,805,761	\$ (207,382)
Total Intergovernmental	\$ 2,013,143	\$ 2,013,143	\$ 1,805,761	\$ (207,382)
Charges for services				
Charges for services	\$ 475,000	\$ 475,000	\$ 764,712	\$ 289,712
Total Charges for services	\$ 475,000	\$ 475,000	\$ 764,712	\$ 289,712
Miscellaneous				
Miscellaneous			\$ 10,800	\$ 10,800
Investment earnings	\$ 900	\$ 900	1,191	291
Total miscellaneous	\$ 900	\$ 900	\$ 11,991	\$ 11,091
Total Revenues	\$ 2,489,043	\$ 2,489,043	\$ 2,582,464	\$ 93,421
EXPENDITURES				
Current:				
Public health	\$ 2,466,707	\$ 2,466,707	\$ 2,427,700	\$ 39,007
Bond principal - payments	22,336	22,336	22,336	
Total public health	\$ 2,489,043	\$ 2,489,043	\$ 2,450,036	\$ 39,007
Total expenditures	\$ 2,489,043	\$ 2,489,043	\$ 2,450,036	\$ 39,007
Excess of revenue over (under) expenditures			\$ 132,428	\$ 132,428
Fund balance - beginning of year			689,287	689,287
Fund balance - end of year	\$...	\$...	\$ 821,715	\$ 821,715

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

**CARBON COUNTY
MUNICIPAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Taxes	\$ 1,278,654	\$ 1,280,154	\$ 1,319,691	\$ 39,537
Licenses and permits	51,000	51,000	44,740	(6,260)
Intergovernmental	4,529,246	6,012,246	5,242,981	(769,265)
Charges for services	138,500	96,500	106,305	9,805
Contributions	1,000,000			
Interest Earnings	7,000	7,000	27,812	20,812
Miscellaneous	80,100	80,100	112,924	32,824
Total Revenues	\$ 7,084,500	\$ 7,527,000	\$ 6,854,453	\$ (672,547)
EXPENDITURES:				
General government	\$ 95,650	\$ 92,150	\$ 88,018	\$ 4,132
Public safety	4,072,450	3,819,850	3,762,278	57,572
Highways and public improvements	2,916,400	3,615,000	3,061,334	553,666
Total expenditures	\$ 7,084,500	\$ 7,527,000	\$ 6,911,630	\$ 615,370
Excess of revenue over (under) expenditures	\$...	\$...	\$ (57,177)	\$ (57,177)
OTHER FINANCING SOURCES (USES):				
Operating transfers in				
Operating transfers out				
Total other financing sources (uses)	\$...	\$...	\$...	\$...
Excess of revenue and other sources over (under) expenditures and other uses			\$ (57,177)	\$ (57,177)
Fund balance - beginning of year			6,600,812	6,600,812
Prior period adjustment			(77,486)	(77,486)
Fund balance - end of year	\$...	\$...	\$ 6,466,149	\$ 6,466,149

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

**CARBON COUNTY
MUNICIPAL BUILDING AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>BUDGET AMOUNTS</u>		<u>ACTUAL AMOUNTS</u>	<u>VARIANCE WITH FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
	<u>ORIGINAL</u>	<u>FINAL</u>		
REVENUES:				
Intergovernmental	\$ 5,000,000	\$ 5,400,000	\$ 5,078,930	\$ (321,070)
Contributions	328,000	328,000	438,000	110,000
Total Revenues	<u>\$ 5,328,000</u>	<u>\$ 5,728,000</u>	<u>\$ 5,516,930</u>	<u>\$ (211,070)</u>
EXPENDITURES:				
Bond principal - payments	\$ 1,213,000	\$ 1,213,000	\$ 1,217,000	
Bond interest and fiscal charges	115,000	115,000	139,950	\$ (24,950)
Highways and public improvements	4,000,000	4,400,000	3,989,669	410,331
Total expenditures	<u>\$ 5,328,000</u>	<u>\$ 5,728,000</u>	<u>\$ 5,346,619</u>	<u>\$ 385,381</u>
Excess of revenue over (under) expenditures	<u>\$...</u>	<u>\$...</u>	<u>\$ 170,311</u>	<u>\$ 174,311</u>
OTHER FINANCING SOURCES (USES):				
Transfers in				
Total other financing sources (uses)	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>	<u>\$...</u>
Excess of revenue and other sources over (under) expenditures and other uses			<u>\$ 170,311</u>	<u>\$ 174,311</u>
Fund balance - beginning of year			<u>2,708,413</u>	<u>2,708,413</u>
Fund balance - end of year	<u>\$...</u>	<u>\$...</u>	<u>\$ 2,878,724</u>	<u>\$ 2,882,724</u>

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

CARBON COUNTY/SOUTHEASTERN UTAH HEALTH
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF DECEMBER 31, 2014

	2014				
	Non Contributory System	Contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
<u>CARBON COUNTY</u>					
Proportion of the net pension liability (asset)	0.5005300%	0.6765446%	1.1642284%	0.1147323%	0.2549850%
Proportionate share of the net pension liability (asset)	\$2,173,419	\$195,145	\$1,464,114	(\$3,477)	(\$3,772)
Covered employee payroll	\$4,197,266	\$361,871	\$1,738,824	\$562,914	\$105,496
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.8%	53.9%	84.2%	-0.6%	-3.6%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	94.0%	90.5%	103.5%	120.5%
<u>SOUTHEASTERN UTAH HEALTH</u>					
Proportion of the net pension liability (asset)	0.1344757%	0.0091320%		0.0178322%	
Proportionate share of the net pension liability (asset)	\$583,925	\$2,634		(\$540)	
Covered employee payroll	\$1,145,543	\$5,102		\$87,357	
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.0%	51.6%		-0.6%	
Plan fiduciary net position as a percentage of the total pension liability	90.2%	94.0%		103.5%	

"The accompanying notes are an integral part of this schedule."

