

CARBON COUNTY

Financial Statements

Year Ended December 31, 2018

CARBON COUNTY
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Year Ended December 31, 2018

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Independent Auditor's Report

Honorable Board of County Commissioners
Carbon County

Report on the Basic 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 (the County) as of and for the year ended December 31, 2018, and the related notes to the basic financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the basic 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, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules 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 September 18, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its

compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the County's internal control over financial reporting and compliance.

Squire + Company, PC

Orem, Utah
September 18, 2019

Carbon County Management's Discussion and Analysis (MD&A)

This section of the annual financial report of Carbon County (the County) presents our discussion and analysis of the County's financial performance during the year ended December 31, 2018. Please read it in conjunction with the County's financial statements, which immediately follow this section.

Financial Highlights

- The County's total net position (the amount by which assets and deferred outflows of resources exceed liabilities and deferred inflows of resources) as of December 31, 2018 was \$146.1 million. Net position increased by \$1.5 million.
- Taxes comprise a significant source of revenue for the County. A continuing improvement in the economy resulted in an increase in sales tax and transient room tax collections. Operating grants and contributions decreased primarily due to removing the Southeastern Utah Health Department as a component unit. Charges for services increased from an increase in royalty revenue from selling additional coal.
- The County completed the 7th district courthouse building costing \$14.1 million.
- The County paid down its debt by \$1.1 million during 2018.

Overview of the Financial Statements

The financial section of this report includes five parts: 1) the independent auditor's report; 2) this segment—management's discussion and analysis; 3) the basic financial statements and related note disclosures; 4) required supplementary information; and 5) supplementary information. The basic financial statements include two kinds of statements that present different views of the County: 1) the government-wide financial statements, and 2) the fund financial statements. The notes to the financial statements are also an integral part of the basic financial statements.

Immediately following the notes to the basic financial statements, the required supplementary information contains narrative about the County's proportionate share of the net pension liability for benefits provided through pensions plans administered by Utah Retirement Systems and contributions to those plans. Thereafter, the supplementary information contains additional fund data, such as combining statements and individual fund budgetary schedules. The supplementary information also includes a property tax collection and disbursement schedule.

Government-wide financial statements: The government-wide financial statements provide a view of County finances as a whole, similar to a nongovernmental or for-profit entity. They consist of the statement of net position and the statement of activities.

The *statement of net position* shows the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the remainder being reported as *net position*. This number (and the related change in net position from year to year) is probably the most important financial measurement to enable understanding the financial position of the County and whether financial position improves or declines each year. To evaluate the County's overall economic condition, however, the reader needs to consider other important factors, such as the economic outlook, stability of and control over revenue sources, and the condition of and plan to maintain capital assets. An analysis of economic condition can assist in determining whether the County's current financial position will improve or decline in the future.

The *statement of activities* shows how the County's net position changed because of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires revenue or expense to be recognized (the accrual basis of accounting), regardless of when the related cash is received or disbursed. For example, tax revenues are reported when the taxes are legally due, even though they may not be collected for some time after that date; and an obligation to pay benefits to employees is reported as an expense as the employee provides services, even though the obligation may not be paid until later.

In the government-wide financial statements the County's activities are divided into two categories:

- *Governmental activities*—Most of the County's basic services are included here, such as general government, public safety, public health, highways and public improvements, parks and recreation, and conservation and economic development. Taxes and grants and contributions finance most of these activities.

- *Component units*—The County includes financial information from other entities in its report. Although legally separate, these “component units” are important because the County is financially accountable for them.

Fund financial statements: As is common in other state or local government entities, the County uses *funds* to account for separate activities and to help demonstrate compliance with financially related legal requirements, such as budgetary compliance and the restricted use of certain revenue sources. A fund is a set of closely related accounts used to maintain control over financial resources which have been segregated for specific activities or purposes. All funds are categorized as governmental, proprietary, or fiduciary funds, which are explained below.

- *Governmental Funds*—Governmental funds include essentially the same functions and services as delineated above under governmental activities shown in the government-wide statements. However, for accounting and reporting purposes, government fund numbers are determined with a different approach. At the fund level, the focus is on changes in near-term spendable resources and the balance available to spend at the end of the fiscal year, rather than the focus on long-term net position used to determine government-wide numbers. Because the focus is so different between fund statements and government-wide statements, reconciliations between the two types of statements are necessary to understand how the numbers differ. These reconciliations are provided for the reader immediately following the related governmental fund statements.

The General Fund is the primary operating governmental fund of the County. Including the General Fund, there are thirteen governmental funds included in this report. Four of the thirteen funds are considered major funds: General Fund, Municipal Services Fund, Capital Projects Fund, and Building Authority Fund. A summary of the other funds is combined into one column for nonmajor governmental funds. The composition of the nonmajor funds is shown in combining statements later in the report under the supplementary information section. The County is required to adopt an annual budget showing appropriations for all governmental funds. To demonstrate legal compliance, statements comparing budget-to-actual numbers for the General Fund and major special revenue funds are included in the basic financial statements.

- *Proprietary Funds*—Enterprise funds are used to report business-type activities, just as is done at the government-wide level. The County reports one enterprise fund in 2018, the County Court Complex Fund. This fund accounts for the rent and maintenance of the district courthouses.
- *Fiduciary Funds*—Fiduciary funds are those used to account for resources, which (although held by the County) are for the benefit of other governments and individuals. Since these are resources which cannot be used for County programs, they are not included in the government-wide statements. In general, the accounting approach for fiduciary funds is similar to that used for proprietary funds. The County reports four agency funds, the most significant being the Treasurer’s Tax Collection Agency Fund.

Financial Analysis of the County as a Whole (Government-wide Financial Statements)

CARBON COUNTY'S Net Position
December 31, 2018 and 2017
(in millions of dollars)

| | Governmental Activities | | Business-type Activities | | Total | | Change |
|--------------------------------------|----------------------------|----------|-----------------------------|--------|----------|----------|-----------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018-2017 |
| Other assets | \$ 19.3 | \$ 28.5 | \$ 1.6 | \$ 1.1 | \$ 20.9 | \$ 29.6 | \$ (8.7) |
| Capital assets | 155.4 | 164.0 | 14.7 | 0.6 | 170.1 | 164.6 | 5.5 |
| Total assets | 174.6 | 192.5 | 16.3 | 1.7 | 191.0 | 194.2 | (3.2) |
| Total deferred outflows of resources | 3.1 | 4.1 | - | - | 3.1 | 4.1 | (1.0) |
| Other liabilities | 1.7 | 11.6 | 0.1 | - | 1.8 | 11.6 | (9.8) |
| Long-term liabilities outstanding | 30.1 | 40.6 | 14.1 | - | 44.3 | 40.6 | 3.7 |
| Total liabilities | 31.8 | 52.2 | 14.2 | - | 46.0 | 52.2 | (6.2) |
| Total deferred inflows of resources | 2.0 | 1.5 | - | - | 2.0 | 1.5 | 0.5 |
| Net position: | | | | | | | |
| Net investment in capital assets | 129.9 | 123.1 | 0.6 | 0.6 | 130.5 | 123.7 | 6.8 |
| Restricted | 5.2 | 14.4 | - | - | 5.2 | 14.4 | (9.2) |
| Unrestricted | 8.9 | 5.4 | 1.6 | 1.1 | 10.4 | 6.5 | 3.9 |
| Total net position | \$ 144.0 | \$ 142.9 | \$ 2.1 | \$ 1.7 | \$ 146.1 | \$ 144.6 | \$ 1.5 |

Net position: At December 31, 2018, the County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$146.1 million (net position). \$130.5 million or 85.5% of this amount is represented by the *investment in capital assets*, net of debt still outstanding relating to acquisition of those assets. These assets (long-term assets which are not readily convertible to liquid assets) are not considered to be available for future spending. Further, even though the presentation here shows capital assets net of related debt, it should be understood that repayment of this debt does not come from the capital assets themselves but comes from other resources.

The other categories of net position are *restricted* and *unrestricted*. \$5.2 million is reported as restricted to comply with provisions in contracts and agreements with outside entities which dictate that these amounts must be used for specific purposes, to comply with bond covenants, or to comply with other legal requirements. The balance of \$10.4 million is unrestricted, which denotes that this amount may be used to meet general, ongoing financial obligations.

CARBON COUNTY'S Changes in Net Position
Years Ended December 31, 2018 and 2017
(in millions of dollars)

| | Governmental Activities | | Business-type Activities | | Total | | Change |
|---------------------------------------|----------------------------|-----------------|-----------------------------|---------------|-----------------|-----------------|---------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018-2017 |
| Revenues: | | | | | | | |
| Program revenues: | | | | | | | |
| Charges for services | \$ 6.7 | \$ 3.3 | \$ 0.3 | \$ 0.6 | \$ 7.0 | \$ 3.9 | \$ 3.1 |
| Operating grants and contributions | 11.3 | 12.7 | - | - | 11.3 | 12.7 | (1.4) |
| General revenues: | | | | | | | |
| Property taxes | 7.5 | 7.5 | - | - | 7.5 | 7.5 | 0.0 |
| Sales taxes | 3.1 | 2.6 | - | - | 3.1 | 2.6 | 0.5 |
| Transient room taxes | 0.3 | 0.3 | - | - | 0.3 | 0.3 | (0.0) |
| Investment earnings | 0.3 | 0.2 | - | - | 0.3 | 0.2 | 0.1 |
| Total revenues | 29.2 | 26.6 | 0.3 | 0.6 | 29.5 | 27.2 | 2.3 |
| Expenses: | | | | | | | |
| Governmental activities: | | | | | | | |
| General government | 8.6 | 11.2 | - | - | 8.6 | 11.2 | (2.6) |
| Public safety | 8.1 | 8.5 | - | - | 8.1 | 8.5 | (0.4) |
| Public health | 1.5 | 6.5 | - | - | 1.5 | 6.5 | (5.0) |
| Highways and public improvements | 7.2 | 4.7 | - | - | 7.2 | 4.7 | 2.5 |
| Parks and recreation | 1.6 | 1.9 | - | - | 1.6 | 1.9 | (0.3) |
| Conservation and economic development | 0.5 | 0.6 | - | - | 0.5 | 0.6 | (0.1) |
| Interest on long-term debt | 0.3 | 0.5 | - | - | 0.3 | 0.5 | (0.2) |
| County court complex | - | - | 0.2 | 0.1 | 0.2 | 0.1 | 0.1 |
| Total expenses | 27.7 | 33.9 | 0.2 | 0.1 | 28.0 | 34.0 | (6.0) |
| Contribution to other funds | (0.3) | - | 0.3 | - | - | - | - |
| Changes in net position | 1.1 | (7.3) | 0.4 | 0.5 | 1.5 | (6.8) | 8.4 |
| Net position, beginning | 142.9 | 151.7 | 1.7 | 1.2 | 144.6 | 152.9 | (8.3) |
| Effect of prior period adjustment | - | (1.5) | - | - | - | (1.5) | 1.5 |
| Net position, ending | <u>\$ 144.0</u> | <u>\$ 142.9</u> | <u>\$ 2.1</u> | <u>\$ 1.7</u> | <u>\$ 146.1</u> | <u>\$ 144.6</u> | <u>\$ 1.6</u> |

The narrative that follows considers the operations of governmental and business-type activities separately.

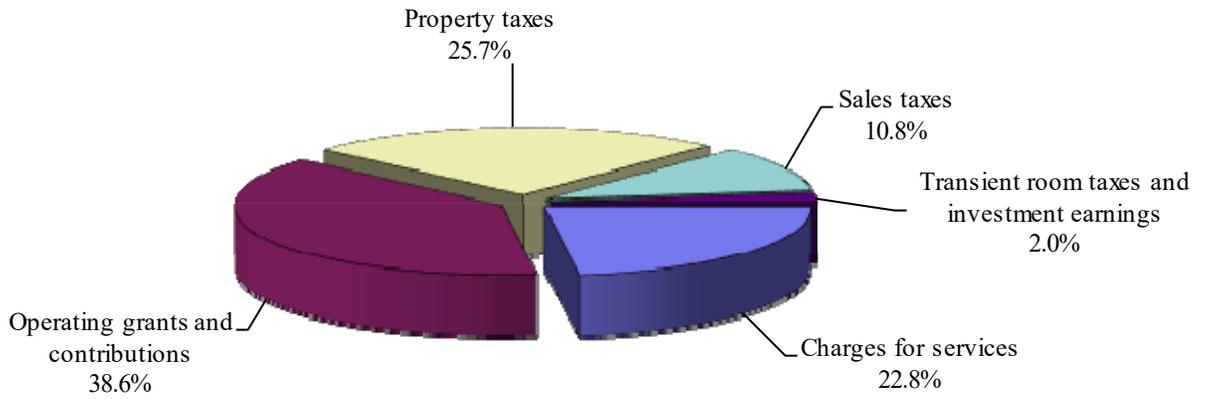
Governmental activities: During 2018, net position for governmental activities increased by \$1.1 million for an ending balance of \$144.0 million. Revenues for the County's governmental activities increased by \$2.6 million, while total expenses decreased by \$6.2 million.

Taxes comprise a major source of revenue for the County; \$10.9 million was recognized from all tax sources, which is 37.4% of total revenues for governmental activities. Overall tax revenues increased by \$0.5 million as compared to the prior year. A continuing improvement in the economy resulted in an increase in sales tax and transient room tax collections. Charges for services increased \$3.1 million primarily from an increase in royalty revenue from selling additional coal. Operating grants and contributions decreased by \$1.4 million primarily due to removing the Southeastern Utah Health Department as a component unit.

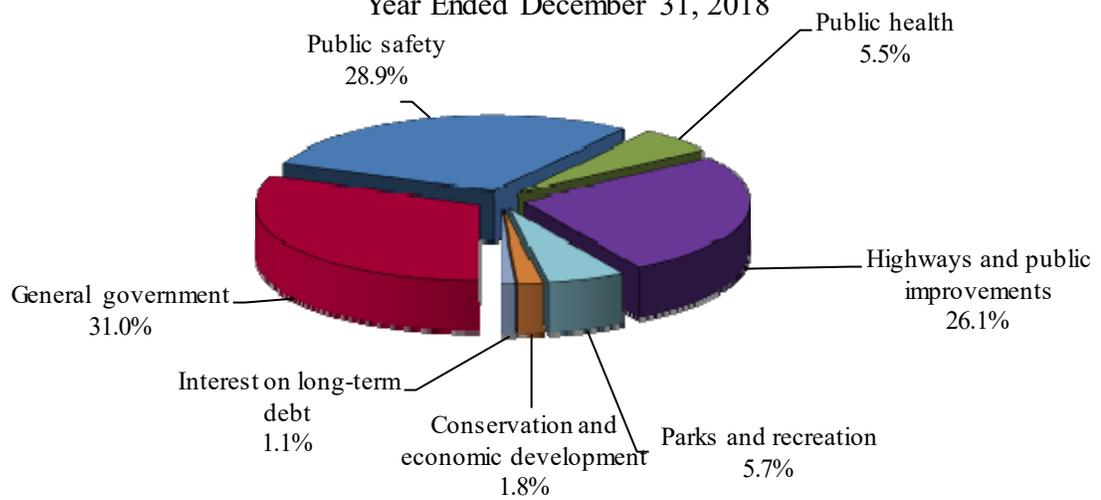
The decrease of \$6.2 million in expenses is attributed primarily to a decrease in public health of \$5.0 million (from removing the Southeastern Utah Health Department as a component unit), a decrease in general government of \$2.4 million (from a change in allocation of depreciation and pension expense), and an increase of \$2.5 million in highways and public improvements (from an increase in depreciation expense).

The following charts depict those revenue sources and expenses, with related program revenues, for governmental activities as discussed above.