**CARBON COUNTY/SOUTHEASTERN UTAH HEALTH
SCHEDULE OF CONTRIBUTIONS
AS OF DECEMBER 31, 2014**

	Non Contributory System	Contributory System	Public Safety System	Tier 2 Public Employees System	Tier 2 Public Safety and Firefighter System
<u>CARBON COUNTY</u>					
Contractually required contribution	\$ 786,693	\$ 50,201	\$ 573,447	\$ 47,335	\$ 11,489
Contributions in relation to the contractually required contribution	(786,693)	(50,201)	(573,447)	(47,335)	(11,489)
Contribution deficiency (excess)	\$...	\$...	\$...	\$...	\$...
Covered employee payroll	\$ 4,197,266	\$ 361,871	\$ 1,738,824	\$ 562,914	\$ 105,496
Contributions as a percentage of covered-employee payroll**	18.74%	13.87%	32.98%	8.41%	10.89%
<u>SOUTHEASTERN UTAH HEALTH</u>					
Contractually required contribution	\$ 211,358	\$ 678		\$ 7,357	
Contributions in relation to the contractually required contribution	(211,358)	(678)		(7,357)	
Contribution deficiency (excess)	\$...	\$...	\$...	\$...	\$...
Covered employee payroll	\$ 1,145,543	\$ 5,102		\$ 87,357	
Contributions as a percentage of covered-employee payroll**	18.45%	13.29%		8.42%	

* Amounts presented were determined as of calendar year January 1 - December 31. Employers will be required to prospectively develop this table in future years to show 10-years of information. The schedule above is only for the current year. Prior year numbers are available from your prior year note disclosure confirmation.

** Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

"The accompanying notes are an integral part of this schedule."

CARBON COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2014

Other information that is not required as part of RSI

This information below is not required as part of GASB 68 but is provided for informational purposes. The schedule below is a summary of the Defined Contribution Savings Plans for pay periods January 1 - December 31.

Defined Contribution System

December 31, 2014

CARBON COUNTY

	Employee Paid Contributions	Employer Paid Contributions
401(k) Plan	\$ 132,174	\$ 69,507
457 Plan	53,712	-
Roth IRA Plan	-	-
Traditional IRA Plan	-	-
HRA Plan	-	-

SOUTHEASTERN UTAH HEALTH

401(k) Plan	\$ 46,960	\$ 25,557
457 Plan	-	-
Roth IRA Plan	5,900	-
Traditional IRA Plan	-	-
HRA Plan	-	-

* The employer paid 401(k) contributions include the totals paid for employees enrolled in the Tier 2 Defined Contribution 401(k) Plan.

CARBON COUNTY
Supplementary Information

**CARBON COUNTY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015**

	SPECIAL REVENUE FUNDS									PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUND
	CASTLE COUNTRY TRAVEL BUREAU	FAIR GROUNDS	CARBON LEISURE SERVICES	EMERGENCY TELEPHONE	CARBON COUNTY RDA	CARBON COUNTY FUTURE	R.S.V.P.	COUNCIL ON AGING	NUTRITION	TAX STABILITY	
ASSETS											
Cash and cash equivalents	\$ 523,607	\$ 525,150	\$ 207,257	\$ (243,981)	\$ 556,859	\$ 45,257	\$ 32,037	\$ 226,549	\$ 135,466		\$ 2,008,201
Restricted - cash and cash equivalents										\$ 2,396,995	2,396,995
Receivables - other	33,779	4,364	635	348,098	26,430		11,000	6,438	24,703		455,447
Total assets	\$ 557,386	\$ 529,514	\$ 207,892	\$ 104,117	\$ 583,289	\$ 45,257	\$ 43,037	\$ 232,987	\$ 160,169	\$ 2,396,995	\$ 4,860,643
LIABILITIES AND FUND BALANCES											
LIABILITIES:											
Accounts payable	\$ 3,576	\$ 17,740	\$ 6,450	\$ 5,495	\$ 101	\$ 3,800	\$ 1,193	\$ 6,285	\$ 4,660		\$ 49,300
Accrued liabilities	9,348	15,857	15,821			4,152	3,944	15,524	28,733		93,379
Total liabilities	\$ 12,924	\$ 33,597	\$ 22,271	\$ 5,495	\$ 101	\$ 7,952	\$ 5,137	\$ 21,809	\$ 33,393	\$...	\$ 142,679
FUND BALANCES:											
Unreserved, reported in:											
Special revenue fund	\$ 544,462	\$ 495,917	\$ 185,621	\$ 98,622	\$ 583,188	\$ 37,305	\$ 37,900	\$ 211,178	\$ 126,776		\$ 2,320,969
Permanent - tax stability										\$ 2,396,995	2,396,995
Total fund balances	\$ 544,462	\$ 495,917	\$ 185,621	\$ 98,622	\$ 583,188	\$ 37,305	\$ 37,900	\$ 211,178	\$ 126,776	\$ 2,396,995	\$ 4,717,964
Total liabilities and fund equity	\$ 557,386	\$ 529,514	\$ 207,892	\$ 104,117	\$ 583,289	\$ 45,257	\$ 43,037	\$ 232,987	\$ 160,169	\$ 2,396,995	\$ 4,860,643