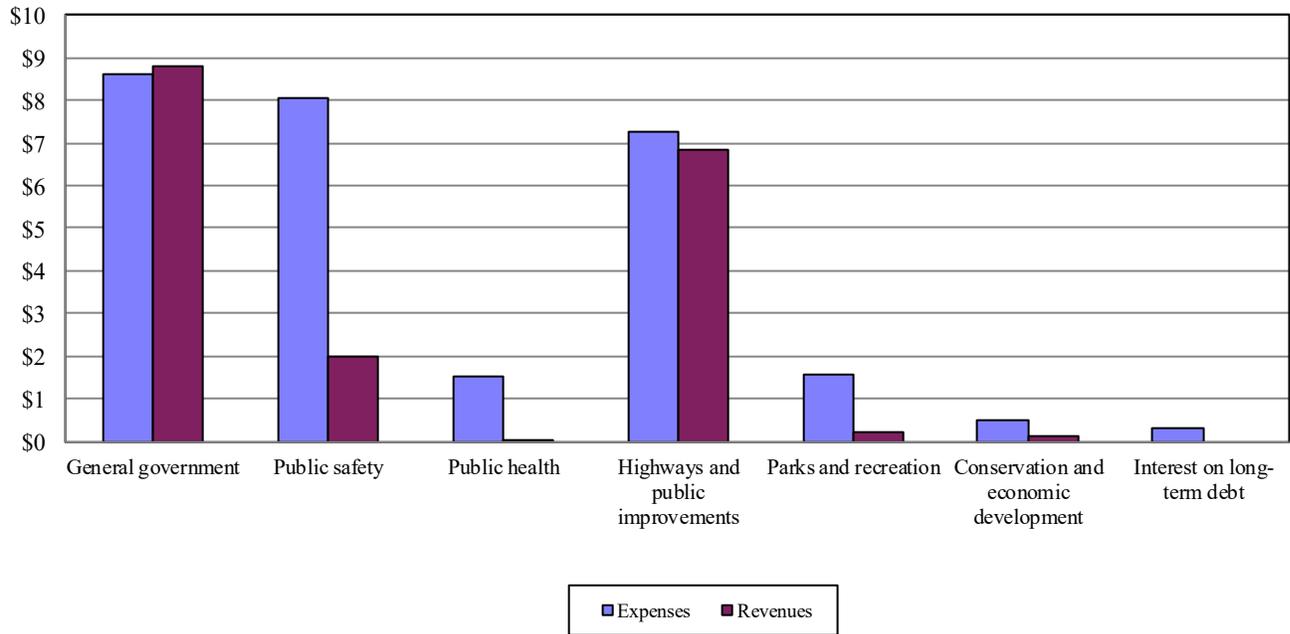
CARBON COUNTY
Revenues by Source - Governmental Activities
Year Ended December 31, 2018



CARBON COUNTY
Expenses by Function - Governmental Activities
Year Ended December 31, 2018



CARBON COUNTY
Expenses and Program Revenue - Governmental Activities
Year Ended December 31, 2018
(in millions of dollars)



Business-type activities: During 2018, net position for business-type activities increased by \$0.4 million for an ending balance of \$2.1 million. Revenues for the County’s business-type activities decreased by \$0.3 million (from a change in rental agreements from the State for the new building), while total expenses increased by \$0.1 million. Also included in the change in net position is a \$0.3 million contribution from the governmental activities to reflect the completion of the 7th district courthouse. This building was transferred along with the related restricted cash and debt balances.

Financial Analysis of Carbon County’s Funds

The County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act for Counties (*Utah Code*, Title 17, Chapter 36).

Governmental funds: The focus of the County’s governmental funds is to provide information on near-term inflows, outflows, and the constraints placed on fund balance resources. As the County completed the year, its governmental funds reported a combined fund balance of \$19.3 million, \$7.2 million less than the prior year. The primary reasons for the change in governmental fund balances mirror those highlighted in the analysis of governmental activities. In addition, certain information regarding fund balances should be noted:

- The General Fund is the principal operating fund of the County. As of December 31, 2018, the unassigned fund balance of the General Fund was \$5.0 million. This amount represents 35.7% of the General Fund’s total budgeted expenditures.
- The Municipal Building Authority Fund reports a decrease in fund balance from \$9.7 million to \$0.8 million at the end of the year. The decrease is primarily from incurring costs to construct the 7th district courthouse.

General Fund Budgetary Highlights

Actual revenues of \$17.0 million were higher than the final budgeted revenues by \$1.6 million. Tax collections were \$0.2 million less than anticipated, grant and contribution revenues were \$0.3 million less than anticipated due to the timing of related projects, and royalties were \$1.8 million more than anticipated due to being able to sell additional coal. All

departments spent less than budgeted amounts. The two most significant variances between final budget and actual expenditures were in general government and public safety. Normally, grants and contribution revenue is budgeted at amounts awarded whereas actual revenues are recognized when services are performed.

The final adopted expenditure budget for the General Fund was \$14.0 million in 2018, which represents a \$1.0 million increase in comparison with the original 2018 adopted budget. The largest portion of the increase is in the general government and public safety departments.

Actual expenditures were \$13.3 million which was approximately \$0.7 million less than the final adopted budget. County departments typically do not expend their entire budget. For example, when an employee resigns or retires, recruitment and selection of a new employee often occurs weeks after the position becomes vacant. The resulting savings for the period a position is vacant has the effect of reducing expenditures.

Capital Asset and Debt Administration

Capital assets: The County’s investment in capital assets for its governmental activities totals \$170.1 million (net of accumulated depreciation) as of December 31, 2018. This investment in capital assets includes land, rights of way, water stock, buildings and improvements, equipment, and roads. Capital assets increased by \$5.5 million in 2018.

The County completed construction of the 7th district courthouse with a final cost of \$14.1 million. Construction on the hilltop road improvement project began during 2018.

CARBON COUNTY'S Capital Assets
December 31, 2018 and 2017
(net of accumulated depreciation, in millions of dollars)

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | | <u>Change</u> |
|----------------------------|--------------------------------|-----------------|---------------------------------|---------------|-----------------|-----------------|------------------|
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018-2017</u> |
| Land | \$ 2.0 | \$ 2.0 | \$ 0.2 | \$ 0.2 | \$ 2.2 | \$ 2.2 | \$ 0.0 |
| Rights of way | 1.4 | 1.4 | - | - | 1.4 | 1.4 | 0.0 |
| Water stock | 0.1 | 0.1 | - | - | 0.1 | 0.1 | 0.0 |
| Construction in progress | 0.4 | 6.4 | - | - | 0.4 | 6.4 | (6.0) |
| Buildings and improvements | 82.5 | 85.8 | 14 | 0.3 | 96.9 | 86.1 | 10.8 |
| Equipment | 3.0 | 3.6 | 0 | 0.1 | 3.1 | 3.7 | (0.6) |
| Infrastructure (roads) | 65.9 | 64.7 | - | - | 65.9 | 64.7 | 1.2 |
| Total | <u>\$ 155.4</u> | <u>\$ 164.0</u> | <u>\$ 14.7</u> | <u>\$ 0.6</u> | <u>\$ 170.1</u> | <u>\$ 164.6</u> | <u>\$ 5.5</u> |

Additional information on the County’s capital assets can be found in Note 5 to the basic financial statements.

Long-term debt: Total bonded debt outstanding at December 31, 2018 was \$39.5 million all of which is lease revenue bonds payable from tax and other revenues of the County. Long-term debt decreased by \$1.1 million in 2018.

CARBON COUNTY'S Outstanding Debt
December 31, 2018 and 2017
(in millions of dollars)

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total</u> | | <u>Change</u> |
|---------------------|--------------------------------|----------------|---------------------------------|-------------|----------------|----------------|------------------|
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018-2017</u> |
| Lease revenue bonds | <u>\$ 25.4</u> | <u>\$ 40.6</u> | <u>\$ 14.1</u> | <u>\$ -</u> | <u>\$ 39.5</u> | <u>\$ 40.6</u> | <u>\$ (1.1)</u> |

Additional information on the County’s outstanding debt can be found in Note 6 to the basic financial statements.

Contacting the County’s Financial Management

This financial report is designed to provide a general overview of the County’s finances and to demonstrate the County’s accountability for the money it receives. If you have questions about this report or need additional information, contact Seth Marsing, Carbon County Clerk-Auditor, 751 East 100 North, Price, Utah 84501.

Basic Financial Statements

CARBON COUNTY

Statement of Net Position

December 31, 2018

| | Primary Government | | | Component Units |
|---|------------------------------------|-------------------------------------|-----------------------|----------------------------|
| | Governmental Activities | Business-type Activities | Total | |
| Assets: | | | | |
| Cash and investments | \$ 15,860,584 | \$ 1,279,226 | \$ 17,139,810 | \$ 4,559,310 |
| Restricted cash and investments | 900,965 | 358,594 | 1,259,559 | - |
| Receivables: | | | | |
| Property taxes | 496,725 | - | 496,725 | - |
| Accounts | 1,156,688 | - | 1,156,688 | 105,326 |
| Special assessments | 855,555 | - | 855,555 | - |
| Net pension asset | 5,144 | - | 5,144 | - |
| Capital assets: | | | | |
| Land, rights of way, water stock, and construction in progress | 3,925,146 | 198,000 | 4,123,146 | 1,628,734 |
| Buildings, improvements, equipment, and infrastructure (roads and bridges), net of accumulated depreciation | <u>151,445,008</u> | <u>14,502,797</u> | <u>165,947,805</u> | <u>2,064,784</u> |
| Total assets | 174,645,815 | 16,338,617 | 190,984,432 | 8,358,154 |
| Deferred outflows of resources related to pensions | 3,128,026 | - | 3,128,026 | 17,102 |
| Liabilities: | | | | |
| Accounts payable | 938,084 | 707 | 938,791 | 51,127 |
| Accrued salaries and benefits | 409,637 | - | 409,637 | - |
| Accrued interest | 117,907 | 79,584 | 197,491 | - |
| Unearned revenue | 207,356 | - | 207,356 | - |
| Long-term liabilities: | | | | |
| Portion due or payable within one year | 2,134,090 | 685,000 | 2,819,090 | 9,000 |
| Portion due or payable after one year | <u>27,986,720</u> | <u>13,460,000</u> | <u>41,446,720</u> | <u>138,374</u> |
| Total liabilities | 31,793,794 | 14,225,291 | 46,019,085 | 198,501 |
| Deferred inflows of resources related to pensions | 2,020,867 | - | 2,020,867 | 9,878 |
| Net position: | | | | |
| Net investment in capital assets | 129,948,458 | 555,797 | 130,504,255 | 3,692,859 |
| Restricted for: | | | | |
| Public health | 208,264 | - | 208,264 | - |
| Highways and public improvements | 1,691,316 | - | 1,691,316 | - |
| Conservation and economic development | 977,374 | - | 977,374 | - |
| Capital improvements | 855,555 | - | 855,555 | - |
| Debt service | 1,421,384 | - | 1,421,384 | - |
| Unrestricted | <u>8,856,829</u> | <u>1,557,529</u> | <u>10,414,358</u> | <u>4,474,018</u> |
| Total net position | <u>\$ 143,959,180</u> | <u>\$ 2,113,326</u> | <u>\$ 146,072,506</u> | <u>\$ 8,166,877</u> |

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

CARBON COUNTY

Statement of Activities

Year Ended December 31, 2018

| Activities / Functions | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Position | | | Component Units |
|---|---------------|----------------------|------------------------------------|---|--------------------------|----------------|-----------------|
| | | Charges for Services | Operating Grants and Contributions | Primary Government | | Total | |
| | | | | Governmental Activities | Business-type Activities | | |
| Governmental activities: | | | | | | | |
| General government | \$ 8,619,310 | \$ 4,673,737 | \$ 4,115,243 | \$ 169,670 | | \$ 169,670 | |
| Public safety | 8,056,097 | 1,216,986 | 783,810 | (6,055,301) | | (6,055,301) | |
| Public health | 1,526,810 | - | 8,606 | (1,518,204) | | (1,518,204) | |
| Highways and public improvements | 7,266,701 | 470,269 | 6,370,362 | (426,070) | | (426,070) | |
| Parks and recreation | 1,583,243 | 206,891 | 26,941 | (1,349,411) | | (1,349,411) | |
| Conservation and economic development | 489,700 | 101,213 | 1,230 | (387,257) | | (387,257) | |
| Interest on long-term debt | 300,808 | - | - | (300,808) | | (300,808) | |
| Total governmental activities | 27,842,669 | 6,669,096 | 11,306,192 | (9,867,381) | | (9,867,381) | |
| Business-type activities: | | | | | | | |
| County court complex | 223,113 | 343,572 | | - | \$ 120,459 | 120,459 | |
| Total primary government | \$ 28,065,782 | \$ 7,012,668 | \$ 11,306,192 | (9,867,381) | 120,459 | (9,746,922) | |
| Component units: | | | | | | | |
| Scofield Reservoir SSD | \$ 88,567 | \$ 82,780 | \$ - | | | | \$ (5,787) |
| Carbon County Recreation and Transportation SSD | 3,515,483 | - | - | | | | (3,515,483) |
| Total component units | \$ 3,604,050 | \$ 82,780 | \$ - | | | | (3,521,270) |
| General revenue: | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes | | | | 7,502,136 | - | 7,502,136 | - |
| Sales taxes | | | | 3,146,044 | - | 3,146,044 | - |
| Transient room taxes | | | | 280,466 | - | 280,466 | - |
| Total taxes | | | | 10,928,646 | - | 10,928,646 | - |
| State revenue not restricted to specific purposes | | | | - | - | - | 2,116,562 |
| Unrestricted investment earnings | | | | 296,028 | - | 296,028 | 132,835 |
| Total general revenue | | | | 11,224,674 | - | 11,224,674 | 2,249,397 |
| Contributions to (from) other funds | | | | (324,988) | 324,988 | - | - |
| Change in net position | | | | 1,032,305 | 445,447 | 1,477,752 | (1,271,873) |
| Net position - beginning , as restated | | | | 142,926,875 | 1,667,879 | 144,594,754 | 9,438,750 |
| Net position - ending | | | | \$ 143,959,180 | \$ 2,113,326 | \$ 146,072,506 | \$ 8,166,877 |

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

CARBON COUNTY

**Balance Sheet
Governmental Funds
December 31, 2018**

| | Major Funds | | | | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---------------------|-----------------------|---------------------|-----------------------|-----------------------------------|--------------------------------|
| | General | Municipal Services | Capital Projects | Building Authority | | |
| Assets: | | | | | | |
| Cash and investments: | \$ 7,690,630 | \$ 5,657,793 | \$ 532,541 | \$ - | \$ 1,979,620 | \$ 15,860,584 |
| Restricted cash and investments | - | - | - | 900,965 | - | 900,965 |
| Receivables: | | | | | | |
| Property taxes | 476,641 | 20,084 | - | - | - | 496,725 |
| Accounts | 296,225 | 496,021 | 116,613 | 168,329 | 79,500 | 1,156,688 |
| Special assessments | - | - | - | 855,555 | - | 855,555 |
| Total assets | <u>\$ 8,463,496</u> | <u>\$ 6,173,898</u> | <u>\$ 649,154</u> | <u>\$ 1,924,849</u> | <u>\$ 2,059,120</u> | <u>\$ 19,270,517</u> |
| Liabilities: | | | | | | |
| Accounts and contracts payable | \$ 389,863 | \$ 168,809 | \$ 14,000 | \$ 96,008 | \$ 269,404 | \$ 938,084 |
| Accrued salaries and benefits | 309,873 | 55,341 | - | - | 44,423 | 409,637 |
| Unearned revenue | - | - | - | 207,356 | - | 207,356 |
| Total liabilities | 699,736 | 224,150 | 14,000 | 303,364 | 313,827 | 1,555,077 |
| Deferred inflows of resources: | | | | | | |
| Unavailable property tax revenue | 476,641 | 20,084 | - | - | - | 496,725 |
| Unavailable special assessment revenue | - | - | - | 855,555 | - | 855,555 |
| Total deferred inflows of resources | 476,641 | 20,084 | - | 855,555 | - | 1,352,280 |
| Fund balances: | | | | | | |
| Restricted for: | | | | | | |
| Public health | - | - | - | - | 390,662 | 390,662 |
| Highways and public improvements | - | 2,162,913 | - | - | - | 2,162,913 |
| Conservation and economic development | - | - | - | - | 1,050,520 | 1,050,520 |
| Debt service | - | - | - | 1,539,291 | - | 1,539,291 |
| Committed to: | | | | | | |
| Economic stabilization | 2,147,064 | - | - | - | - | 2,147,064 |
| Landfill | 98,420 | - | - | - | - | 98,420 |
| Capital improvements | - | - | 635,154 | - | - | 635,154 |
| Assigned to: | | | | | | |
| Other purposes | - | 3,766,751 | - | - | 304,111 | 4,070,862 |
| Unassigned | 5,041,635 | - | - | (773,361) | - | 4,268,274 |
| Total fund balances | <u>7,287,119</u> | <u>5,929,664</u> | <u>635,154</u> | <u>765,930</u> | <u>1,745,293</u> | <u>16,363,160</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 8,463,496</u> | <u>\$ 6,173,898</u> | <u>\$ 649,154</u> | <u>\$ 1,924,849</u> | <u>\$ 2,059,120</u> | <u>\$ 19,270,517</u> |

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

CARBON COUNTY

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2018**

Total fund balances - governmental funds \$ 16,363,160

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

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

Those assets consist of:

| | | |
|--|-------------------|-------------|
| Land | \$ 2,003,394 | |
| Rights of way | 1,401,918 | |
| Water stock | 146,000 | |
| Construction in progress | 373,834 | |
| Buildings, net of accumulated depreciation of \$17,086,056 | 52,217,308 | |
| Improvements other than buildings, net of accumulated depreciation of \$13,679,383 | 30,257,385 | |
| Equipment, net of accumulated depreciation of \$17,531,691 | 3,047,511 | |
| Infrastructure (roads & bridges), net of accumulated depreciation of \$95,417,614 | <u>65,922,804</u> | 155,370,154 |

The net pension asset is not an available resource and therefore is not reported in the governmental funds. 5,144

Some of the County's property taxes and special assessments will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds. 1,352,280

Long-term liabilities and related accounts that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. All liabilities are reported in the statement of net position.

| | | |
|---|--------------------|---------------------|
| Lease revenue bonds | (25,421,696) | |
| Accrued interest on bonds | (117,907) | |
| Compensated absences payable | (621,453) | |
| Net pension liability and related deferrals | <u>(2,970,502)</u> | <u>(29,131,558)</u> |

Total net position - governmental activities \$ 143,959,180

CARBON COUNTY

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2018**

| | Major Funds | | | | Nonmajor Governmental Funds | Total Governmental Funds |
|--|--------------------|-------------------------------|-----------------------------|-------------------------------|--|---|
| | General | Municipal Services | Capital Projects | Building Authority | | |
| Revenues: | | | | | | |
| Taxes: | | | | | | |
| Property taxes | \$ 7,046,708 | \$ 326,095 | \$ - | \$ - | \$ - | \$ 7,372,803 |
| Sales taxes | 1,066,536 | 1,817,729 | - | - | 261,779 | 3,146,044 |
| Transient room taxes | - | - | - | - | 280,466 | 280,466 |
| Total taxes | 8,113,244 | 2,143,824 | - | - | 542,245 | 10,799,313 |
| Licenses and permits | 49,777 | 131,685 | - | - | - | 181,462 |
| Grants and contributions | 3,781,453 | 2,612,004 | 3,431,541 | 1,079,184 | 213,923 | 11,118,105 |
| Charges for services | 1,530,655 | 17,427 | - | - | 308,104 | 1,856,186 |
| Fines and forfeitures | 388,608 | - | - | - | - | 388,608 |
| Special assessments | - | - | - | 144,445 | - | 144,445 |
| Royalties | 2,411,823 | - | - | - | - | 2,411,823 |
| Interest, rents, and other | 757,474 | 124,824 | - | 304,305 | 128,529 | 1,315,132 |
| Total revenues | 17,033,034 | 5,029,764 | 3,431,541 | 1,527,934 | 1,192,801 | 28,215,074 |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | 5,564,119 | 103,763 | - | - | 3,760 | 5,671,642 |
| Public safety | 6,395,269 | 1,321,799 | - | - | - | 7,717,068 |
| Public health | 297,940 | - | - | - | 953,297 | 1,251,237 |
| Highways and public improvements | 486,775 | 3,565,233 | - | - | 181,808 | 4,233,816 |
| Parks and recreation | 236,563 | - | - | - | 1,119,194 | 1,355,757 |
| Conservation and economic development | 61,365 | - | - | - | 423,641 | 485,006 |
| Capital outlay | - | - | 3,886,591 | 8,232,206 | - | 12,118,797 |
| Contributions | 236,652 | - | - | 358,594 | - | 595,246 |
| Debt service: | | | | | | |
| Principal retirement | - | - | - | 1,651,000 | - | 1,651,000 |
| Interest | - | - | - | 387,331 | - | 387,331 |
| Total expenditures | 13,278,683 | 4,990,795 | 3,886,591 | 10,629,131 | 2,681,700 | 35,466,900 |
| Excess (deficiency) of revenues over (under) expenditures | 3,754,351 | 38,969 | (455,050) | (9,101,197) | (1,488,899) | (7,251,826) |
| Other financing sources (uses): | | | | | | |
| Proceeds from sale of capital assets | 75,845 | - | - | - | - | 75,845 |
| Transfers in | - | - | 45,000 | 143,000 | 1,768,086 | 1,956,086 |
| Transfers out | (1,636,266) | - | - | - | (319,820) | (1,956,086) |
| Total other financing sources (uses) | (1,560,421) | - | 45,000 | 143,000 | 1,448,266 | 75,845 |
| Net change in fund balances | 2,193,930 | 38,969 | (410,050) | (8,958,197) | (40,633) | (7,175,981) |
| Fund balances - beginning , as restated | 5,093,189 | 5,890,695 | 1,045,204 | 9,724,127 | 1,785,926 | 23,539,141 |
| Fund balances - ending | \$ 7,287,119 | \$ 5,929,664 | \$ 635,154 | \$ 765,930 | \$ 1,745,293 | \$ 16,363,160 |

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

CARBON COUNTY

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
Year Ended December 31, 2018**

Net change in fund balances - governmental funds \$ (7,175,981)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, capital assets are capitalized and depreciated over their useful lives.

| | | |
|--------------------------------------|--------------------|-------------|
| Capital outlay | \$ 12,030,029 | |
| Contribution to proprietary fund | (14,111,394) | |
| Proceeds from sale of capital assets | (75,845) | |
| Gain on sale of capital assets | (25,915) | |
| Depreciation expense | <u>(6,345,845)</u> | (8,528,970) |

Certain revenues (property taxes and special assessments) that are collected several months after the County's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred inflows of resources. They are however, recorded as revenues in the statement of activities in the year for which they are levied. 984,888

Bond proceeds provide current financial resources to governmental funds by issuing debt which increases long-term liabilities in the statement of net position. Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

| | | |
|----------------------------------|-------------------|------------|
| Accrued interest | 86,523 | |
| Principal retirement of bonds | 1,651,000 | |
| Contribution to proprietary fund | <u>14,145,000</u> | 15,882,523 |

In the statement of activities, certain operating expenses for compensated absences, pension benefits, and other long-term obligations are recorded as costs are incurred during the year. In the governmental funds, these obligations are recorded when they mature or when they are paid. Changes in these obligations during the year are as follows:

| | | |
|------------------------------|------------------|-----------|
| Compensated absences expense | 30,341 | |
| Pension expense | <u>(160,496)</u> | (130,155) |

Change in net position - governmental activities \$ 1,032,305

CARBON COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

Year Ended December 31, 2018

| | Budgeted Amounts | | Actual | Variance with Final Budget |
|--|------------------|--------------|--------------|-------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Property taxes | \$ 7,239,034 | \$ 7,377,168 | \$ 7,046,708 | \$ (330,460) |
| Sales taxes | 1,007,000 | 1,007,000 | 1,066,536 | 59,536 |
| Total taxes | 8,246,034 | 8,384,168 | 8,113,244 | (270,924) |
| Licenses and permits | 43,500 | 84,500 | 49,777 | (34,723) |
| Grants and contributions | 3,902,832 | 4,155,841 | 3,781,453 | (374,388) |
| Charges for services | 1,276,100 | 1,410,100 | 1,530,655 | 120,555 |
| Fines and forfeitures | 285,000 | 299,000 | 388,608 | 89,608 |
| Royalties | 180,000 | 609,966 | 2,411,823 | 1,801,857 |
| Interest, rents, and other | 530,000 | 530,465 | 757,474 | 227,009 |
| Total revenues | 14,463,466 | 15,474,040 | 17,033,034 | 1,558,994 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 5,366,230 | 5,904,930 | 5,564,119 | 340,811 |
| Public safety | 6,351,750 | 6,642,459 | 6,395,269 | 247,190 |
| Public health | 302,000 | 302,000 | 297,940 | 4,060 |
| Highways and public improvements | 624,720 | 624,720 | 486,775 | 137,945 |
| Parks and recreation | 165,500 | 243,000 | 236,563 | 6,437 |
| Conservation and economic development | 63,500 | 64,865 | 61,365 | 3,500 |
| Contributions | 189,000 | 237,500 | 236,652 | 848 |
| Total expenditures | 13,062,700 | 14,019,474 | 13,278,683 | 740,791 |
| Excess of revenues over expenditures | 1,400,766 | 1,454,566 | 3,754,351 | 2,299,785 |
| Other financing sources (uses): | | | | |
| Proceeds from sale of capital assets | 40,000 | 46,100 | 75,845 | 29,745 |
| Transfers out | (1,440,766) | (1,500,666) | (1,636,266) | (135,600) |
| Total other financing sources (uses) | (1,400,766) | (1,454,566) | (1,560,421) | (105,855) |
| Net change in fund balances | - | - | 2,193,930 | 2,193,930 |
| Fund balances - beginning , as restated | 5,093,189 | 5,093,189 | 5,093,189 | - |
| Fund balances - ending | \$ 5,093,189 | \$ 5,093,189 | \$ 7,287,119 | \$ 2,193,930 |

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

CARBON COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Municipal Services Fund

Year Ended December 31, 2018

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---|-------------------------|---------------------|---------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Taxes: | | | | |
| Property taxes | \$ 342,000 | \$ 346,000 | \$ 326,095 | \$ (19,905) |
| Sales taxes | 1,300,000 | 1,380,000 | 1,817,729 | 437,729 |
| Total taxes | 1,642,000 | 1,726,000 | 2,143,824 | 417,824 |
| Licenses and permits | 81,000 | 96,000 | 131,685 | 35,685 |
| Grants and contributions | 2,118,000 | 2,461,972 | 2,612,004 | 150,032 |
| Charges for services | 18,000 | 18,000 | 17,427 | (573) |
| Interest, rents, and other | 74,000 | 109,000 | 124,824 | 15,824 |
| Total revenues | 3,933,000 | 4,410,972 | 5,029,764 | 618,792 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | 90,480 | 104,480 | 103,763 | 717 |
| Public safety | 1,190,144 | 1,390,544 | 1,321,799 | 68,745 |
| Highways and public improvements | 3,479,540 | 3,757,112 | 3,565,233 | 191,879 |
| Parks and recreation | 4,000 | 4,000 | - | 4,000 |
| Total expenditures | 4,764,164 | 5,256,136 | 4,990,795 | 265,341 |
| Excess (deficiency) of revenues over (under) expenditures / net change in fund balances | (831,164) | (845,164) | 38,969 | 884,133 |
| Fund balances - beginning | <u>5,890,695</u> | <u>5,890,695</u> | <u>5,890,695</u> | <u>-</u> |
| Fund balances - ending | <u>\$ 5,059,531</u> | <u>\$ 5,045,531</u> | <u>\$ 5,929,664</u> | <u>\$ -</u> |

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

CARBON COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Capital Projects Fund

Year Ended December 31, 2018

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|---|--------------------------|--------------------------|--------------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Grants and contributions | \$ - | \$ 6,045,000 | \$ 3,431,541 | \$ (2,613,459) |
| Expenditures: | | | | |
| Capital outlay | <u>180,000</u> | <u>6,376,100</u> | <u>3,886,591</u> | <u>2,489,509</u> |
| Deficiency of revenues under expenditures | (180,000) | (331,100) | (455,050) | (5,102,968) |
| Other financing sources (uses): | | | | |
| Transfers in | <u>-</u> | <u>45,000</u> | <u>45,000</u> | <u>-</u> |
| Net change in fund balances | (180,000) | (286,100) | (410,050) | (5,102,968) |
| Fund balances - beginning | <u>1,045,204</u> | <u>1,045,204</u> | <u>1,045,204</u> | <u>-</u> |
| Fund balances - ending | <u><u>\$ 865,204</u></u> | <u><u>\$ 759,104</u></u> | <u><u>\$ 635,154</u></u> | <u><u>\$ (5,102,968)</u></u> |

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

CARBON COUNTY

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Building Authority Fund

Year Ended December 31, 2018

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget</u> |
|--|-------------------------|---------------------|-------------------|---------------------------------------|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues: | | | | |
| Grants and contributions | \$ 1,017,500 | \$ 1,040,500 | \$ 1,079,184 | \$ 38,684 |
| Interest, rents, and other | 328,000 | 477,000 | 304,305 | (172,695) |
| Total revenues | 1,345,500 | 1,517,500 | 1,383,489 | (134,011) |
| Expenditures: | | | | |
| Capital outlay | 8,000,000 | 8,722,000 | 8,232,206 | 489,794 |
| Debt service: | | | | |
| Principal retirement | 1,617,000 | 1,651,000 | 1,651,000 | - |
| Interest | 378,000 | 446,000 | 387,331 | 58,669 |
| Total expenditures | 9,995,000 | 10,819,000 | 10,270,537 | 548,463 |
| Excess (deficiency) of revenues over (under) expenditures | (8,649,500) | (9,301,500) | (8,887,048) | 414,452 |
| Other financing sources (uses): | | | | |
| Proceeds from bond issuance | 8,000,000 | 8,632,000 | - | (8,632,000) |
| Net change in fund balances | (649,500) | (669,500) | (8,887,048) | (8,217,548) |
| Fund balances - beginning , as restated | 9,724,127 | 9,724,127 | 9,724,127 | - |
| Fund balances - ending | <u>\$ 9,074,627</u> | <u>\$ 9,054,627</u> | <u>\$ 837,079</u> | <u>\$ (8,217,548)</u> |

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

CARBON COUNTY

Statement of Net Position Proprietary Fund December 31, 2018

| | <u>County Court Complex</u> |
|----------------------------------|-------------------------------------|
| Assets: | |
| Current assets: | |
| Cash and investments | \$ 1,279,226 |
| Restricted cash and investments | 358,594 |
| Total current assets | <u>1,637,820</u> |
| Capital assets: | |
| Land | 198,000 |
| Building | 15,687,546 |
| Other capital assets | 225,405 |
| Accumulated depreciation | <u>(1,410,154)</u> |
| Total capital assets | <u>14,700,797</u> |
| Total assets | 16,338,617 |
| Liabilities: | |
| Current liabilities: | |
| Current portion of bonds payable | 685,000 |
| Accounts payable | 707 |
| Accrued interest | 79,584 |
| Total current liabilities | <u>765,291</u> |
| Noncurrent liabilities: | |
| Bonds payable | <u>13,460,000</u> |
| Total liabilities | 14,225,291 |
| Net position: | |
| Net investment in capital assets | 555,797 |
| Unrestricted | <u>1,557,529</u> |
| Total net position | <u><u>\$ 2,113,326</u></u> |

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

CARBON COUNTY

**Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund
Year Ended December 31, 2018**

| | <u>County Court Complex</u> |
|--|-------------------------------------|
| Operating revenues: | |
| Rental income | \$ 343,572 |
| Operating expenses: | |
| Utilities | 53,849 |
| Repairs and maintenance | 38,119 |
| Interest | 79,584 |
| Depreciation | <u>51,561</u> |
| Total operating expenses | <u>223,113</u> |
| Operating income | 120,459 |
| Nonoperating revenues (expenses): | |
| Contribution from other fund | <u>324,988</u> |
| Change in net position | 445,447 |
| Net position - beginning | <u>1,667,879</u> |
| Net position - ending | <u><u>\$ 2,113,326</u></u> |

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

CARBON COUNTY

**Statement of Cash Flows
Proprietary Fund
Year Ended December 31, 2018**

| | County Court Complex |
|---|-------------------------------------|
| Cash flows from operating activities: | |
| Receipts for rent | \$ 343,572 |
| Payments to suppliers | (93,798) |
| Net cash provided by operating activities | 249,774 |
| Cash flows from noncapital financing activities: | |
| Contributions from other fund | 358,594 |
| Net change in cash and cash equivalents | 608,368 |
| Cash and cash equivalents - beginning | <u>1,029,452</u> |
| Cash and cash equivalents - ending | <u><u>\$ 1,637,820</u></u> |
| Displayed on the statement of net position as: | |
| Cash and investments | \$ 1,279,226 |
| Restricted cash and investments | 358,594 |
| Total cash | <u><u>\$ 1,637,820</u></u> |
| Reconciliation of operating income to net cash provided by operating activities: | |
| Operating income | \$ 120,459 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | |
| Depreciation expense | 51,561 |
| Changes in operating assets and liabilities: | |
| Accounts payable | (1,830) |
| Accrued interest | 79,584 |
| Total adjustments | <u>129,315</u> |
| Net cash provided by operating activities | <u><u>\$ 249,774</u></u> |
| Noncash investing, capital, and financing activities: | |
| None | |

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

CARBON COUNTY

Statement of Fiduciary Assets and Liabilities

Agency Funds

December 31, 2018

Assets:

| | |
|----------------------|---------------------|
| Cash and investments | \$ 6,864,736 |
| Accounts receivable | <u>676,300</u> |
| Total assets | <u>\$ 7,541,036</u> |

Liabilities:

| | |
|-------------------------------------|---------------------|
| Accounts payable | \$ 638,885 |
| Due to other governments and others | <u>6,902,151</u> |
| Total liabilities | <u>\$ 7,541,036</u> |

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

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Services and Form of Government—Carbon County, Utah (the County) provides the following services: services provided by elected officials (Assessor, Attorney, Clerk/Auditor, Recorder, Sheriff, and Treasurer), public safety, public health, highways and public improvements, parks and recreation, and County promotion. The County is governed by a Board of County Commissioners, comprised of three elected members.

1.2 Reporting Entity—The accompanying financial statements include the County, which is a political subdivision with corporate powers created under Utah state law, and all its significant component units, collectively referred to as the financial reporting entity.