**CARBON COUNTY
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015**

	SPECIAL REVENUE FUNDS									PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	CASTLE COUNTRY TRAVEL BUREAU	FAIR GROUNDS	CARBON LEISURE SERVICES	EMERGENCY TELEPHONE	CARBON COUNTY RDA	CARBON COUNTY FUTURE	R.S.V.P.	COUNCIL ON AGING	NUTRITION	TAX STABILITY	
REVENUES:											
Taxes	\$ 237,281										\$ 237,281
Intergovernmental revenue	254,820	\$ 596,960	\$ 404,180		\$ 26,430		\$ 65,999	\$ 42,447	\$ 132,928		1,523,764
Charges for services		84,173	209,669	\$ 516,382				11,384	141,808		963,416
Contributions							14,000	1,225			15,225
Miscellaneous	131										131
Interest income				648						\$ 12,107	12,755
Total revenues	\$ 492,232	\$ 681,133	\$ 613,849	\$ 517,030	\$ 26,430	\$...	\$ 79,999	\$ 55,056	\$ 274,736	\$ 12,107	\$ 2,752,572
EXPENDITURES:											
Public safety				\$ 484,360							\$ 484,360
Parks, recreation and public property		\$ 800,374	\$ 558,537		\$ 101						1,359,012
Public health							\$ 101,326	\$ 435,105	\$ 800,019		1,336,450
Conservation and economic development	\$ 364,793					\$ 106,901					471,694
Total expenditures	\$ 364,793	\$ 800,374	\$ 558,537	\$ 484,360	\$ 101	\$ 106,901	\$ 101,326	\$ 435,105	\$ 800,019	\$...	\$ 3,651,516
Excess of revenues over (under) expenditures	\$ 127,439	\$ (119,241)	\$ 55,312	\$ 32,670	\$ 26,329	\$ (106,901)	\$ (21,327)	\$ (380,049)	\$ (525,283)	\$ 12,107	\$ (898,944)
Other financing sources (uses):											
Transfers in	\$ (162,000)	\$ 162,000				\$ 122,950	\$ 29,200	\$ 416,717	\$ 550,502		\$ 1,119,369
Total other financing sources (uses)	\$ (162,000)	\$ 162,000	\$...	\$...	\$...	\$ 122,950	\$ 29,200	\$ 416,717	\$ 550,502	\$...	\$ 1,119,369
Excess of revenues and other sources over (under) expenditures and other uses	\$ (34,561)	\$ 42,759	\$ 55,312	\$ 32,670	\$ 26,329	\$ 16,049	\$ 7,873	\$ 36,668	\$ 25,219	\$ 12,107	\$ 220,425
Fund Balances - Beginning of year	579,023	453,158	130,309	65,952	556,859	21,256	30,027	174,510	101,557	2,384,888	4,497,539
Fund Balances - End of year	\$ 544,462	\$ 495,917	\$ 185,621	\$ 98,622	\$ 583,188	\$ 37,305	\$ 37,900	\$ 211,178	\$ 126,776	\$ 2,396,995	\$ 4,717,964

CARBON COUNTY
COMBINING SCHEDULE OF NET POSITION - FIDUCIARY FUNDS
DECEMBER 31, 2015

	<u>SOUTHEAST UTAH HEALTH</u>	<u>FOUR CORNERS COMMUNITY BEHAVIORAL HEALTH</u>	<u>DISTRICT AND PRECINCT COURT</u>	<u>CLERK'S TRUST</u>	<u>COLLECTION TRUST</u>	<u>TOTAL ALL FIDUCIARY FUNDS</u>
<u>ASSETS</u>						
Cash and cash equivalents	\$ 604,115	\$ 1,394,367	\$ 41,601	\$ 5,806	\$ 2,528,121	\$ 4,574,010
Accounts receivable	86,590	523,395	272			610,257
Total assets	<u>\$ 690,705</u>	<u>\$ 1,917,762</u>	<u>\$ 41,873</u>	<u>\$ 5,806</u>	<u>\$ 2,528,121</u>	<u>\$ 5,184,267</u>
<u>LIABILITIES</u>						
Accounts payable		\$ 258,780	\$ 23,319			\$ 282,099
Precinct fees, bail and bonds payable			18,554			18,554
Due to taxing units					\$ 2,528,121	2,528,121
Miscellaneous reimbursements				\$ 5,806		5,806
Due to other agencies	\$ 690,705	1,658,982				2,349,687
Total liabilities	<u>\$ 690,705</u>	<u>\$ 1,917,762</u>	<u>\$ 41,873</u>	<u>\$ 5,806</u>	<u>\$ 2,528,121</u>	<u>\$ 5,184,267</u>