1.3 Component Units—Component units are entities for which the County is financially accountable. The County's component units are reported as *blended and discretely presented component units*. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the County. Discretely presented component units are legally separate organizations that benefit the primary government's constituents and for which the County is financially accountable. Their relationship with the County is such that excluding them from the financial statements would cause the County's financial statements to be misleading or incomplete. The boards of the discretely presented component units are appointed by the County Commission. The financial statements of the discretely presented component units are reported in the government-wide financial statements of the County. Separate financial information for the discretely presented component units may be obtained at the County's administrative offices.

The blended component units of the County are as follows:

- *Municipal Building Authority of Carbon County (MBA)*—The MBA is a blended component unit because the governing body is substantially the same as the County and the County is responsible for the MBA's debt. The MBA is reported as a special revenue fund of the County.

The significant discretely presented component units of the County are as follows:

- *Scofield Reservoir Special Service District (SRSSD)*—the SRSSD is a local government which provides waste disposal services to the residents at Scofield Reservoir. SRSSD is classified as a discretely presented component unit because the SRSSD board is appointed by the County.
- *Carbon County Recreation & Transportation Special Service District (R&T)*—R&T is a local government which provides recreation, transportation, garbage, fire protection, dispatch, and animal control services to residents of the County. The Carbon County Recreation & Transportation Special Service District Local Building Authority is a local government providing funding, owning, leasing and operating facilities and is part of the R&T reporting entity.

1.4 Government-wide and Fund Financial Statements—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds.

1.4.1 Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements.

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 identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes are reported instead as general revenues.

1.4.2 Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The remaining governmental funds are combined into a single column and reported as other (nonmajor) funds. The internal service fund is the County's only proprietary fund.

1.5 Measurement Focus, Basis of Accounting, and Financial Statement Presentation—The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as economic resources or current financial resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

1.5.1 Government-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 net of relief and refunds. 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 general capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of general long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt of the County are reported as a reduction of the related liability in the government-wide financial statements, rather than an expenditure.

1.5.2 Governmental Fund Financial Statements

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County generally considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. An exception to this policy is expenditure-driven grant revenues, which generally are considered to be available if the eligible expenditures have been made. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pension benefits are recorded only when payment is due or contributions are made. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt are reported as other financing sources.

Property taxes receivable is recorded when levied. Property taxes which have not been collected within 30 days of year-end, and therefore do not meet the available criterion, are reported as deferred inflows of resources until collected. Tax accounts are adjusted for relief and refunds as they occur.

Sales taxes and transient room taxes are considered measurable and recognized as revenue when received by merchants and will be remitted to the County in time to be used to pay current obligations. Grant revenue is recognized when qualified expenditures are incurred and a contractual claim exists with the grantor agency. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- *General Fund*—The General Fund is the County's primary operating fund and accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

- *Municipal Services Fund*—This special revenue fund accounts for revenue and related expenditures for protective services and highways and roads.
- *Capital Projects Fund*—This capital projects revenue fund is used to account for resources accumulated and payments made for the acquisition and improvements of sites, construction and remodel of facilities, and procurement of equipment for the County.
- *Building Authority Fund*—This special revenue fund is used to account for revenue that is restricted for operation of the County buildings related to maintenance and upkeep of County buildings and principal and interest of lease revenue bonds.

The County's nonmajor governmental funds include other special revenue funds. The nonmajor special revenue funds account for specific revenue sources that are legally restricted to expenditure for specified purposes.

1.5.3 Proprietary Fund Financial Statements

The enterprise fund is a proprietary fund. Enterprise funds report the activities for which a fee is charged to external users for goods or services. The financial statements of the fund are reported similar to the government-wide financial statement in that they both use the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of internal service funds are fees (charges to other funds for services). Operating expenses for internal service funds include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The County reports the following major enterprise fund:

- *County Court Complex*—The County Court Complex is used to account for real property rental agreements.

1.5.4 Fiduciary Fund Financial Statements

Additionally, the County reports the following fiduciary funds:

- *Agency Funds*—Agency funds are used to account for assets held by the County as a custodian for other governments and individuals. Agency funds are accounted for using the accrual basis of accounting but, due to their custodial nature (assets equal liabilities), do not present results of operations or have a measurement focus. Agency funds include the collection of property taxes and fees for other governments.

1.6 Budgets and Budgetary Accounting—The County has legally adopted budgets for governmental and proprietary funds. Although state law requires that annual budgets be adopted for proprietary funds, there is no state requirement to report budgetary data. The County's procedures for establishing the budgetary data reflected in these financial statements are as follows:

- 1.6.1* The County follows statutory guidelines regarding budgetary matters listed in various titles of the *Utah Code* contained in the Uniform Fiscal Procedures Act for Counties, Title 17-36.
- 1.6.2* The budget officer submits the proposed budget to the County Commission which makes appropriation decisions and adopts a budget on or before December 31 preceding the calendar year.
- 1.6.3* Public hearings are conducted to obtain citizen comments and to comply with legal requirements. For 2018, the budget was adopted, by a resolution of the County Commission, on December 13, 2017. The budget included proposed expenditures and the means of financing them.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

1.6.4 The budget is organized by fund, function, and department. Functions are groups of departments. Management is authorized to reallocate funds within a department. Transfers of appropriations between departments and funds require the approval of the County Commission. The legal level of budgetary control (i.e., the level at which expenditure may not legally exceed appropriations) is at the function level.

1.6.5 Final budgeted amounts include amendments by the Commission. Unencumbered appropriations lapse at year-end for all budgeted funds. Encumbered appropriations at year end are reported on the balance sheet as fund balance restrictions or commitments. Encumbrances remain outstanding until they are either recognized as expenditures in conformity with GAAP or canceled.

1.7 Cash and Investments—Cash and investment management in the County is administered by the County Treasurer in accordance with the State Money Management Act, Title 51-7 of the *Utah Code* (see Note 3). The County maintains a cash and investment pool that is available for use by all funds. Income from the investment of pooled cash is allocated based upon each fund’s portion of the pool. Restricted cash consists of that portion of pooled cash that is restricted for a specific use due to constraints imposed by external parties or enabling legislation, or is cash held in trust in compliance with bond covenants, terms, and conditions.

The statement of cash flows for the proprietary fund is presented under the direct method. Investments with original maturities of less than three months from the date of acquisition are also considered cash equivalents.

1.8 Capital Assets—Capital assets include land, rights of way, buildings and improvements, and equipment, infrastructure (roads), and construction in progress. These assets are reported in the government-wide financial statements on the statement of net position under governmental activities. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. The capitalization threshold is defined to be assets that cost \$5,000 or more. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of roads. Assets purchased or constructed are generally recorded at cost. If precise cost is not available (as is the case with certain infrastructure), the capital asset is recorded at estimated acquisition cost. Donated capital assets are recorded at their estimated acquisition value at the date of donation. When constructing capital assets, interest expense incurred relating to governmental activities is not capitalized.

Depreciation of all exhaustible capital assets is charged as an expense to the various functional expenses in the government-wide statement of activities. 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 | 20 - 50 years |

1.9 Unearned Revenue—In each of the financial statements, *unearned revenue* is recorded when cash or other assets are received prior to when a claim to those resources is obtained.

1.10 Long-term Debt—In the government-wide and proprietary financial statements long-term debt is reported as a liability.

In the fund financial statements, governmental funds recognize bond-related transactions during the current period. The face amount of debt issued is reported as an other financing source. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

1.11 Pensions—For purposes of measuring the net pension liability (asset), 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 (URS) and additions to/deductions from URS’s fiduciary net position have been determined on the same basis as they are reported by the URS. For this purpose, benefit payments (including refunds of employee

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

contributions) are recognized when due and payable in accordance with the benefit terms. Pension investments are reported at fair value.

1.12 Compensated Absences—The County permits employees to accumulate earned, but unused, vacation and sick leave benefits while they are working for the County. When an employee terminates or retires, the County pays that employee 100% of his or her accrued vacation leave and accrued compensatory time up to 192 hours of unused vacation and 40 hours of compensatory time. When an employee retires, in addition to the vacation and compensatory payout, the County also pays that employee 25% of his or her accrued sick leave. Accrued vacation, compensatory, and sick leave are recorded in the government-wide financial statements as a liability. The liability for compensated absences includes salary-related benefits, where applicable. Also, the liability recorded for sick leave is based on the sick leave attributable to current employees eligible to retire and those employees projected to retire in the future.

1.13 Deferred Outflows of Resources—In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

1.14 Deferred Inflows of Resources—In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

1.15 Net Position/Fund Balances—The residual of all other elements presented in a statement of net position is *net position* on the government-wide and proprietary fund financial statements and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

Net position is divided into three components: net investment in capital assets (capital assets net of related debt less unspent bond proceeds), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon it by external parties or are imposed by constitutional provisions or enabling legislation.

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the County is bound to honor them. The County first determines and reports nonspendable balances, then restricted, then committed, and so forth.

Fund balance classifications are summarized as follows:

- *Nonspendable*—This category includes fund balance amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact.
- *Restricted*—This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either 1) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments (such as specific tax levies) or 2) imposed by law through constitutional provisions or enabling legislation.
- *Committed*—This category includes amounts that can only be used for specific purposes established by formal action of the County Commission. Fund balance commitments can only be removed or changed by the same type of action (for example, resolution) of the County Commission. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- *Assigned*—This category includes fund balance amounts that the County intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by approval of the County Commission. The County has assigned fund resources that are to be used for emergency telephone, carbon leisure services, and other purposes.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

- *Unassigned*—Residual balances in the General Fund are classified as unassigned. Also, if a governmental fund other than the General Fund was to have a nonspendable, restricted, and committed fund balance in excess of total fund balance, the difference is reported as negative unassigned fund balance.

1.16 Net Position Flow Assumption—Sometimes the County will fund outlays for a particular purpose from both restricted (e.g. restricted tax revenue and restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to generally consider restricted net position to have been depleted before unrestricted net position is applied.

1.17 Fund Balance Flow Assumption—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County’s policy to generally consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. FAIR VALUE MEASUREMENTS

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2018:

- The Public Treasurers’ Investment Fund is valued at the County’s position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

3. DEPOSITS AND INVESTMENTS

3.1 Cash and Investment Pool—It is the County’s policy to follow the requirements of the State Money Management Act (*Utah Code*, Title 51, Chapter 7) (the Act) in handling its depository and investment transactions. The Act creates a State Money Management Commission (the Commission), 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 nonmajor funds and internal service funds, is displayed on the balance sheet for governmental funds and the statement of net position for proprietary funds, respectively, as “pooled cash and investments.” Total nonfiduciary cash and investments is also reflected on the government-wide statement of net position. The fiduciary funds’ portion is found on the statement of fiduciary net position. Income from the investment of the pooled cash and investments is allocated based on each fund’s average daily balance in the pool. In addition, cash is separately held by several funds.

3.2 Cash Deposits with Financial Institutions—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 Commission 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 Commission. All County deposits are held in qualified depositories.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

3.2.1 Custodial Credit Risk of Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's deposit policy for custodial credit risk is to comply with the Act. At December 31, 2018, the County's bank balance was \$1.6 million with \$1.3 million of that amount being exposed to custodial credit risk because it was uninsured and not collateralized. Utah state law does not require uninsured deposits to be collateralized.

3.3 Investments—Investments are recorded at fair value.

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. The Act authorizes the County to invest in the State of Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the state of Utah. All County investments comply with the Act.

At December 31, 2018, the County had all of their investments in the PTIF. The PTIF is a voluntary governmental external investment pool available to state and local government public treasurers in Utah. The PTIF is sponsored by the Utah State Treasurer to improve investment efficiency and yield. The PTIF invests primarily in corporate bonds, commercial paper, money market mutual funds, and certificates of deposit as permitted by the Act. The PTIF contains no withdrawal restrictions other than timely notice of intent to withdraw an amount greater than \$10 million. Investment activity of the Utah State Treasurer in the management of the PTIF is reviewed monthly by the Commission and is audited by the Utah State Auditor. Monies invested in this fund are not insured or otherwise guaranteed by the state of Utah and are subject to the same market risks as any similar investment in money market funds. The portfolio has a weighted average maturity of 90 days or less. The fair value of the position in the PTIF is basically the same as the value of the pool shares.

3.3.1 Interest Rate Risk of 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 Act. Section 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 investments in commercial paper and bankers' acceptances to 270 days or less and investments in fixed rate negotiable deposits and fixed rate corporate obligations to 365 days or less. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding two years.

3.3.2 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 follows the Act as its policy for reducing exposure to investment credit risk. At December 31, 2018, the County's investment in the PTIF was not rated.

3.3.3 Custodial Credit Risk of Investment

For an investment, custodial credit risk is the risk that, in the event of a failure of the counter party, the County will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The County complies with the custody requirements of the Act and Rules of the Commission. 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. The County's investment securities are held in a qualified depository certified by the Commissioner of Financial Institutions as adhering to the rules of the Commission or in the book-entry records of the issuer of the security.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

3.3.4 Concentration of Credit Risk of Investments

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 Commission. Rule 17 of the Commission 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 Commission limitations do not apply to securities issued by the U.S. government and its agencies. The County complies with the concentration limits of Rule 17.

3.4 Total Cash and Investments—Total cash and investments at December 31, 2018 consist of the following:

| | |
|----------------------------|-----------------------------|
| Investments | \$ 22,522,983 |
| Cash deposits | <u>1,461,896</u> |
| Total cash and investments | <u><u>\$ 23,984,879</u></u> |

Total cash and investments reported in the financial statements at December 31, 2018 are summarized as follows:

| | |
|--|-----------------------------|
| Cash and investments | \$ 16,761,549 |
| Cash and investments restricted for debt service | <u>358,594</u> |
| Cash and investments—government-wide statement of net position | 17,120,143 |
| Cash and investments—statement of fiduciary net position | <u>6,864,736</u> |
| Total cash and investments | <u><u>\$ 23,984,879</u></u> |

3.5 Restricted Cash and Investments—Restricted cash and investments of \$358,594 is classified as restricted assets in accordance with lease revenue bond covenants.

4. PROPERTY AND OTHER TAXES

In accordance with state law, the County assesses, bills, collects, and distributes property taxes for all taxing jurisdictions within its boundaries, including the County itself and other governments: cities, school districts, and special districts. Uncollected taxes, including delinquent amounts, are deemed to be substantially collectible or recoverable through foreclosure. Accordingly, no allowance for doubtful tax accounts is considered necessary. Property taxes are assessed and become a lien against the property at January 1 in the year in which due. The property tax valuation notice is sent in July, but it is not a billing. Property owners are billed in October with a payment due date of November 30. Tax collections for other governments are recorded in the Treasurer’s Tax Collection Agency Fund until disbursed.

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

5. CAPITAL ASSETS

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

| | Beginning Balance | Additions | Deletions | Ending Balance |
|--|-----------------------|----------------------|------------------------|-----------------------|
| Governmental activities | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 2,003,394 | \$ - | \$ - | \$ 2,003,394 |
| Rights of way | 1,401,918 | - | - | 1,401,918 |
| Water stock | 146,000 | - | - | 146,000 |
| Construction in progress | <u>6,397,825</u> | <u>8,087,403</u> | <u>(14,111,394)</u> | <u>373,834</u> |
| Total capital assets not being depreciated | 9,949,137 | 8,087,403 | (14,111,394) | 3,925,146 |
| Capital assets being depreciated: | | | | |
| Buildings | 69,303,364 | - | - | 69,303,364 |
| Improvements other than buildings | 43,936,768 | - | - | 43,936,768 |
| Equipment | 20,311,166 | 369,796 | (101,760) | 20,579,202 |
| Infrastructure (roads & bridges) | <u>157,767,588</u> | <u>3,572,830</u> | <u>-</u> | <u>161,340,418</u> |
| Total capital assets being depreciated | 291,318,886 | 3,942,626 | (101,760) | 295,159,752 |
| Accumulated depreciation for: | | | | |
| Buildings | (15,199,909) | (1,886,147) | - | (17,086,056) |
| Improvements other than buildings | (12,325,723) | (1,353,660) | - | (13,679,383) |
| Equipment | (16,714,270) | (817,421) | - | (17,531,691) |
| Infrastructure (roads & bridges) | <u>(93,128,997)</u> | <u>(2,288,617)</u> | <u>-</u> | <u>(95,417,614)</u> |
| Total accumulated depreciation | <u>(137,368,899)</u> | <u>(6,345,845)</u> | <u>-</u> | <u>(143,714,744)</u> |
| Total capital assets being depreciated, net | <u>153,949,987</u> | <u>(2,403,219)</u> | <u>(101,760)</u> | <u>151,445,008</u> |
| Total governmental activities capital assets, net | <u>\$ 163,899,124</u> | <u>\$ 5,684,184</u> | <u>\$ (14,213,154)</u> | <u>\$ 155,370,154</u> |
| 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 | 14,111,394 | - | 15,687,546 |
| Equipment | <u>225,133</u> | <u>272</u> | <u>-</u> | <u>225,405</u> |
| Total capital assets being depreciated | 1,801,285 | 14,111,666 | - | 15,912,951 |
| Accumulated depreciation for: | | | | |
| Buildings | (1,240,104) | (39,404) | - | (1,279,508) |
| Equipment | <u>(121,087)</u> | <u>(9,559)</u> | <u>-</u> | <u>(130,646)</u> |
| Total accumulated depreciation | <u>(1,361,191)</u> | <u>(48,963)</u> | <u>-</u> | <u>(1,410,154)</u> |
| Total capital assets being depreciated, net | <u>440,094</u> | <u>14,062,703</u> | <u>-</u> | <u>14,502,797</u> |
| Total business-type activities capital assets, net | <u>\$ 638,094</u> | <u>\$ 14,062,703</u> | <u>\$ -</u> | <u>\$ 14,700,797</u> |

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

Depreciation expense is charged to functions of the County as follows:

| | |
|--|----------------------------|
| Governmental activities: | |
| General government | \$ 2,554,747 |
| Public safety | 283,807 |
| Public health | 268,954 |
| Highways and public improvements | 3,015,772 |
| Parks and recreation | 220,525 |
| Conservation and economic development | <u>2,040</u> |
| Total depreciation expense - governmental activities | <u><u>\$ 6,345,845</u></u> |
| Business-type activities: | |
| County court complex | <u><u>\$ 48,963</u></u> |

The County is obligated at December 31, 2018 under a construction commitment to construct the Hilltop Road Improvement for a total project cost of \$877,914. The cost to date as of December 31, 2018 is \$373,834 leaving \$504,080 in costs to complete the project. Costs to complete will be financed from unspent note proceeds.

During the year ended December 31, 2018, the County leased buildings to third parties. The costs of the buildings under operating leases total of \$18,495,525 and accumulated depreciation totaled \$2,086,806 at December 31, 2018. During the year ended December 31, 2018 depreciation expense for these buildings totaled \$109,603.

The following schedule shows the aggregate future minimum lease payments due to the County under these lease agreements:

| <u>Year Ending</u> <u>December 31,</u> | |
|---|------------|
| 2019 | \$ 902,244 |
| 2020 | 1,073,078 |
| 2021 | 1,073,078 |
| 2022 | 1,073,078 |
| 2023 | 1,049,840 |
| 2024-2028 | 5,094,198 |
| 2029-2033 | 4,519,382 |
| 2034-2038 | 4,587,159 |
| 2039-2043 | 3,725,727 |

CARBON COUNTY
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6. LONG-TERM LIABILITIES

The following is a summary of transactions affecting long-term liabilities for the year ended December 31, 2018:

| | <u>Beginning Balance</u> | <u>Additions/ Reclassifications</u> | <u>Reductions/ Reclassifications</u> | <u>Ending Balance</u> | <u>Due Within One Year</u> |
|---|------------------------------|---|--|---------------------------|--------------------------------|
| Governmental activities: | | | | | |
| Lease revenue bonds | \$ 41,217,696 | \$ - | \$ (15,796,000) | \$ 25,421,696 | \$ 1,668,000 |
| Compensated absences | 651,794 | 406,768 | (437,109) | 621,453 | 466,090 |
| Net pension liability | 5,773,547 | (194,396) | (1,501,490) | 4,077,661 | - |
| Total governmental activity long-term liabilities | <u>\$ 47,643,037</u> | <u>\$ 212,372</u> | <u>\$ (17,734,599)</u> | <u>\$ 30,120,810</u> | <u>\$ 2,134,090</u> |
| Business-type activities: | | | | | |
| Lease revenue bonds | <u>\$ -</u> | <u>\$ 14,145,000</u> | <u>\$ -</u> | <u>\$ 14,145,000</u> | <u>\$ 685,000</u> |

Compensated absences are generally liquidated by the fund to which the employee is assigned. The net pension liability is liquidated by the fund where participating retirees worked, primarily the General Fund.

6.1 Debt Service Requirements of Bonds—Debt service requirements of bonds (long-term debt) at December 31, 2018 are as follows:

| Years Ending December 31 | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | |
|-----------------------------|--------------------------------|---------------------|---------------------------------|---------------------|
| | <u>Lease Revenue Bonds</u> | | <u>Lease Revenue Bonds</u> | |
| | <u>Principal</u> | <u>Interest</u> | <u>Principal</u> | <u>Interest</u> |
| 2019 | \$ 1,668,000 | \$ 212,115 | \$ 685,000 | \$ 159,166 |
| 2020 | 1,678,000 | 201,860 | 695,000 | 148,823 |
| 2021 | 1,689,000 | 191,425 | 707,000 | 137,286 |
| 2022 | 1,700,000 | 180,785 | 530,000 | 319,463 |
| 2023 | 1,704,000 | 169,955 | 534,000 | 309,075 |
| 2024 - 2028 | 7,945,696 | 680,245 | 2,864,000 | 1,353,840 |
| 2029 - 2033 | 3,940,000 | 400,030 | 3,110,000 | 1,047,773 |
| 2034 - 2038 | 2,584,000 | 244,800 | 3,100,000 | 989,019 |
| 2039 - 2043 | 2,513,000 | 97,125 | 1,920,000 | 506,375 |
| Total | <u>\$ 25,421,696</u> | <u>\$ 2,378,340</u> | <u>\$ 14,145,000</u> | <u>\$ 4,970,820</u> |

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Notes to the Basic Financial Statements
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6.2 Lease Revenue Bonds—Lease revenue bonds are issued by the Municipal Building Authority of Carbon County (MBA), a blended component unit of the County. These bonds are not considered general obligations of the County but are special limited obligations payable from the lease revenues derived from the assets acquired or constructed with bond proceeds or other County appropriations.

Bond covenants require a reserve fund to be funded to reach a final amount of \$2.3 million to be used only for the payment of principal and interest on the lease revenue bonds. The County maintains and classifies these reserves as restricted cash accounts in the respective funds.

Lease revenue bond issues at December 31, 2018 consist of the following:

| Series | Purpose | Original Amount | Remaining Interest Rates to Maturity | Final Maturity Date | Current Outstanding Balance |
|----------------------------------|---|------------------------|---|----------------------------|------------------------------------|
| Governmental activities: | | | | | |
| 2001A | <i>Independent Living Center</i> | \$ 399,190 | 0.0% | 2026 | \$ 127,190 |
| 2001B | <i>Fairgrounds Exhibit</i> | 120,000 | 0.0% | 2022 | 24,000 |
| 2006A | <i>Carbonville Road</i> | 275,000 | 0.0% | 2027 | 121,000 |
| 2006B | <i>Emergency Services</i> | 2,166,000 | 0.0% | 2027 | 978,000 |
| 2006C | <i>Road Shop</i> | 1,525,000 | 0.0% | 2032 | 854,000 |
| 2006D | <i>North Springs Shooting Range</i> | 1,290,000 | 0.0% | 2027 | 575,000 |
| 2006E | <i>Fairgrounds Exhibit Building</i> | 998,000 | 0.0% | 2027 | 448,000 |
| 2006F | <i>DNR Building</i> | 2,957,506 | 0.0% | 2027 | 1,252,506 |
| 2007 | <i>Consumers Road</i> | 3,000,000 | 0.0% | 2028 | 1,500,000 |
| 2008A | <i>Carbonville & Other Road Improvements</i> | 1,000,000 | 0.0% | 2034 | 640,000 |
| 2008B | <i>Sheriff Intake & Public Safety Annex</i> | 573,000 | 0.0% | 2029 | 312,000 |
| 2008C | <i>Salt & Equipment Shed</i> | 460,000 | 0.0% | 2028 | 230,000 |
| 2010 | <i>Children's Justice Center</i> | 427,000 | 0.0% | 2040 | 315,000 |
| 2011A | <i>Fairgrounds Improvements</i> | 1,312,000 | 0.0% | 2041 | 1,004,000 |
| 2011B | <i>9 Mile Canyon Road</i> | 1,250,000 | 0.0% | 2026 | 669,000 |
| 2012 | <i>Animal Shelter</i> | 1,000,000 | 0.0% | 2042 | 802,000 |
| 2013A | <i>Carbon County Admin Building</i> | 5,745,000 | 0.0% | 2043 | 4,785,000 |
| 2013B | <i>Carbon County Admin Building</i> | 5,728,000 | 2.5% | 2043 | 5,043,000 |
| 2014 | <i>9 Mile Canyon Road Phase 2 & Salt Shed</i> | 6,980,000 | 1.5% | 2031 | 5,742,000 |
| Total governmental activities | | | | | <u>\$ 25,421,696</u> |
| Business-type activities: | | | | | |
| 2016B | <i>7th District Court</i> | 6,900,000 | 2.5% | 2041 | \$ 6,900,000 |
| 2016C | <i>7th District Court</i> | 7,245,000 | 1.5% - 2.6% | 2030 | 7,245,000 |
| Total business-type activities | | | | | <u>\$ 14,145,000</u> |

CARBON COUNTY
Notes to the Basic Financial Statements
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7. STATE RETIREMENT PLANS

7.1 Description of Plans—Eligible employees of the County are provided with the following plans through the Utah Retirement Systems (the URS) administered by the URS:

Defined Benefit Pension Plans (multiple-employer, cost-sharing retirement systems):

- *Public Employees Noncontributory Retirement System* (Tier 1 Noncontributory System)
- *Public Employees Contributory Retirement system* (Tier 1 Contributory System)
- *Public Safety Retirement System* (Tier 1 Public Safety System)
- *Tier 2 Public Employees Contributory Retirement System* (Tier 2 Contributory System)
- *Tier 2 Public Safety and Firefighter Contributory Retirement System* (Tier 2 Public Safety and Firefighter System)

Defined Contribution Plans (individual account plans):

- *401(k) Plan* (includes the Tier 2 defined contribution plan)
- *457 Plan and other individual plans*

County employees qualify for membership in the public employees systems if 1) employment normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the County as approved by the Utah State Retirement Board or 2) the employee is an appointed officer whose position is full time as certified by the County. An employee qualifies for membership in the public safety systems if employment normally requires an average of 2,080 hours of employment per year in a recognized public safety department.

The Tier 2 systems 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 systems, are members of the Tier 2 systems.

The plans are established and governed by the respective sections of Title 49 of the *Utah Code*. The plans are amended statutorily by the Utah State legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor.

The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at www.urs.org.

7.2 Benefits Provided—The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans.

Retirement benefits are determined from 1.25% to 2.50% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

7.3 Contributions—As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where

CARBON COUNTY
Notes to the Basic Financial Statements
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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.

For the year ended December 31, 2018, County required contribution rates for the plans were as follows:

| | Defined Benefit Plans Rates | | | County Rates for 401(k) Plan | Totals |
|---|------------------------------------|------------------------------------|--|---|---------------|
| | County Contribution * | Amortization of UAAL ** | Paid by County for Employee | | |
| Tier 1 Noncontributory System | 11.86% | 6.61% | - | - | 18.47% |
| Tier 1 Contributory System | 6.09% | 8.37% | 6.00% | - | 20.46% |
| Tier 1 Public Safety System | 22.80% | 12.91% | - | - | 35.71% |
| Tier 2 Contributory System | 8.93% | 6.61% | - | 1.15% | 16.69% |
| Tier 2 Public Safety and Firefighter System | 11.34% | 12.91% | - | 0.74% | 24.99% |
| Tier 2 Defined Contribution Plans: | | | | | |
| Local Government | 0.08% | 6.61% | - | 10.00% | 16.69% |
| Public Safety | 0.08% | 12.91% | - | 12.00% | 24.99% |

* County contribution includes 0.08% of covered payroll of the Tier 2 plans for death benefits.

** Required contributions include an additional amount to finance any unfunded actuarial accrued liability in the Tier 1 plans.

Employees can make contributions to defined contribution plans, up to applicable plan and Internal Revenue Code limits.

For the year ended December 31, 2018, County and employee contributions to the plans were as follows:

| | County Contributions * | Employee Contributions |
|---|-----------------------------------|-----------------------------------|
| Tier 1 Noncontributory System | \$ 578,813 | \$ - |
| Tier 1 Contributory System | 6,900 | 2,900 |
| Tier 1 Public Safety System | 544,093 | - |
| Tier 2 Contributory System | 214,843 | - |
| Tier 2 Public Safety and Firefighter System | 135,418 | - |
| Tier 2 Defined Contribution Plans: | | |
| Local Government | 12,369 | - |
| Public Safety | 12,369 | - |
| 401(k) Plan | 74,930 | 165,991 |
| 457 Plan and other individual plans | - | 53,907 |

* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.

7.4 Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions—At December 31, 2018, the County reported an asset of \$5,144 and a liability of \$4,077,661 for its proportionate share of the net pension liability (asset) for the following plans:

CARBON COUNTY
Notes to the Basic Financial Statements
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| | <u>Net Pension Asset</u> | <u>Net Pension Liability</u> |
|---|------------------------------|----------------------------------|
| Tier 1 Noncontributory System | \$ - | \$ 1,985,441 |
| Tier 1 Contributory System | - | 44,447 |
| Tier 1 Public Safety System | - | 2,035,135 |
| Tier 2 Contributory System | - | 12,638 |
| Tier 2 Public Safety and Firefighter System | <u>5,144</u> | <u>-</u> |
| Total | <u>\$ 5,144</u> | <u>\$ 4,077,661</u> |

The net pension liability (asset) was measured as of December 31, 2017, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2017, rolled-forward using generally accepted actuarial procedures. The County's proportion of the net pension liability (asset) is equal to the ratio of the County's actual contribution compared to the total of all employer contributions during the plan year. The following presents the County's proportion (percentage) of the collective net pension liability (asset) at December 31, 2017 and the change in its proportion since the prior measurement date of December 31, 2016 for each plan:

| | <u>Proportionate Share</u> | |
|---|----------------------------|---------------|
| | <u>2017</u> | <u>Change</u> |
| Tier 1 Noncontributory System | 0.4531626 % | (0.0059107)% |
| Tier 1 Contributory System | 0.5462064 % | (0.0222585)% |
| Tier 1 Public Safety System | 1.2973734 % | 0.0047399 % |
| Tier 2 Contributory System | 0.1433307 % | (0.0010480)% |
| Tier 2 Public Safety and Firefighter System | 0.4445921 % | 0.0563593 % |

For the year ended December 31, 2018, the County recognized pension expense of \$1,661,986 for the defined benefit pension plans and pension expense of \$74,930 for the defined contribution plans. At December 31, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

| <u>Deferred Outflows of Resources</u> | | | | | | |
|---|--|---|--|---|--|---------------------|
| | <u>Tier 1 Noncontributory System</u> | <u>Tier 1 Contributory System</u> | <u>Tier 1 Public Safety System</u> | <u>Tier 2 Contributory System</u> | <u>Tier 2 Public Safety and Firefighter System</u> | <u>Total</u> |
| Differences between expected and actual experience | \$ 44,288 | \$ - | \$ - | \$ 473 | \$ 2,684 | \$ 47,445 |
| Changes of assumptions | 713,161 | - | 749,413 | 17,007 | 11,264 | 1,490,845 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | - | - | 69,563 | 14,718 | 560 | 84,841 |
| Contributions subsequent to the measurement date | <u>578,813</u> | <u>6,990</u> | <u>544,093</u> | <u>227,212</u> | <u>147,787</u> | <u>1,504,895</u> |
| Total | <u>\$ 1,336,262</u> | <u>\$ 6,990</u> | <u>\$ 1,363,069</u> | <u>\$ 259,410</u> | <u>\$ 162,295</u> | <u>\$ 3,128,026</u> |

| <u>Deferred Inflows of Resources</u> | | | | | | |
|---|--|---|--|---|--|---------------------|
| | <u>Tier 1 Noncontributory System</u> | <u>Tier 1 Contributory System</u> | <u>Tier 1 Public Safety System</u> | <u>Tier 2 Contributory System</u> | <u>Tier 2 Public Safety and Firefighter System</u> | <u>Total</u> |
| Differences between expected and actual experience | \$ 121,506 | \$ - | \$ 298,487 | \$ 11,835 | \$ 15 | \$ 431,843 |
| Changes of assumptions | 46,388 | - | 28,043 | 1,279 | 440 | 76,150 |
| Net difference between projected and actual earnings on pension plan investments | 694,963 | 71,331 | 575,072 | 14,419 | 5,596 | 1,361,381 |
| Changes in proportion and differences between County contributions and proportionate share of contributions | <u>124,786</u> | <u>-</u> | <u>25,937</u> | <u>-</u> | <u>770</u> | <u>151,493</u> |
| Total | <u>\$ 987,643</u> | <u>\$ 71,331</u> | <u>\$ 927,539</u> | <u>\$ 27,533</u> | <u>\$ 6,821</u> | <u>\$ 2,020,867</u> |

CARBON COUNTY
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The \$1,504,895 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date of December 31, 2017 will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2019. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

| Deferred Outflows (Inflows) of Resources | | | | | | | |
|--|-------------------------------|----------------------------|-----------------------------|----------------------------|---|-------|-----------|
| Year Ending December 31, | Tier 1 Noncontributory System | Tier 1 Contributory System | Tier 1 Public Safety System | Tier 2 Contributory System | Tier 2 Public Safety and Firefighter System | Total | |
| 2019 | \$ 50,101 | \$ (4,279) | \$ 161,182 | \$ (1,078) | \$ (315) | \$ | 205,611 |
| 2020 | 113,594 | (6,120) | 138,759 | (1,078) | (315) | | 244,840 |
| 2021 | (149,229) | (33,264) | (203,518) | (1,266) | (364) | | (387,641) |
| 2022 | (244,660) | (27,668) | (204,986) | (3,153) | (974) | | (481,441) |
| 2023 | - | - | - | (2,671) | (797) | | (3,468) |
| Thereafter | - | - | - | 13,911 | 10,452 | | 24,363 |

7.5 Actuarial Assumptions—The total pension liability (asset) in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Inflation | 2.50% |
| Salary increases | 3.25% to 9.75%, average, including inflation |
| Investment rate of return | 6.95%, net of pension plan investment expense, including inflation |

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

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Changes of assumptions that affected measurement of the total pension liability (asset) since the prior measurement date include a decrease in the earnings assumptions from 7.20% to 6.95%, a decrease in the inflation assumption from 2.60% to 2.50%, and increases in life expectancy for most groups based on a new post retirement mortality table using actual experience. Additional changes of assumptions include a decrease to the wage inflation assumption from 3.35% to 3.25% and a decrease to the payroll growth assumption from 3.1% to 3.0%.