CARBON COUNTY
SCHEDULE OF CURRENT TAXES LEVIED, COLLECTED AND TREASURER'S RELIEF
DECEMBER 31, 2015

TAX UNITS	ADJUSTED TAXABLE VALUE	TAX RATE	TOTAL TAXES LEVIED	TREASURER'S RELIEF				NET TAXES COLLECTED	PERCENT	OTHER COLLECTIONS		DELINQUENCIES TAXES PENALTY AND INTEREST
				UNPAID TAXES	ABATEMENTS	OTHER ADJUSTMENTS	TOTAL RELIEF			FEES IN LIEU	MISCELLANEOUS	
COUNTY FUNDS:												
General fund	\$ 1,931,195,578	0.002726	\$ 5,260,229	\$ 175,585	\$ 67,599	\$ 8,150	\$ 251,334	\$ 5,008,895	95.22%	\$ 347,881	\$ 18,831	\$ 199,596
Municipal services	1,282,454,370	0.000239	305,513	7,840	2,395	595	10,830	294,683	96.46%	19,476	3,168	6,826
Assessing and collecting	1,931,195,578	0.000012	23,310	773	298	36	1,107	22,203	95.25%	1,625	163	3,417
Local and collecting	1,931,195,578	0.000482	930,293	31,046	11,953	1,441	44,440	885,853	95.22%	59,751	6,385	24,259
Total County Funds			\$ 6,519,345	\$ 215,244	\$ 82,245	\$ 10,222	\$ 307,711	\$ 6,211,634		\$ 428,733	\$ 28,547	\$ 234,098
SCHOOL DISTRICT:												
Carbon												
Grouped budgets	1,931,195,578	0.005521	\$ 10,682,233	\$ 355,615	\$ 136,985	\$ 16,507	\$ 509,107	\$ 10,173,126	95.23%	\$ 731,319	\$ 52,068	\$ 310,143
Basic school levy	1,931,195,578	0.001736	3,309,499	111,818	42,943	5,190	159,951	3,149,548	95.17%	183,775	17,315	81,861
CITIES AND TOWNS:												
Price City	410,607,568	0.001960	\$ 807,115	\$ 25,439	\$ 16,844	\$ 551	\$ 42,834	\$ 764,281	94.69%	\$ 57,122	\$ 2,850	\$ 23,923
Helper City	82,851,870	0.003070	254,609	17,642	8,075	377	26,094	228,515	89.75%	18,408	824	13,229
East Carbon City	54,372,673	0.006866	373,017	31,006	12,228	496	43,730	329,287	88.28%	1,389	1,150	22,196
Sunnyside City	29,158,303	0.006866	199,921	6,350	1,645		7,995	191,926	96.00%	6,742	846	3,990
Wellington City	63,020,793	0.001748	110,375	12,339	2,564	38	14,941	95,434	86.46%	9,078	408	9,852
Scofield Town	8,730,001	0.000503	4,391	140	29	1	170	4,221	96.13%	77	14	129
Total Cities and Towns			\$ 1,749,428	\$ 92,916	\$ 41,385	\$ 1,463	\$ 135,764	\$ 1,613,664		\$ 92,816	\$ 6,092	\$ 73,319
OTHER DISTRICTS:												
Price River Water Improvement	1,190,349,162	0.000846	\$ 1,010,398	\$ 35,772	\$ 18,778	\$ 2,015	\$ 56,565	\$ 953,833	94.40%	\$ 109,218	\$ 8,108	\$ 35,337
Carbon Water Conservancy	1,931,195,578	0.000140	270,232	9,018	3,472	419	12,909	257,323	95.22%	17,375	1,701	7,682
Total Other Districts			\$ 1,280,630	\$ 44,790	\$ 22,250	\$ 2,434	\$ 69,474	\$ 1,211,156		\$ 126,593	\$ 9,809	\$ 43,019
GRAND TOTAL			\$ 23,541,135	\$ 820,383	\$ 325,808	\$ 35,816	\$ 1,182,007	\$ 22,359,128		\$ 1,563,236	\$ 113,831	\$ 742,440

CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>GENERAL HEALTH</u>	<u>IMMUNIZATIONS BASIC/NON VFC</u>	<u>WIC</u>	<u>MCH BLOCK</u>	<u>FLU</u>
Revenues:					
State Reimbursement	\$ 232,911		\$ 386,139	\$ 120,120	
General Health County	27,358 304,009	\$ 113,250			\$ 29,387
School Nurses					
Miscellaneous	3,999		256		
Occupancy allocation	1,304	451	2,029	229	149
Grants and other government resources					
Total Revenues	\$ 569,581	\$ 113,701	\$ 388,424	\$ 120,349	\$ 29,536
Expenditures:					
Salaries	\$ 131,671	\$ 48,288	\$ 207,676	\$ 22,151	\$ 10,658
Fringe Benefits	106,430	31,069	134,203	14,468	8,300
Consultants	4,176	726	2,999	269	81
Contract - MD					
Contract - Travel	4,839	266	5,832	105	233
Patient care				95	
Pharmacy		64,347		82	38,166
Supplies - Medical	44	1,738	1,601	1,455	263
Travel	5,129	498	3,185	5,144	
Dues - Periodicals	2,579	825	3,003	209	30
Education - Training	2,071	215	381	1,460	50
Capital Purchases					
Utilities	3,211	1,135	4,990	563	289
Maintenance - Repairs	5,733	1,849	7,861	904	349
Insurance	3,060	860	5,403	484	136
Data Processing	2,409	1,856	2,585	287	739
Postage	1,082	265	1,254	116	66
Printing - Binding	455	9	588	196	
Supplies - Office	6,182	891	3,741	805	182
Laboratory	402				
Telephone	3,195	854	7,088	430	203
Other	2,511	419	387	152	68
Debt payment	22,336				
State match					
Rent	125	10		146	1
Advertising	5,462	99	443	86	35
Mini Grants				3,750	
Total Expenditures	\$ 313,102	\$ 156,219	\$ 393,220	\$ 53,357	\$ 59,849
Net Revenues/(Expenditures)	\$ 256,479	\$ (42,518)	\$ (4,796)	\$ 66,992	\$ (30,313)

**CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>TOBACCO PREVENTION</u>	<u>INDOOR CLEAN AIR</u>	<u>FARMERS MARKET</u>	<u>TUBERCULOSIS ELIMINATION</u>	<u>MINIMUM PERFORMANCE VITAL STATISTICS</u>	<u>EBOLA SUPPLEMENTAL</u>
Revenues:						
State Reimbursement	\$ 154,423	\$ 764		\$ 6,383	\$ 56,164	\$ 29,747
General Health County School Nurses Miscellaneous			3,005			
Occupancy allocation	650	3		67	218	71
Grants and other government resources						
Total Revenues	\$ 155,073	\$ 767	\$ 3,005	\$ 6,450	\$ 56,382	\$ 29,818
Expenditures:						
Salaries	\$ 64,370	\$ 368	\$ 4,162	\$ 6,888	\$ 20,887	\$ 7,050
Fringe Benefits	41,123	268	2,259	4,614	13,575	4,657
Consultants	1,155	6	90	87	317	122
Contract - MD						
Contract - Travel					66	
Patient Care						
Pharmacy						
Supplies - Medical						
Travel	4,613	6	62	127	687	113
Dues - Periodicals	984	5	60	144	317	268
Education - Training	499		12	19	56	22
Capital Purchases						
Utilities	1,632	11	97	166	536	178
Maintenance - Repairs	2,572	12	176	242	831	540
Insurance	1,954	31		156	690	
Data Processing	826	5	64	71	266	105
Postage	424	4	20	36	146	582
Printing - Binding	9			1	4	
Supplies - Office	8,908	5	554	8	5,672	17,517
Laboratory				55		
Telephone	2,290	6	77	126	410	1,211
Other	495	40	71	89	245	245
Debt payment						
State match						
Rent	22			2	7	2
Advertising	17,516		8	12	50	14
Mini Grants						
Total Expenditures	\$ 149,392	\$ 767	\$ 7,712	\$ 12,843	\$ 44,762	\$ 32,626
Net Revenues/(Expenditures)	\$ 5,681	\$ -	\$ (4,707)	\$ (6,393)	\$ 11,620	\$ (2,808)

**CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>IMMUNIZATIONS</u>	<u>PANO</u>	<u>PRENATAL CARE</u>	<u>STD AND HIV</u>	<u>ENVIRON- MENTAL HEALTH CHS</u>	<u>PHEP PREPAREDNESS</u>
Revenues:						
State Reimbursement	\$ 59,002	\$ 67,486		\$ 4,691	\$ 11,538	\$ 186,216
General Health			10,370		96,908	
County						
School Nurses						
Miscellaneous						
Occupancy allocation	481	341	122	42	911	\$ 837
Grants and other government resources						
Total Revenues	\$ 59,483	\$ 67,827	\$ 10,492	\$ 4,733	\$ 109,357	\$ 187,053
Expenditures:						
Salaries	\$ 43,918	\$ 33,074	\$ 12,393	\$ 4,268	\$ 90,204	\$ 79,268
Fringe Benefits	30,843	20,792	7,893	3,101	55,592	50,067
Consultants	370	538	185	49	1,480	1,212
Contract - MD						
Contract - Travel			209			
Patient Care			11,900	9		
Pharmacy			309			
Supplies - Medical				24		
Travel	1,444	2,789		159	6,011	13,886
Dues - Periodicals	637	554	173	31	1,187	819
Education - Training	515	104	52	7	280	4,247
Capital Purchases						
Utilities	1,145	794	290	109	2,261	1,981
Maintenance - Repairs	1,693	1,332	474	171	3,758	3,976
Insurance	649	815	216	32	2,459	2,119
Data Processing	3,346	523	502	45	1,228	5,620
Postage	273	191	65	23	558	451
Printing - Binding	8	9	3		19	15
Supplies - Office	5,206	2,239	515	61	1,116	5,416
Laboratory						
Telephone	826	616	218	77	1,738	12,168
Other	71	317	35	6	824	676
Debt payment						
State match						
Rent	13	12	4		32	26
Advertising	4,164	338	27	12	409	6,205
Mini Grants		100				
Total Expenditures	\$ 95,121	\$ 65,137	\$ 35,463	\$ 8,184	\$ 169,156	\$ 188,152
Net Revenues/(Expenditures)	\$ (35,638)	\$ 2,690	\$ (24,971)	\$ (3,451)	\$ (59,799)	\$ (1,099)

**CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>TOBACCO BUYS</u>	<u>EPSDT/ CHEC</u>	<u>TABACCO CONTROL</u>	<u>ALL COUNTIES SCHOOL NURSE</u>	<u>NEWBORN CARE</u>
Revenues:					
State Reimbursement	\$ 12,327	\$ 22,761	\$ 50,312		
General Health County	94				\$ 24,681
School Nurses				\$ 114,260	
Miscellaneous					
Occupancy allocation	55	100	127	546	101
Grants and other government resources					
Total Revenues	\$ 12,476	\$ 22,861	\$ 50,439	\$ 114,806	\$ 24,782
Expenditures:					
Salaries	\$ 3,799	\$ 10,105	\$ 11,951	\$ 55,807	\$ 11,253
Fringe Benefits	3,053	6,389	8,188	38,425	7,146
Consultants	33	180	370	773	144
Contract - MD					
Contract - Travel	358	330	5,576	2,629	
Patient Care					
Pharmacy					
Supplies - Medical	3,650	512			
Travel					414
Dues - Periodicals	24	182	96	1,488	123
Education - Training	25	69	492	392	299
Capital Purchases					
Utilities	104	248	317	1,382	269
Maintenance - Repairs	167	424	502	1,973	433
Insurance	22	193	256	1,472	322
Data Processing	55	738	133	642	529
Postage	20	62	79	325	68
Printing - Binding	2	4	4	5	3
Supplies - Office	103	2,200	3,822	2,084	2,539
Laboratory		13			
Telephone	69	187	218	1,754	192
Other	454	553	298	582	110
Debt payment					
State match					7,554
Rent		4	4	17	4
Advertising	3	20	12,883	131	27
Mini Grants			4,250		
Total Expenditures	\$ 11,941	\$ 22,413	\$ 49,439	\$ 109,881	\$ 31,429
Net Revenues/(Expenditures)	\$ 535	\$ 448	\$ 1,000	\$ 4,925	\$ (6,647)

**CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>CASH PRENATAL TO AGE 5</u>	<u>HDSP</u>	<u>DIABETES</u>	<u>ASPR MRC</u>	<u>ASPR HPP</u>
Revenues:					
State Reimbursement	\$ 12,000	\$ 40,121	\$ 47,364	\$ 12,393	\$ 88,474
General Health County School Nurses Miscellaneous					
Occupancy allocation	119	143	178	54	347
Grants and other government resources					
Total Revenues	\$ 12,119	\$ 40,264	\$ 47,542	\$ 12,447	\$ 88,821
Expenditures:					
Salaries	\$ 11,156	\$ 14,211	\$ 24,725	\$ 5,020	\$ 34,910
Fringe Benefits	7,890	9,346	11,712	3,648	22,759
Consultants	139	352	499	80	654
Contract - MD					
Contract - Travel		1,829	3,409	919	12,930
Patient Care					
Pharmacy					
Supplies - Medical					
Travel	274				853
Dues - Periodicals	243	417	183	163	344
Education - Training	38	67		601	3,722
Capital Purchases					
Utilities	276	331	519	135	888
Maintenance - Repairs	448	1,069	5,829	332	1,406
Insurance	9		14	5	695
Data Processing	129	149	267	64	565
Postage	53	82	155	23	225
Printing - Binding	2	5	180		6
Supplies - Office	179	3,743	2,558	2,054	6,126
Laboratory					
Telephone	199	265	404	106	2,864
Other	90	149	2	49	504
Debt payment					
State match					
Rent	3	4	7		12
Advertising	24	21	2,152	1,016	77
Mini Grants					
Total Expenditures	\$ 21,152	\$ 32,040	\$ 52,615	\$ 14,215	\$ 89,540
Net Revenues/(Expenditures)	\$ (9,033)	\$ 8,224	\$ (5,073)	\$ (1,768)	\$ (719)

CARBON COUNTY
SOUTHEAST UTAH HEALTH DEPARTMENT
SCHEDULE OF CONTRACT REVENUES/EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>CHEC PHYSICALS</u>	<u>FAMILY PLANNING</u>	<u>CASE MANAGEMENT</u>	<u>ENVIRONMENTAL HEALTH DEQ</u>	<u>COMMUNITY BASED SERVICES</u>	<u>TOTAL</u>
Revenues:						
State Reimbursement	\$ 40,504	\$ 2,459	\$ 48,823	\$ 92,878	\$ 19,761	\$ 1,805,761
General Health				38,426		340,474
County						304,009
School Nurses						114,260
Miscellaneous						7,260
Occupancy allocation	171	113	245	514	82	10,800
Grants and other government resources						
Total Revenues	\$ 40,675	\$ 2,572	\$ 49,068	\$ 131,818	\$ 19,843	\$ 2,582,564
Expenditures:						
Salaries	\$ 18,162	\$ 12,522	\$ 24,117	\$ 47,767	\$ 10,996	\$ 1,083,795
Fringe Benefits	11,497	7,994	15,572	32,171	5,627	720,671
Consultants	299	213	380	851	275	19,104
Contract - MD						
Contract - Travel		199				39,729
Patient Care		1,563				13,567
Pharmacy		1,504				104,408
Supplies - Medical		11				9,298
Travel	292		533	3,342	237	49,798
Dues - Periodicals	250	183	423	1,210	27	17,181
Education - Training	40	25	88	207	17	16,072
Capital Purchases						
Utilities	420	296	601	1,228	230	26,632
Maintenance - Repairs	686	474	1,012	1,963	367	49,558
Insurance	412	273	515	1,023	481	24,756
Data Processing	231	199	387	619	142	25,326
Postage	105	76	143	316	77	7,365
Printing - Binding	3		7	12	2	1,551
Supplies - Office	201	171	2,393	10,284	251	97,726
Laboratory						470
Telephone	323	217	453	919	194	39,897
Other	1,637	1,144	254	531	69	13,077
Debt payment						22,336
State match						7,554
Rent	7	4	9	17	4	498
Advertising	36	28	50	301	18	51,667
Mini Grants						8,100
Total Expenditures	\$ 34,601	\$ 27,096	\$ 46,937	\$ 102,761	\$ 19,014	\$ 2,450,136
Net Revenues/(Expenditures)	\$ 6,074	\$ (24,524)	\$ 2,131	\$ 29,057	\$ 829	\$ 132,428

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

Board of County Commissioners
Carbon County
Price, Utah 84501

Re: Independent Auditor's Report As Required
By the State Compliance Audit Guide On:
Compliance with General State Compliance
Requirements and Internal Controls over Compliance

Report on Compliance with General State compliance Requirements

We have audited Carbon County's compliance with the applicable general state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on Carbon County for the year ended December 31, 2015. General state compliance requirements were tested for the year ended December 31, 2015 in the following areas:

Cash Management	Treasurer's Bond
Restricted Taxes and Related Revenues	Open and Public Meetings Act
Budgetary Compliance	Schedule of Taxes Charged, Collected and Disbursed
Fund Balance Limitations	Utah Retirement System
Justice Courts	

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on 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 Compliance Audit Guide*. Those standards and the State Compliance Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the County 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 with general state compliance requirements. However, our audit does not provide a legal determination on the County's compliance with these requirements.

Opinion on General State Compliance requirements and Each Major State Program

In our opinion, Carbon County complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended December 31, 2015.

Other Matters

The results of our auditing procedures disclosed one instance of noncompliance, which are required to be reported in accordance with the State of Utah Legal Compliance Audit Guide and which are described in our letter to management dated July 15, 2016.

Report on Internal Control Over Compliance

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

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

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

Carbon County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying letter to management. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Purpose of Report

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

SMUIN, RICH & MARSING



Price, Utah

July 15, 2016

SMUIN, RICH & MARSING

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Board of County Commissioners
Carbon County
Price, Utah 84501

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Carbon County as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise Carbon County's basic financial statements and have issued our report thereon dated July 15, 2016.