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

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---------------------------|--------------------------|---|
| Equity securities | 40% | 6.15% |
| Debt securities | 20% | 0.40% |
| Real assets | 15% | 5.75% |
| Private equity | 9% | 9.95% |
| Absolute return | 16% | 2.85% |
| Cash and cash equivalents | 0% | 0.00% |
| Total | <u>100%</u> | |

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

7.6 Discount Rate—The discount rate used to measure the total pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rates and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement 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 (asset). The discount rate was not changed from the prior measurement date.

7.7 Sensitivity of the County’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate—The following presents the County’s proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what the County’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

| | <u>1% Decrease (5.95%)</u> | <u>Discount Rate (6.95%)</u> | <u>1% Increase (7.95%)</u> |
|--|----------------------------|------------------------------|----------------------------|
| County's proportionate share of the net pension liability (asset): | | | |
| Tier 1 Noncontributory System | \$ 5,369,565 | \$ 1,985,441 | \$ (828,290) |
| Tier 1 Contributory System | 301,355 | 44,447 | (171,053) |
| Tier 1 Public Safety System | 5,127,626 | 2,035,135 | (471,293) |
| Tier 2 Contributory System | 148,795 | 12,638 | (92,361) |
| Tier 2 Public Safety and Firefighter System | 45,556 | (5,144) | (43,879) |
| Total | <u>\$ 10,992,897</u> | <u>\$ 4,072,517</u> | <u>\$ (1,606,876)</u> |

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

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7.9 Payables to the Pension Plans—At December 31, 2018, the County reported payables of \$68,125 for contributions to defined benefit pension plans and for contributions to defined contribution plans.

8. RISK MANAGEMENT

Property and General Liability Insurance—The County carries an all-risk commercial property policy with various deductibles for property and general losses. There were no settlements in excess of insurance coverage in any of the three prior years.

9. INTERFUND TRANSFERS

The following table provides a reconciliation of all interfund transfers for the year ended December 31, 2018:

| | Transfers Out | | Totals |
|-----------------------|----------------------|----------------------------------|---------------------|
| | General | Nonmajor Governmental | |
| Transfers in: | | | |
| Capital Projects | \$ 45,000 | \$ - | \$ 45,000 |
| Building Authority | 137,000 | 6,000 | 143,000 |
| Nonmajor governmental | 1,454,266 | 313,820 | 1,768,086 |
| Totals | <u>\$ 1,636,266</u> | <u>\$ 319,820</u> | <u>\$ 1,956,086</u> |

Transfers from the General Fund to the Capital Projects Fund, Building Authority Fund, and nonmajor governmental funds were to provide funding for a capital project, debt service payments, and to subsidize operations.

Transfers from nonmajor governmental funds to the Building Authority Fund and other nonmajor governmental funds were for debt service payments and to subsidize the costs of the fairground.

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10. DISCRETELY PRESENTED COMPONENT UNITS

10.1 Summary Financial Information—The County has two discretely presented component units. The summarized financial information as of and for the year ended December 31, 2018 are as follows:

Summary Financial Information - Component Units

As of and for the Year Ended December 31, 2018

| | Scofield Reservoir SSD | Carbon County Recreation & Transportation SSD | Total Component Units |
|---|-----------------------------------|--|----------------------------------|
| Cash and investments | \$ 182,153 | \$ 4,377,157 | \$ 4,559,310 |
| Accounts receivable | - | 105,326 | 105,326 |
| Capital assets, net of accumulated depreciation | 509,611 | 3,183,907 | 3,693,518 |
| Total assets | 691,764 | 7,666,390 | 8,358,154 |
| Deferred outflows of resources | - | 17,102 | 17,102 |
| Accounts payable and other liabilities | 5,926 | 45,201 | 51,127 |
| Bonds payable | 124,000 | - | 124,000 |
| Other noncurrent liabilities | - | 23,374 | 23,374 |
| Total liabilities | 129,926 | 68,575 | 198,501 |
| Deferred inflows of resources | - | 9,878 | 9,878 |
| Net investment in capital assets | 385,611 | 3,307,248 | 3,692,859 |
| Unrestricted | 176,227 | 4,297,791 | 4,474,018 |
| Total net position | \$ 561,838 | \$ 7,605,039 | \$ 8,166,877 |
| Charges for services | \$ 82,674 | \$ - | \$ 82,674 |
| Intergovernmental | - | 2,116,562 | 2,116,562 |
| Total revenue | 82,674 | 2,116,562 | 2,199,236 |
| Contributions to other governments | - | (3,140,704) | (3,140,704) |
| Depreciation | (35,524) | (162,987) | (198,511) |
| Other operating expenses | (51,051) | (211,792) | (262,843) |
| Total expenses | (86,575) | (3,515,483) | (3,602,058) |
| Other revenue and expenses | 1,743 | 129,206 | 130,949 |
| Nonoperating revenue (expense) | 1,743 | 129,206 | 130,949 |
| Change in net position | (2,158) | (1,269,715) | (1,271,873) |
| Net position - beginning | 563,996 | 8,874,754 | 9,438,750 |
| Net position - ending | \$ 561,838 | \$ 7,605,039 | \$ 8,166,877 |

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10.2 Scofield Reservoir Special Service District (SRSSD)— The SRSSD provides waste disposal services to the residents at Scofield Reservoir.

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

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------|--------------------|-------------|-------------------|
| Land | \$ 16,128 | \$ - | \$ - | \$ 16,128 |
| Sewer systems and improvements | 1,435,043 | - | - | 1,435,043 |
| Accumulated depreciation | (906,036) | (35,524) | - | (941,560) |
| Total capital assets being depreciated, net | 529,007 | (35,524) | - | 493,483 |
| Total SRSSD capital assets, net | <u>\$ 545,135</u> | <u>\$ (35,524)</u> | <u>\$ -</u> | <u>\$ 509,611</u> |

Debt service requirements for the SRSSD for sewer revenue bonds at December 31, 2018 are as follows:

| Years Ending December 31 | Sewer Revenue Bonds | |
|-----------------------------|---------------------|------------------|
| | Principal | Interest |
| 2019 | \$ 9,000 | \$ 1,860 |
| 2020 | 9,000 | 1,725 |
| 2021 | 9,000 | 1,590 |
| 2022 | 9,000 | 1,455 |
| 2023 | 9,000 | 1,320 |
| 2024 - 2028 | 49,000 | 4,485 |
| 2029 - 2033 | 30,000 | 900 |
| Total | <u>\$ 124,000</u> | <u>\$ 13,335</u> |

10.3 Carbon County Recreation & Transportation Special Service District (R&T)—R&T provides recreation and transportation services to the residents of the County. The R&T's investments totaling \$4.2 million are invested in the PTIF.

Capital asset activity for R&T for the year ended December 31, 2018 is as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|----------------------|---------------------|-------------|---------------------|
| Land, water stock, and easements | \$ 1,612,606 | \$ - | \$ - | \$ 1,612,606 |
| Building and improvements | 2,850,677 | 20,918 | - | 2,871,595 |
| Equipment | 848,005 | - | - | 848,005 |
| Accumulated depreciation | (1,985,312) | (162,987) | - | (2,148,299) |
| Total capital assets being depreciated, net | 1,713,370 | (142,069) | - | 1,571,301 |
| Total R&T capital assets, net | <u>\$ 3,325,976</u> | <u>\$ (142,069)</u> | <u>\$ -</u> | <u>\$ 3,183,907</u> |

CARBON COUNTY
Notes to the Basic Financial Statements
Year Ended December 31, 2018

11. SUBSEQUENT EVENT

In February 2019 the County obtained a loan from a financial institution for \$1,000,000 to be used for the Hilltop road improvement project.

12. RESTATEMENT

Certain beginning net position and fund balance amounts have been restated to reflect the correction of certain accounts and activities in accordance with generally accepted accounting principles as follows:

| | <u>Major Funds</u> | | | | | | <u>Nonmajor Governmental Funds</u> |
|---|------------------------------------|---------------------|--|-------------------------------|-----------------------------|-------------------------------|--|
| | <u>Governmental Activities</u> | <u>General</u> | <u>Southeastern Utah Health District</u> | <u>Municipal Services</u> | <u>Capital Projects</u> | <u>Building Authority</u> | |
| Net position / fund balance as originally stated at December 31, 2017 | \$ 144,375,345 | \$ 2,647,632 | \$ 1,254,118 | \$ 5,890,695 | \$ 1,045,204 | \$ 2,466,295 | \$ 4,231,483 |
| Record delinquent property taxes | 367,392 | 354,560 | - | 12,832 | - | - | - |
| Correct account receivable balance | (1,186,752) | - | - | - | - | (1,186,752) | - |
| Remove Southeastern Utah District Health as a component unit | (1,243,014) | - | (1,254,118) | - | - | - | - |
| Record entire bond proceeds for the 2016 series bonds | - | - | - | - | - | 7,830,680 | - |
| Record grant revenue for administration building | 613,904 | - | - | - | - | 613,904 | - |
| Remove permanent fund | - | 2,445,557 | - | - | - | - | (2,445,557) |
| Record deferred inflows of resources for unavailable property tax revenue | - | (354,560) | - | (12,832) | - | - | - |
| Net position / fund balance as restated at December 31, 2017 | <u>\$ 142,926,875</u> | <u>\$ 5,093,189</u> | <u>\$ -</u> | <u>\$ 5,890,695</u> | <u>\$ 1,045,204</u> | <u>\$ 9,724,127</u> | <u>\$ 1,785,926</u> |

Required Supplementary Information

CARBON COUNTY

Schedules of the County's Proportionate Share of the Net Pension Liability (Asset)

Utah Retirement Systems

Last Four Plan (Calendar) Years

| | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|---|--------------|--------------|--------------|--------------|
| Tier 1 Noncontributory System: | | | | |
| County's proportion of the net pension liability (asset) | 0.4531626% | 0.4590733% | 0.4866865% | 0.5005300% |
| County's proportionate share of the net pension liability (asset) | \$ 1,985,441 | \$ 2,947,812 | \$ 2,753,909 | \$ 2,173,419 |
| County's covered payroll | \$ 3,671,089 | \$ 3,784,293 | \$ 3,975,087 | \$ 4,197,266 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 54.1% | 77.9% | 69.3% | 51.8% |
| Plan fiduciary net position as a percentage of the total pension liability | 91.9% | 87.3% | 87.8% | 90.2% |
| Tier 1 Contributory System: | | | | |
| County's proportion of the net pension liability (asset) | 0.5462064% | 0.5684649% | 0.5325152% | 0.6765446% |
| County's proportionate share of the net pension liability (asset) | \$ 44,447 | \$ 186,520 | \$ 374,281 | \$ 195,145 |
| County's covered payroll | \$ 110,834 | \$ 136,396 | \$ 226,898 | \$ 361,871 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 40.1% | 136.7% | 165.0% | 53.9% |
| Plan fiduciary net position as a percentage of the total pension liability | 98.2% | 92.9% | 85.7% | 94.0% |
| Tier 1 Public Safety System: | | | | |
| County's proportion of the net pension liability (asset) | 1.2973734% | 1.2926335% | 0.5325152% | 1.1642284% |
| County's proportionate share of the net pension liability (asset) | \$ 2,035,135 | \$ 2,623,110 | \$ 374,281 | \$ 1,464,114 |
| County's covered payroll | \$ 1,798,176 | \$ 1,802,630 | \$ 226,898 | \$ 1,738,824 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 113.2% | 145.5% | 165.0% | 84.2% |
| Plan fiduciary net position as a percentage of the total pension liability | 90.2% | 86.5% | 87.1% | 90.5% |
| Tier 2 Contributory System: | | | | |
| County's proportion of the net pension liability (asset) | 0.1433307% | 0.1443787% | 0.1402243% | 0.1147323% |
| County's proportionate share of the net pension liability (asset) | \$ 12,738 | \$ 16,105 | \$ (306) | \$ (3,477) |
| County's covered payroll | \$ 1,403,718 | \$ 1,184,023 | \$ 906,014 | \$ 562,914 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | 0.9% | 1.4% | 0.0% | -0.6% |
| Plan fiduciary net position as a percentage of the total pension liability | 97.4% | 95.1% | 100.2% | 103.5% |
| Tier 2 Public Safety and Firefighter System: | | | | |
| County's proportion of the net pension liability (asset) | 0.4459210% | 0.3882328% | 0.3470058% | 0.2549850% |
| County's proportionate share of the net pension liability (asset) | \$ (5,144) | \$ (3,370) | \$ (5,070) | \$ (3,772) |
| County's covered payroll | \$ 469,346 | \$ 320,766 | \$ 206,537 | \$ 105,496 |
| County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | -1.1% | -1.1% | -2.5% | -3.6% |
| Plan fiduciary net position as a percentage of the total pension liability | 103.0% | 103.6% | 100.7% | 120.5% |

CARBON COUNTY
Schedules of County Contributions
Utah Retirement Systems
Last Four Reporting (Fiscal) Years

| | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|------------------|------------------|------------------|------------------|
| Tier 1 Noncontributory System: | | | | |
| Contractually required contribution | \$ 578,813 | \$ 669,840 | \$ 691,340 | \$ 726,887 |
| Contributions in relation to the contractually required contribution | <u>(578,813)</u> | <u>(669,840)</u> | <u>(691,340)</u> | <u>(726,887)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 3,196,658 | \$ 3,680,551 | \$ 3,785,655 | \$ 3,972,250 |
| Contributions as a percentage of covered payroll | 18.1% | 18.2% | 18.3% | 18.3% |
| Tier 1 Contributory System: | | | | |
| Contractually required contribution | \$ 6,990 | \$ 16,059 | \$ 19,723 | \$ 32,809 |
| Contributions in relation to the contractually required contribution | <u>(6,990)</u> | <u>(16,059)</u> | <u>(19,723)</u> | <u>(32,809)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 48,337 | \$ 111,060 | \$ 136,396 | \$ 226,898 |
| Contributions as a percentage of covered payroll | 14.5% | 14.5% | 14.5% | 14.5% |
| Tier 1 Public Safety System: | | | | |
| Contractually required contribution | \$ 544,093 | \$ 618,689 | \$ 624,186 | \$ 647,778 |
| Contributions in relation to the contractually required contribution | <u>(544,093)</u> | <u>(618,689)</u> | <u>(624,186)</u> | <u>(647,778)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 1,591,154 | \$ 1,801,425 | \$ 1,802,630 | \$ 1,879,970 |
| Contributions as a percentage of covered payroll | 34.2% | 34.3% | 34.6% | 34.5% |
| Tier 2 Contributory System: | | | | |
| Contractually required contribution | \$ 214,843 | \$ 211,197 | \$ 176,319 | \$ 135,769 |
| Contributions in relation to the contractually required contribution | <u>(214,843)</u> | <u>(211,197)</u> | <u>(176,319)</u> | <u>(135,769)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 1,400,888 | \$ 1,408,625 | \$ 1,184,023 | \$ 909,825 |
| Contributions as a percentage of covered payroll | 15.3% | 15.0% | 14.9% | 14.9% |
| Tier 2 Public Safety System: | | | | |
| Contractually required contribution | \$ 135,418 | \$ 111,216 | \$ 75,595 | \$ 48,909 |
| Contributions in relation to the contractually required contribution | <u>(135,418)</u> | <u>(111,216)</u> | <u>(75,595)</u> | <u>(48,909)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 564,195 | \$ 470,645 | \$ 320,766 | \$ 206,537 |
| Contributions as a percentage of covered payroll | 24.0% | 23.6% | 23.6% | 23.7% |
| Tier 2 Defined Contribution Plan - Local Government: | | | | |
| Contractually required contribution | \$ 12,369 | \$ 16,365 | \$ 14,262 | \$ 14,292 |
| Contributions in relation to the contractually required contribution | <u>(12,369)</u> | <u>(16,365)</u> | <u>(14,262)</u> | <u>(14,292)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered payroll | \$ 168,743 | \$ 244,626 | \$ 213,176 | \$ 213,152 |
| Contributions as a percentage of covered payroll | 7.3% | 6.7% | 6.7% | 6.7% |

CARBON COUNTY
Notes to Required Supplementary Information
Year Ended December 31, 2018

- A. Schedules of the County's Proportional Share of the Net Pension Liability (Asset)-Utah Retirement Systems** – These schedules only present information for the 2014 and subsequent measurement periods of the plans; prior-year information is not available.
- B. Schedules of County Contributions-Utah Retirement Systems** – These schedules only present information for the County's 2015 and subsequent reporting periods; prior-year information is not available. Contributions as a percentage of covered payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. Also rate changes occur each July 1. A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.
- C. Changes in Assumptions-Utah Retirement Systems**

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The assumed investment return decreased from 7.20% to 6.95%.
- The assumed inflation rate decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%.