Internal Control Over Financial Reporting

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

Our consideration of the 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 the County's financial statements are free of 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*.

We noted certain matters that we reported to management of the County in a separate letter dated July 15, 2016.

Purpose of this Report

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

SMUIN, RICH & MARSING



Price, Utah

July 15, 2016

SMUIN, RICH & MARSING

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

Board of County Commissioners
Carbon County
Price, Utah 84501

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

Report on Compliance for Each Major Federal Program

We have audited Carbon County's compliance with the types of compliance requirements described in the OMB *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2015. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

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

Opinion on Each Major Federal Programs

In our opinion Carbon County complied, in all material respect, 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, 2015.

Report on Internal Control Over Compliance

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

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

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

SMUIN, RICH & MARSING



Price, Utah

July 15, 2016

**CARBON COUNTY/SEUDHD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

A. SUMMARY OF AUDIT RESULTS

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

<u>Program</u>	<u>CFDA#</u>
WIC Administration and Nutrition/Food Vouchers	10.557

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

B. FINDINGS-FINANCIAL STATEMENTS AUDIT

None

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

None

CARBON COUNTY/SEUDHD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2015	RECEIPTS OR REVENUE RECOGNIZED	DISBURSEMENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2015
U.S. DEPARTMENT OF AGRICULTURE							
Direct Program:							
Forrest Reserve	10.670	N/A	\$ 14,454		\$ 14,454	\$ 14,454	
Pass Through State Department:							
WIC Administration and Nutrition (Note 2)	10.557	*	152700149	408,777	290,626	290,626	
WIC Administration and Nutrition (Note 2)	10.557	*	152700149	352,284	101,588	101,588	
WIC Food Vouchers (Note 2)	10.557	*	152700149	479,157	479,157	479,157	
WIF Food Vouchers (Note 2)	10.557	*	152700149	157,884	157,884	157,884	
Summer food program	10.559		142230	100	100	100	
Pass Through Southeastern Utah Association of Governments:							
USDA Cash in Lieu	10.550	N/A	89,865		44,932	44,932	
Total U.S. Department of Agriculture			\$ 1,502,521	\$...	\$ 1,088,741	\$ 1,088,741	\$...
U.S. DEPARTMENT OF JUSTICE							
Direct Program:							
Victims of Crime	16.575		14-VOCA-11	\$ 35,500	\$ 16,922	\$ 16,922	
Victims of Crime	16.575		15-VOCA-11	38,734	19,386	19,386	
National Children's Alliance	16.758		6-PRICE-UT-SA14	12,355	12,355	12,355	
Total U.S. Department of Justice			\$ 86,589	\$...	\$ 48,663	\$ 48,663	\$...
U.S. DEPARTMENT OF TRANSPORTATION							
Direct Program:							
FAA - Airport Resurfacing	20.106		3-49-0026-15	\$ 6,048,879	\$ 160,828	\$ 160,828	
Total U.S. Department of Transportation			\$ 6,048,879	\$...	\$ 160,828	\$ 160,828	\$...

* Major Programs

CARBON COUNTY/SEUDHD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2015	RECEIPTS OR REVENUE RECOGNIZED	DISBURSEMENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2015
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Pass through State Department:							
TB Elimination	93.116	152700358	\$ 5,583		\$ 5,583	\$ 5,583	
PH Emergency Preparedness - Ebola supplemental	93.074	152700471	50,605		10,834	10,834	
PH Emergency Preparedness - Ebola monitoring	93.069	150348	3,217		3,217	3,217	
PH Emergency Preparedness	93.069	150348	267,999		102,312	102,312	
PH Emergency Preparedness	93.069	162700156	216,961		83,904	83,904	
Wisewoman	93.094	152700586	24,997		5,925	5,925	
Immunizations	93.268	152700250	44,227		44,002	44,002	
Tobacco Prevention & Control Program	93.283	142231	44,112		20,908	20,908	
Hospital Preparedness Program - Ebola preparedness	93.817	162700365	33,883		15,696	15,696	
Comprehensive Tobacco	93.305	162700079	44,112		15,664	15,664	
Child Health Evaluation and Care	93.778	150620	23,612		10,660	10,660	
Child Health Evaluation and Care	93.778	162700281	16,875		7,314	7,314	
Cons. Education & Assistance	93.778	150620	30,498		12,946	12,946	
Cons. Education & Assistance	93.778	162700523	30,498		11,465	11,465	
Breast & Cervical Cancer	93.919	142242	11,540		3,312	3,312	
Sexually Transmitted Disease	93.977	152700278	3,691		3,691	3,691	
Title XIX, Early Childhood	93.778	150620					
Title XIX, Early Childhood	93.778	140610					
Early Childhood Targeted Case	93.778	150620	55,912		13,383	13,383	
Early Childhood Targeted Case	93.778	162700594	47,250		10,400	10,400	
EPICC - Prevention block grant	93.991	162700147	114,673		73,228	73,228	
MCH Title V Block Grant VIPP MCH	93.758	162700323	8,898		4,384	4,384	
Violence and Injury Prevention program	93.991	142229	9,628		5,819	5,819	
Violence and Injury Prevention - MCH	93.994	162700323/142229	60,156		26,136	26,136	
Healthcare Association Infection	93.521	150879	27,135		13,660	13,660	
Medical Reserve Corp	93.889	162700156	8,000		8,000	8,000	
Medical Reserve Corp	93.889	150348	5,000		4,393	4,393	
Healthcare Preparedness Program	93.889	162700156	78,015		42,649	42,649	
Healthcare Preparedness Program	93.889	150348	85,416		45,824	45,824	
HIV Prevention, Counseling and Testing	93.940	152700288	1,000		1,000	1,000	
EPICC - Diabetes	93.757	142229	60,000		47,567	47,567	
EPICC - Diabetes	93.757	162700147	60,660		29,526	29,526	
EPICC - Pano/School health	93.945	142229	3,083		2,912	2,912	
EPICC - Pano/School health	93.945	162700147	3,113		1,737	1,737	