Amounts reported in plan year 2016 reflect the following assumption changes adopted from the January 1, 2016 valuation:

- The assumed investment return decreased from 7.50% to 7.20%.
- The assumed inflation rate decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted from the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The rate of salary increases assumption for most groups was modified.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- The post retirement mortality assumption showed an improvement.
- Minor adjustments to the preretirement mortality assumption were made.
- Certain demographic assumptions were changed that generally resulted in 1) an increase in members anticipated to terminate employment prior to retirement, 2) a slight decrease in members expected to become disabled, and 3) a slight increase in the expected age of retirement.

Supplementary Information

CARBON COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

General Fund

Year Ended December 31, 2018

| | 2018 | | |
|-------------------------------|--------------|---------------|---------------------------------------|
| | Final | Actual | Variance with Final Budget |
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 7,377,168 | \$ 7,046,708 | \$ (330,460) |
| Sales taxes | 1,007,000 | 1,066,536 | 59,536 |
| Total taxes | 8,384,168 | 8,113,244 | (270,924) |
| Licenses and permits | 84,500 | 49,777 | (34,723) |
| Grants and contributions | 4,155,841 | 3,781,453 | (374,388) |
| Charges for services | 1,410,100 | 1,530,655 | 120,555 |
| Fines and forfeitures | 299,000 | 388,608 | 89,608 |
| Royalties | 609,966 | 2,411,823 | 1,801,857 |
| Interest, rents, and other | 530,465 | 757,474 | 227,009 |
| Total revenues | 15,474,040 | 17,033,034 | 1,558,994 |
| Expenditures: | | | |
| Current: | | | |
| General government: | | | |
| Commission | 356,080 | 352,519 | 3,561 |
| District court | 6,000 | 1,466 | 4,534 |
| Justice court | 310,360 | 301,197 | 9,163 |
| Public defender | 381,000 | 365,386 | 15,614 |
| Central purchasing | 6,000 | 5,413 | 587 |
| Personnel | 205,920 | 176,969 | 28,951 |
| Data processing | 711,900 | 701,339 | 10,561 |
| Central mailing | 36,000 | 33,931 | 2,069 |
| Communications | 47,000 | 42,038 | 4,962 |
| Clerk / Auditor | 323,000 | 322,838 | 162 |
| Treasurer | 194,480 | 185,318 | 9,162 |
| Recorder | 190,910 | 170,964 | 19,946 |
| Attorney | 1,027,920 | 954,343 | 73,577 |
| Assessor | 398,820 | 402,083 | (3,263) |
| Attorney - children's justice | 557,100 | 466,133 | 90,967 |
| Nondepartmental | 583,000 | 533,112 | 49,888 |
| Buildings and grounds | 291,960 | 289,173 | 2,787 |
| Engineering | 167,480 | 157,258 | 10,222 |
| Safety | 84,000 | 83,971 | 29 |
| Elections | 26,000 | 18,668 | 7,332 |
| Total general government | 5,904,930 | 5,564,119 | 340,811 |
| Public safety: | | | |
| Sheriff | 1,995,091 | 1,996,786 | (1,695) |
| Victims rights | 78,608 | 76,106 | 2,502 |
| Emergency management | 914,660 | 660,806 | 253,854 |
| Drug court - tracking | 168,280 | 160,990 | 7,290 |
| Ambulance service | 1,053,540 | 946,854 | 106,686 |

CARBON COUNTY

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Continued)

General Fund

Year Ended December 31, 2018

| | | | |
|---|----------------------------|----------------------------|----------------------------|
| Jail complex | 2,432,280 | 2,553,727 | (121,447) |
| Total public safety | <u>6,642,459</u> | <u>6,395,269</u> | <u>247,190</u> |
| Public health: | | | |
| Public health | 128,000 | 127,045 | 955 |
| Mental health | 164,000 | 163,695 | 305 |
| Indigent | <u>10,000</u> | <u>7,200</u> | <u>2,800</u> |
| Total public health | 302,000 | 297,940 | 4,060 |
| Highways and public improvements: | | | |
| Landfill | 347,000 | 263,714 | 83,286 |
| Maintenance and abatement | <u>277,720</u> | <u>223,061</u> | <u>54,659</u> |
| Total highways and public improvements | 624,720 | 486,775 | 137,945 |
| Parks and recreation: | | | |
| Recreation | 211,000 | 206,034 | 4,966 |
| Library | <u>32,000</u> | <u>30,529</u> | <u>1,471</u> |
| Total parks and recreation | 243,000 | 236,563 | 6,437 |
| Conservation and economic development: | | | |
| Agricultural and extension services | 64,865 | 61,365 | 3,500 |
| Contributions | <u>237,500</u> | <u>236,652</u> | <u>848</u> |
| Total expenditures | <u>14,019,474</u> | <u>13,278,683</u> | <u>740,791</u> |
| Excess of revenues over expenditures | 1,454,566 | 3,754,351 | 2,299,785 |
| Other financing sources (uses): | | | |
| Proceeds from sale of capital assets | 46,100 | 75,845 | 29,745 |
| Transfers out | <u>(1,500,666)</u> | <u>(1,636,266)</u> | <u>(135,600)</u> |
| Total other financing sources (uses) | <u>(1,454,566)</u> | <u>(1,560,421)</u> | <u>(105,855)</u> |
| Net change in fund balances | - | 2,193,930 | 2,193,930 |
| Fund balances - beginning, as restated | <u>5,093,189</u> | <u>5,093,189</u> | <u>-</u> |
| Fund balances - ending | <u><u>\$ 5,093,189</u></u> | <u><u>\$ 7,287,119</u></u> | <u><u>\$ 2,193,930</u></u> |

CARBON COUNTY

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Municipal Services Fund
Year Ended December 31, 2018**

| | 2018 | | |
|--|---------------------|---------------------|---------------------------------------|
| | Final | Actual | Variance With Final Budget |
| Revenues: | | | |
| Taxes: | | | |
| Property taxes | \$ 346,000 | \$ 326,095 | \$ (19,905) |
| Sales taxes | 1,380,000 | 1,817,729 | 437,729 |
| Total taxes | 1,726,000 | 2,143,824 | 417,824 |
| Licenses and permits | 96,000 | 131,685 | 35,685 |
| Grants and contributions | 2,461,972 | 2,612,004 | 150,032 |
| Charges for services | 18,000 | 17,427 | (573) |
| Interest, rents, and other | 109,000 | 124,824 | 15,824 |
| Total revenues | 4,410,972 | 5,029,764 | 618,792 |
| Expenditures: | | | |
| Current: | | | |
| General government: | | | |
| Planning and zoning | 104,480 | 103,763 | 717 |
| Public safety: | | | |
| Wildland fire suppression | 835,944 | 834,987 | 957 |
| Range fire department | 132,850 | 97,269 | 35,581 |
| Search and rescue | 59,000 | 54,778 | 4,222 |
| Building inspection | 146,460 | 141,153 | 5,307 |
| Public lands | 22,450 | 20,273 | 2,177 |
| Predator control | 14,000 | 7,000 | 7,000 |
| Animal control | 179,840 | 166,339 | 13,501 |
| Total public safety | 1,390,544 | 1,321,799 | 68,745 |
| Highways and public improvements: | | | |
| Street lighting | 31,000 | 30,195 | 805 |
| Highway - class B | 2,323,000 | 2,194,338 | 128,662 |
| Highway - general | 1,403,112 | 1,340,700 | 62,412 |
| Total highways and public improvements | 3,757,112 | 3,565,233 | 191,879 |
| Parks and recreation | 4,000 | - | 4,000 |
| Total expenditures | 5,256,136 | 4,990,795 | 265,341 |
| Excess (deficiency) of revenues over (under) expenditures / net change in fund balances | (845,164) | 38,969 | 353,451 |
| Fund balances - beginning | 5,890,695 | 5,890,695 | - |
| Fund balances - ending | \$ 5,045,531 | \$ 5,929,664 | \$ 353,451 |

CARBON COUNTY

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects Fund
Year Ended December 31, 2018**

| | 2018 | | |
|---|-------------------|-------------------|---------------------------------------|
| | Final | Actual | Variance With Final Budget |
| Revenues: | | | |
| Grants and contributions | \$ 6,045,000 | \$ 3,431,541 | \$ (2,613,459) |
| Expenditures: | | | |
| Capital outlay | 6,376,100 | 3,886,591 | 2,489,509 |
| Deficiency of revenues under expenditures | (331,100) | (455,050) | (123,950) |
| Other financing sources (uses): | | | |
| Transfer in | 45,000 | 45,000 | - |
| Net change in fund balances | (410,050) | (410,050) | (123,950) |
| Fund balances - beginning | 1,045,204 | 1,045,204 | - |
| Fund balances - ending | <u>\$ 635,154</u> | <u>\$ 635,154</u> | <u>\$ (123,950)</u> |

CARBON COUNTY

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Building Authority Fund
Year Ended December 31, 2018**

| | 2018 | | |
|--|---------------------|-------------------|---------------------------------------|
| | Final | Actual | Variance With Final Budget |
| Revenues: | | | |
| Grants and contributions | \$ 1,040,500 | \$ 1,079,184 | \$ 38,684 |
| Interest, rents, and other | 477,000 | 304,305 | (172,695) |
| Total revenues | 1,517,500 | 1,383,489 | (134,011) |
| Expenditures: | | | |
| Capital outlay | 8,722,000 | 8,232,206 | 489,794 |
| Debt service: | | | |
| Principal retirement | 1,651,000 | 1,651,000 | - |
| Interest | 446,000 | 387,331 | 58,669 |
| Total expenditures | 10,819,000 | 10,270,537 | 548,463 |
| Deficiency of revenues under expenditures | (9,301,500) | (8,887,048) | 414,452 |
| Other financing sources (uses): | | | |
| Proceeds from bond issuance | 8,632,000 | - | (8,632,000) |
| Net change in fund balances | (669,500) | (8,887,048) | (8,217,548) |
| Fund balances - beginning , as restated | 9,724,127 | 9,724,127 | - |
| Fund balances - ending | <u>\$ 9,054,627</u> | <u>\$ 837,079</u> | <u>\$ (8,217,548)</u> |

CARBON COUNTY

**Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018**

| | Special Revenue Funds | | | | | |
|--|---|-------------------------|--|--------------------------------|----------------------------------|-------------------------------------|
| | Castle Country Travel Bureau | Fair Grounds | Carbon Leisure Services | Emergency Telephone | Carbon County RDA | Carbon County Future |
| Assets: | | | | | | |
| Cash and investments | \$ 528,137 | \$ 59,989 | \$ 165,503 | \$ 108,978 | \$ 627,555 | \$ 55,552 |
| Receivables: | | | | | | |
| Accounts | 32,591 | 1,737 | - | - | - | - |
| Total assets | <u>\$ 560,728</u> | <u>\$ 61,726</u> | <u>\$ 165,503</u> | <u>\$ 108,978</u> | <u>\$ 627,555</u> | <u>\$ 55,552</u> |
| Liabilities: | | | | | | |
| Accounts and contracts payable | \$ 159,355 | \$ 17,512 | \$ 14,977 | \$ - | \$ - | \$ 30,188 |
| Accrued salaries and benefits | 1,870 | 6,145 | 11,032 | - | - | 1,902 |
| Total liabilities | 161,225 | 23,657 | 26,009 | - | - | 32,090 |
| Fund balances: | | | | | | |
| Restricted for: | | | | | | |
| Public health | - | - | - | - | - | - |
| Conservation and economic development | 399,503 | - | - | - | 627,555 | 23,462 |
| Assigned | - | 38,069 | 139,494 | 108,978 | - | - |
| Total fund balances | <u>399,503</u> | <u>38,069</u> | <u>139,494</u> | <u>108,978</u> | <u>627,555</u> | <u>23,462</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 560,728</u> | <u>\$ 61,726</u> | <u>\$ 165,503</u> | <u>\$ 108,978</u> | <u>\$ 627,555</u> | <u>\$ 55,552</u> |

CARBON COUNTY

**Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
December 31, 2018**

| | <u>Special Revenue Funds</u> | | | Total Nonmajor Governmental Funds |
|--|------------------------------|------------------|------------------|--|
| | <u>Council on Aging</u> | <u>Nutrition</u> | <u>Airport</u> | |
| Assets: | | | | |
| Cash and investments | \$ 332,306 | \$ 56,755 | \$ 44,845 | \$ 1,979,620 |
| Receivables: | | | | |
| Accounts | 7,965 | 25,908 | 11,299 | 79,500 |
| Total assets | <u>\$ 340,271</u> | <u>\$ 82,663</u> | <u>\$ 56,144</u> | <u>\$ 2,059,120</u> |
| Liabilities: | | | | |
| Accounts payable | \$ 3,357 | \$ 5,441 | \$ 38,574 | \$ 269,404 |
| Accrued expenditures | 7,902 | 15,572 | - | 44,423 |
| Total liabilities | 11,259 | 21,013 | 38,574 | 313,827 |
| Fund balances: | | | | |
| Restricted for: | | | | |
| Public health | 329,012 | 61,650 | - | 390,662 |
| Conservation and economic development | - | - | - | 1,050,520 |
| Assigned | - | - | 17,570 | 304,111 |
| Total fund balances | <u>329,012</u> | <u>61,650</u> | <u>17,570</u> | <u>1,745,293</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 340,271</u> | <u>\$ 82,663</u> | <u>\$ 56,144</u> | <u>\$ 2,059,120</u> |

CARBON COUNTY

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2018**

| | Special Revenue Funds | | | | | |
|--|------------------------------------|-----------------|-------------------------------|------------------------|-------------------------|----------------------------|
| | Castle Country Travel Bureau | Fair Grounds | Carbon Leisure Services | Emergency Telephone | Carbon County RDA | Carbon County Future |
| Revenues: | | | | | | |
| Sales taxes | \$ 259,451 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transient room taxes | 280,466 | - | - | - | - | - |
| Grants and contributions | 13,730 | - | - | - | - | - |
| Charges for services | - | 101,213 | 206,891 | - | - | - |
| Interest, rents, and other | 5,250 | - | - | 472 | - | - |
| Total revenues | 558,897 | 101,213 | 206,891 | 472 | - | - |
| Expenditures: | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | 3,760 | - | - |
| Public health | - | - | - | - | - | - |
| Highways and public improvements | - | - | - | - | - | - |
| Parks and recreation | - | 601,960 | 517,234 | - | - | - |
| Conservation and economic development | 344,798 | - | - | - | - | 78,843 |
| Total expenditures | 344,798 | 601,960 | 517,234 | 3,760 | - | 78,843 |
| Excess (deficiency) of revenues over (under) expenditures | 214,099 | (500,747) | (310,343) | (3,288) | - | (78,843) |
| Other financing sources (uses): | | | | | | |
| Transfers in | - | 536,760 | 332,370 | - | - | 72,000 |
| Transfers out | (313,820) | (6,000) | - | - | - | - |
| Total other financing sources (uses) | (313,820) | 530,760 | 332,370 | - | - | 72,000 |
| Net change in fund balances | (99,721) | 30,013 | 22,027 | (3,288) | - | (6,843) |
| Fund balances - beginning | 499,224 | 8,056 | 117,467 | 112,266 | 627,555 | 30,305 |
| Fund balances - ending | \$ 399,503 | \$ 38,069 | \$ 139,494 | \$ 108,978 | \$ 627,555 | \$ 23,462 |

CARBON COUNTY

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
Year Ended December 31, 2018

| | Special Revenue Funds | | | Total Nonmajor Governmental Funds |
|--|-----------------------|-----------|-----------|--|
| | Council on Aging | Nutrition | Airport | |
| Revenues: | | | | |
| Sales taxes | \$ - | \$ - | \$ 2,328 | \$ 261,779 |
| Transient room taxes | - | - | - | 280,466 |
| Grants and contributions | 50,245 | 149,948 | - | 213,923 |
| Charges for services | - | - | - | 308,104 |
| Interest, rents, and other | 14,198 | 81,516 | 27,093 | 128,529 |
| Total revenues | 64,443 | 231,464 | 29,421 | 1,192,801 |
| Expenditures: | | | | |
| Current: | | | | |
| General government | - | - | - | 3,760 |
| Public health | 289,256 | 664,041 | - | 953,297 |
| Highways and public improvements | - | - | 181,808 | 181,808 |
| Parks and recreation | - | - | - | 1,119,194 |
| Conservation and economic development | - | - | - | 423,641 |
| Total expenditures | 289,256 | 664,041 | 181,808 | 2,681,700 |
| Excess (deficiency) of revenues over (under) expenditures | (224,813) | (432,577) | (152,387) | (1,488,899) |
| Other financing sources (uses): | | | | |
| Transfers in | 239,735 | 419,221 | 168,000 | 1,768,086 |
| Transfers out | - | - | - | (319,820) |
| Total other financing sources (uses) | 239,735 | 419,221 | 168,000 | 1,448,266 |
| Net change in fund balances | 14,922 | (13,356) | 15,613 | (40,633) |
| Fund balances - beginning | 314,090 | 75,006 | 1,957 | 1,785,926 |
| Fund balances - ending | \$ 329,012 | \$ 61,650 | \$ 17,570 | \$ 1,745,293 |

CARBON COUNTY

**Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2018**

| | Treasurer's Tax Collection Agency Fund | Southeastern Utah Health Agency Fund | Four Corners Community Behavioral Health Agency Fund | District and Precinct Court Agency Fund | Total |
|-------------------------------------|---|---|---|--|---------------------|
| Assets: | | | | | |
| Cash and investments | \$ 4,286,042 | \$ 1,364,086 | \$ 1,144,888 | \$ 69,720 | \$ 6,864,736 |
| Accounts receivable | - | 63,152 | 607,395 | 5,753 | 676,300 |
| Total assets | <u>\$ 4,286,042</u> | <u>\$ 1,427,238</u> | <u>\$ 1,752,283</u> | <u>\$ 75,473</u> | <u>\$ 7,541,036</u> |
| Liabilities: | | | | | |
| Accounts payable | \$ - | \$ - | \$ 602,200 | \$ 36,685 | \$ 638,885 |
| Due to other governments and others | 4,286,042 | 1,427,238 | 1,150,083 | 38,788 | 6,902,151 |
| Total liabilities | <u>\$ 4,286,042</u> | <u>\$ 1,427,238</u> | <u>\$ 1,752,283</u> | <u>\$ 75,473</u> | <u>\$ 7,541,036</u> |

CARBON COUNTY

**Combining Statement of Changes in Assets and Liabilities
Agency Funds
Year Ended December 31, 2018**

| | <u>Balance at December 31, 2017</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balance at December 31, 2018</u> |
|---|---|----------------------|------------------------|---|
| Treasurer's Tax Collection Agency Fund | | | | |
| Assets - cash and investments | \$ 3,397,609 | \$ 18,610,625 | \$ (17,722,192) | \$ 4,286,042 |
| Liabilities - payable to other governments | \$ 3,397,609 | \$ 18,610,625 | \$ (17,722,192) | \$ 4,286,042 |
| Southeastern Utah Health Agency Fund | | | | |
| Cash and investments | \$ 1,089,030 | \$ 7,568,233 | \$ (7,293,177) | \$ 1,364,086 |
| Accounts receivable | 208,718 | 63,152 | (208,718) | 63,152 |
| Total assets | <u>\$ 1,297,748</u> | <u>\$ 7,631,385</u> | <u>\$ (7,501,895)</u> | <u>\$ 1,427,238</u> |
| Accounts payable | \$ 74,598 | \$ 2,514,674 | \$ (2,589,272) | \$ - |
| Payable to other governments | 1,223,150 | 4,907,993 | (4,703,905) | 1,427,238 |
| Total liabilities | <u>\$ 1,297,748</u> | <u>\$ 7,422,667</u> | <u>\$ (7,293,177)</u> | <u>\$ 1,427,238</u> |
| Four Corners Community Behavioral Health Agency Fund | | | | |
| Cash and investments | \$ 893,134 | \$ 7,817,028 | \$ (7,565,274) | \$ 1,144,888 |
| Accounts receivable | 129,033 | 607,395 | (129,033) | 607,395 |
| Total assets | <u>\$ 1,022,167</u> | <u>\$ 8,424,423</u> | <u>\$ (7,694,307)</u> | <u>\$ 1,752,283</u> |
| Accounts payable | \$ 430,974 | \$ 3,785,835 | \$ (3,614,609) | \$ 602,200 |
| Payable to other governments | 591,193 | 4,509,555 | (3,950,665) | 1,150,083 |
| Total liabilities | <u>\$ 1,022,167</u> | <u>\$ 8,295,390</u> | <u>\$ (7,565,274)</u> | <u>\$ 1,752,283</u> |
| District and Precinct Court Agency Fund | | | | |
| Cash and investments | \$ 59,941 | \$ 1,098,847 | \$ (1,089,068) | \$ 69,720 |
| Accounts receivable | 5,753 | - | - | 5,753 |
| Total assets | <u>\$ 65,694</u> | <u>\$ 1,098,847</u> | <u>\$ (1,089,068)</u> | <u>\$ 75,473</u> |
| Accounts payable | \$ 40,085 | \$ 503,275 | \$ (506,675) | \$ 36,685 |
| Payable to other governments | 25,609 | 595,572 | (582,393) | 38,788 |
| Total liabilities | <u>\$ 65,694</u> | <u>\$ 1,098,847</u> | <u>\$ (1,089,068)</u> | <u>\$ 75,473</u> |
| Totals - All Agency Funds | | | | |
| Cash and investments | \$ 5,439,714 | \$ 35,094,733 | \$ (33,669,711) | \$ 6,864,736 |
| Accounts receivable | 343,504 | 670,547 | (337,751) | 676,300 |
| Total assets | <u>\$ 5,783,218</u> | <u>\$ 35,765,280</u> | <u>\$ (34,007,462)</u> | <u>\$ 7,541,036</u> |
| Accounts payable | \$ 545,657 | \$ 6,803,784 | \$ (6,710,556) | \$ 638,885 |
| Payable to other governments | 5,237,561 | 28,623,745 | (26,959,155) | 6,902,151 |
| Total liabilities | <u>\$ 5,783,218</u> | <u>\$ 35,427,529</u> | <u>\$ (33,669,711)</u> | <u>\$ 7,541,036</u> |

CARBON COUNTY

**Schedule of Taxes Charged, Collected, and Disbursed
Year Ended December 31, 2018**

| Taxing Entities | Year-end Taxable Value | 2018 Tax Rate (1) | Taxes Charged |
|--|---------------------------|----------------------|------------------|
| County Funds: | | | |
| General Operations | \$ 1,725,614,252 | 0.003223 | \$ 5,562,368 |
| Health | 1,725,614,252 | 0.000156 | 269,086 |
| Multicounty Assessing and Collecting | 1,725,614,252 | 0.000009 | 15,640 |
| County Assessing and Collecting | 1,725,614,252 | 0.000548 | 945,089 |
| Municipal Services Fund | 1,059,855,436 | 0.000296 | 313,288 |
| Total County funds | | | 7,105,471 |
| Other Taxing Entities: | | | |
| Carbon County School District - Basic Levy | 1,725,614,252 | 0.001660 | 2,864,139 |
| Carbon County School District - GO Bond Payments | 1,725,614,252 | 0.000503 | 868,203 |
| Carbon County School District - Capital Local Levy | 1,725,614,252 | 0.001856 | 3,202,932 |
| Carbon County School District - Voted Local Levy | 1,725,614,252 | 0.001107 | 1,911,104 |
| Carbon County School District - Board Local Levy | 1,725,614,252 | 0.002748 | 4,742,399 |
| Carbon County School District - Charter School Levy | 1,725,614,252 | 0.000186 | 321,594 |
| East Carbon - Sunnyside | 83,988,610 | 0.007393 | 620,891 |
| Helper City | 88,640,110 | 0.003053 | 270,612 |
| Price City | 422,764,017 | 0.002087 | 882,450 |
| Scofield Town | 9,085,792 | 0.002213 | 20,104 |
| Wellington City | 61,308,492 | 0.002828 | 173,392 |
| Carbon Water Conservancy District | 1,725,614,252 | 0.000159 | 274,263 |
| Price River Water Improvement District - Tort Liability | 1,091,790,629 | 0.000082 | 89,377 |
| Price River Water Improvement District - County Improvement District | 1,091,790,629 | 0.000729 | 795,887 |
| Total other taxing entities | | | 17,037,347 |
| Total all taxing entities | | | \$ 24,142,818 |

(1) Represents a blended tax rate comprised of current year tax rate on real property and prior year tax rate on personal property.

(Continued)

CARBON COUNTY

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)
Year Ended December 31, 2018**

| Taxing Entities | Auditor's and Treasurer's Relief | | | Total |
|--|----------------------------------|------------|-----------|--------------|
| | Unpaid Taxes | Abatements | Other | |
| County Funds: | | | | |
| General Operations | \$ 392,756 | \$ 50,112 | \$ 4,519 | \$ 447,387 |
| Health | 18,998 | 2,424 | 219 | 21,641 |
| Multicounty Assessing and Collecting | 1,096 | 140 | 13 | 1,249 |
| County Assessing and Collecting | 66,738 | 8,515 | 768 | 76,021 |
| Municipal Services Fund | 20,165 | 1,943 | 415 | 22,523 |
| Total County funds | 499,753 | 63,134 | 5,934 | 568,821 |
| Other Taxing Entities: | | | | |
| Carbon County School District - Basic Levy | 202,893 | 25,887 | 2,334 | 231,114 |
| Carbon County School District - GO Bond Payments | 61,258 | 7,816 | 705 | 69,779 |
| Carbon County School District - Capital Local Levy | 226,154 | 28,855 | 2,602 | 257,611 |
| Carbon County School District - Voted Local Levy | 134,937 | 17,217 | 1,552 | 153,706 |
| Carbon County School District - Board Local Levy | 334,786 | 42,716 | 3,852 | 381,354 |
| Carbon County School District - Charter School Levy | 22,774 | 2,906 | 262 | 25,942 |
| East Carbon - Sunnyside | 64,281 | 5,868 | - | 70,149 |
| Helper City | 37,242 | 4,496 | - | 41,738 |
| Price City | 55,951 | 12,750 | - | 68,701 |
| Scofield Town | 1,626 | 60 | - | 1,686 |
| Wellington City | 14,784 | 1,622 | - | 16,406 |
| Carbon Water Conservancy District | 19,364 | 2,471 | 223 | 22,058 |
| Price River Water Improvement District - Tort Liability | 6,397 | 1,207 | 114 | 7,718 |
| Price River Water Improvement District - County Improvement District | 56,951 | 10,744 | 1,015 | 68,710 |
| Total other taxing entities | 1,239,398 | 164,615 | 12,659 | 1,416,672 |
| Total all taxing entities | \$ 1,739,151 | \$ 227,749 | \$ 18,593 | \$ 1,985,493 |

(Continued)

CARBON COUNTY

**Schedule of Taxes Charged, Collected, and Disbursed (Continued)
Year Ended December 31, 2018**

| Taxing Entities | Taxes Collected | Collection Percentage (2) | Reallocation of Personal Property | Motor Vehicle Fees | Miscellaneous |
|---|------------------------|----------------------------------|--|---------------------------|----------------------|
| County Funds: | | | | | |
| General Operations | \$ 5,114,981 | 92.1066% | \$ - | \$ 339,703 | \$ 20,088 |
| Health | 247,445 | 92.8698% | - | 16,432 | 972 |
| Multicounty Assessing and Collecting | 14,391 | 92.9231% | - | 1,062 | 53 |
| County Assessing and Collecting | 869,068 | 92.8684% | - | 57,640 | 3,350 |
| Municipal Services Fund | 290,765 | 93.5146% | - | 22,191 | 883 |
| Total County funds | 6,536,650 | | - | 437,028 | 25,346 |
| Other Taxing Entities: | | | | | |
| Carbon County School District - Basic Levy | 2,633,025 | 92.8456% | - | 173,779 | 10,059 |
| Carbon County School District - GO Bond Payments | 798,424 | 92.8743% | - | 52,467 | 3,037 |
| Carbon County School District - Capital Local Levy | 2,945,321 | 92.8691% | - | 193,702 | 11,213 |
| Carbon County School District - Voted Local Levy | 1,757,398 | 92.8693% | - | 115,574 | 6,690 |
| Carbon County School District - Board Local Levy | 4,361,045 | 92.8706% | - | 286,746 | 16,599 |
| Carbon County School District - Charter School Levy | 295,652 | 92.8479% | - | 19,506 | 1,129 |
| East Carbon - Sunnyside | 550,742 | 89.5482% | - | 4,317 | 1,508 |
| Helper City | 228,874 | 86.0054% | - | 14,628 | 1,126 |
| Price City | 813,749 | 93.5666% | - | 41,647 | 4,466 |
| Scofield Town | 18,418 | 91.8878% | - | 168 | 44 |
| Wellington City | 156,986 | 91.3931% | - | 10,970 | 1,068 |
| Carbon Water Conservancy District | 252,205 | 92.8696% | - | 16,772 | 973 |
| Price River Water Improvement District - Tort Liability | 81,659 | 92.7353% | - | 8,457 | 187 |
| Price River Water Improvement District - County Impro | 727,177 | 92.7370% | - | 75,289 | 1,661 |
| Total other taxing entities | 15,620,675 | | - | 1,014,022 | 59,760 |
| Total all taxing entities | \$ 22,157,325 | | \$ - | \$ 1,451,050 | \$ 85,106 |

(2) Taxes collected divided by the difference of taxes charged less abatements and other relief.

(Continued)

CARBON COUNTY

**Schedule of Taxes Charged, Collected, and Disbursed (Concluded)
Year Ended December 31, 2018**

| Taxing Entities | Prior Years Taxes | Delinquent Interest/Penalties | Tax Income Paid | Total Collections |
|--|----------------------|----------------------------------|--------------------|----------------------|
| County Funds: | | | | |
| General Operations | \$ 246,610 | \$ 13,383 | \$ 33,789 | \$ 5,700,976 |
| Health | 11,929 | 647 | 1,634 | 275,791 |
| Multicounty Assessing and Collecting | 1,621 | 147 | - | 17,274 |
| County Assessing and Collecting | 42,569 | 2,295 | - | 974,922 |
| Municipal Services Fund | 11,304 | 537 | - | 325,680 |
| Total County funds | 314,033 | 17,009 | 35,423 | 7,294,643 |
| Other Taxing Entities: | | | | |
| Carbon County School District - Basic Levy | 131,352 | 7,270 | 11,526 | 981,024 |
| Carbon County School District - GO Bond Payments | 39,658 | 2,195 | 3,480 | 3,188,609 |
| Carbon County School District - Capital Local Levy | 146,411 | 8,103 | 12,848 | 2,021,328 |
| Carbon County School District - Voted Local Levy | 87,358 | 4,835 | 7,666 | 4,748,917 |
| Carbon County School District - Board Local Levy | 216,739 | 11,995 | 19,019 | 526,002 |
| Carbon County School District - Charter School Levy | 14,744 | 816 | 1,294 | 570,833 |
| East Carbon - Sunnyside | 51,789 | 3,056 | - | 299,473 |
| Helper City | 21,271 | 1,097 | - | 882,230 |
| Price City | 46,327 | 2,748 | 27,190 | 40,515 |
| Scofield Town | 413 | 18 | - | 19,061 |
| Wellington City | 8,863 | 965 | - | 178,852 |
| Carbon Water Conservancy District | 12,585 | 693 | - | 283,228 |
| Price River Water Improvement District - Tort Liability | 3,786 | 213 | 586 | 93,716 |
| Price River Water Improvement District - County Improvement District | 33,708 | 1,897 | 5,217 | 834,515 |
| Total other taxing entities | 815,004 | 45,901 | 88,826 | 14,668,303 |
| Total all taxing entities | \$ 1,129,037 | \$ 62,910 | \$ 124,249 | \$ 21,962,946 |