* Major Programs

CARBON COUNTY/SEUDHD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR PASS THROUGH GRANTOR'S NUMBER	PROGRAM OR AWARD AMOUNT	CASH/ACCRUED (DEFERRED) REVENUE AT JANUARY 1, 2015	RECEIPTS OR REVENUE RECOGNIZED	DISBURSEMENTS/ EXPENDITURES	CASH/ACCRUED (DEFERRED) REVENUE AT DECEMBER 31, 2015
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES							
Pass through State Department:							
MCH - Title V Block Grant	93.994	152700014	87,610		65,708	65,708	
MCH - Title V Block Grant	93.994	162700352	72,295		18,074	18,074	
Prenatal to 5	93.994	152700014	16,000		12,000	12,000	
CDC cancer - breast and cervical cancer	93.752	152700522	8,780		4,693	4,693	
Pass Through Southeastern Utah Association of Governments:							
Support Services	93.044	N/A	37,875		18,938	18,938	
Support Services	93.044	N/A	36,018		18,009	18,009	
Title III, Nutrition	93.045	N/A	76,878		38,439	38,439	
Title III, Nutrition	93.045	N/A	74,665		37,333	37,333	
Social Services Block Grant - XX	93.667	AOG	6,771		3,373	3,373	
Social Services Block Grant - XX	93.667	AOG	9,200		5,850	5,850	
Total U.S. Department of Health and Human Services			\$ 1,906,441	\$...	\$ 910,468	\$ 910,468	\$...
CORPORATION FOR NATIONAL SERVICE							
Direct Program:							
Retired Senior Volunteer Program	94.002	440-P062/20	\$ 49,151		\$ 49,151	\$ 49,151	
Pass through Association of Governments:							
Retired Senior Volunteer Program	94.002	N/A	11,000		11,000	11,000	
Total U.S. Department of Corporation for National Service			\$ 60,151	\$...	\$ 60,151	\$ 60,151	\$...
U. S. DEPARTMENT OF HOMELAND SECURITY							
Direct Program:							
Citizen Corp CCP	97.067	DEM-2014/2015-CIT	\$ 4,000		\$ 1,000	\$ 1,000	
Home Land Security - SHSP/CCP	97.067	DEM-2014/2015-SHSP	658,111		143,767	143,767	
Total U.S. Department of Homeland Security			\$ 662,111	\$...	\$ 144,767	\$ 144,767	\$...
TOTAL FEDERAL ASSISTANCE			\$ 10,266,692	\$...	\$ 2,413,618	\$ 2,413,618	\$...

* Major Programs

CARBON COUNTY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AS OF DECEMBER 31, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

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

2. FOOD INSTRUMENTS

Amounts shown on the schedule of expenditures of federal awards as WIC food vouchers are not direct cash expenditures of Carbon County. The Southeastern Utah Health District operates the Women, Infant and Children program. As part of this program the Health District distributes food instruments provided by the State of Utah that can be redeemed at local stores for food items. The dollar amounts, reported on the schedule of expenditures of federal awards, are the fair market value of the food instruments.

3. MEDICAID CASE MANAGEMENT

Medicaid Case Management is reimbursed on a fee for service basis. Because of this type of payment, the revenue exceeds the expenses for this program. In order not to have an accrued revenue amount for these programs, additional expenses have been recorded.

**CARBON COUNTY/SEUDHD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Carbon County had no follow-up findings that need to be reported in the December 31, 2015 audit report. Carbon County has corrected any findings that may have been reported in prior audit reports.

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UTAH ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

Board of County Commissioners - Carbon County/
Southeast Utah Health Department
Price, Utah 84501

Ladies/Gentlemen:

The following comments and recommendations are a result of our review of the accounting procedures and internal controls in connection with our examination of the financial statements of Carbon County for the year ended December 31, 2015.

Since our review was made primarily to determine the scope of our auditing procedures and was not intended as a comprehensive study or evaluation of the systems and procedures, this memorandum should not be considered all inclusive.

We welcome the opportunity to discuss any items mentioned in this memorandum or any other accounting, or procedural questions.

CARBON COUNTY

2015-1 TIMELY RECONCILIATION OF CASH ACCOUNTS

The County has implemented procedures during the year that has improved the processes of recording due bills and reviewing the transactions affecting the cash accounts. Although the procedures have significantly improved the process, there was still a few transactions that needed to be recorded at year end to reflect proper balances. Deposit and check transactions have been recorded and the majority have been captured in the financial statements, but a full reconciliation of all bank accounts which matches the general ledger has not occurred each month.

We recommend the County review their cash reconciliation processes. The County needs to identify and implement procedures that will ensure a monthly review and reconciliation of all bank accounts, which matches the transactions that are recorded in the general ledger.

Clients Response

The County will continue to refine and improve timeliness of cash reconciliations.

No Management letter for Southeast Utah Health Department

SUMMARY

We feel the accounting procedures and internal control items mentioned above are some areas where Carbon County and Southeast Utah Health Department can make changes so as to further improve their internal control structures to safeguard the assets, check the accuracy and reliability of accounting data and promote operating efficiency.

Sincerely,

SMUIN, RICH & MARSING

A handwritten signature in black ink, appearing to read "Smuin, Rich & Marsing". The signature is written in a cursive style with a large, sweeping initial 'S'.

Price, Utah

July 15, 2016