# IRON COUNTY

## FINANCIAL STATEMENTS

## DECEMBER 31, 2025

# TABLE OF CONTENTS

# TABLE OF CONTENTS

# Kimball & Roberts

A Professional Corporation
Certified Public Accountants
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Richfield, Utah 84701


## INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
Iron County
Parowan, Utah 84761

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Iron County, a governmental unit, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Iron County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Summit Special Service District and Iron County Special Service District #3, which represents 100 percent and 100 percent, respectively, of the assets and revenues of the component units. These discretely presented component units do not have separately issued audited financial statements and are reported in the government-wide financial statements by the County.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Iron County, as of December 31, 2025, and the respective changes in the financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

**Responsibility of Management**

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

### *Auditor's Responsibilities for the Audit of the Financial Statements*

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

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

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

### *Required Supplementary Information*

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

***Supplementary Information***

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 18, 2026, on our consideration of Iron 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 Iron County's internal control over financial reporting and compliance.

Kimball & Roberts, PC
Certified Public Accountants

May 18, 2026
Richfield, Utah

# Iron County, Utah
# Management's Discussion and Analysis (MD&A)
# Year Ended December 31, 2025

## Purpose and Use of Management's Discussion and Analysis

This Management's Discussion and Analysis (MD&A) provides an overview and analysis of Iron County's financial activities for the year ended December 31, 2025. The purpose of this discussion is to assist readers in understanding the County's financial position, results of operations, and significant financial activities during the year. This MD&A should be read in conjunction with the County's basic financial statements and accompanying notes, which provide additional detail and support for the information presented herein.

Iron County provides a broad range of governmental services to residents, including general government, public safety, public health, public works and transportation, culture and recreation, and community and economic development services. These services are financed primarily through property taxes, sales and other taxes, intergovernmental revenues, charges for services, and investment earnings.

Unless otherwise noted, all amounts discussed in this MD&A are expressed in thousands of dollars.

## Financial Highlights

At December 31, 2025, Iron County reported total net position of $132.410 million, consisting of $116.588 million related to governmental activities and $15.821 million related to business-type activities. Total net position increased by $12.023 million, or approximately 10 percent, from the prior year.

Governmental activities reported an increase in net position of $11.104 million during 2025. Total governmental revenues were $69.818 million, while total governmental expenses were $58.535 million. The increase was primarily attributable to growth in property tax revenues, charges for services, operating grants, and investment earnings.

Governmental funds reported combined ending fund balances of $139.090 million, compared with $152.399 million at the beginning of the year. The change reflects capital project activity, transfers among funds, and the timing of expenditures associated with County programs and infrastructure projects.

The County continued significant investment in capital assets during 2025. Governmental capital assets increased from $53.104 million to $77.982 million, an increase of $24.878 million. The increase was driven primarily by ongoing construction projects, infrastructure investments, and equipment acquisitions.

Outstanding governmental revenue bond debt decreased from $100.541 million to $99.928 million as scheduled principal payments were made during the year. The County continues to manage long-term obligations conservatively while maintaining flexibility to address future infrastructure and operational needs.

**Overview of the Financial Statements**

Iron County's financial report contains basic financial statements that present the County's finances at both an overall and a detailed level. The first set of statements—the government-wide financial statements—covers the County's governmental activities and discretely presented component units.

The government-wide financial statements distinguish among the following:

- **Governmental activities**, which include general government, public safety, public health, highways and public improvements, culture and recreation, and economic development. These activities are financed primarily through taxes and intergovernmental revenues.
- **Discretely presented component units**, which include legally separate entities such as special service districts for roads, municipal services, and culinary water, for which the County is financially accountable.

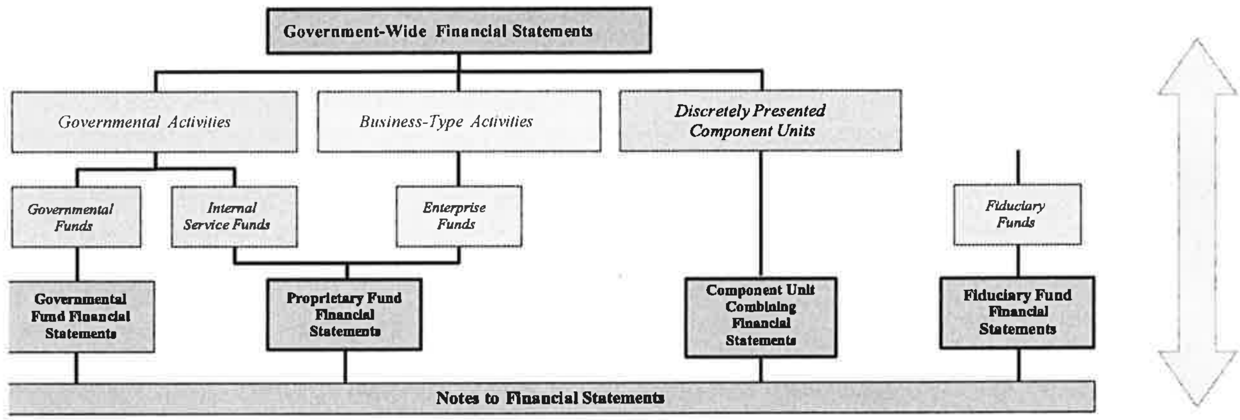
Iron County does not report business-type activities.

The remaining basic financial statements present the County's finances in greater detail and include:

- **Governmental fund financial statements**, which focus on near-term inflows and outflows of financial resources and fund balances
- **Fiduciary (custodial) fund financial statements**, which report resources held for the benefit of parties outside the County

The notes to the financial statements provide essential additional detail necessary for a full understanding of the financial statements.

**Figure A-1. Contents of the County's/City's/Town's Basic Financial Statements**




Lastly, any discretely presented component units that are combined with nonmajor component units in a single column in the government-wide financial statements are disaggregated in **combining financial statements for discretely presented component units** following the fund financial statements.

The next section of this financial report contains the **notes to the financial statements**, which provide information that is essential to a full understanding of the data reported in the financial statements. The information in the notes is as important to understanding the County's finances as the information presented in the financial statements themselves. The County uses notes to:

1. present information in greater detail than is possible within the financial statements themselves.
2. explain the nature of amounts reported in the financial statements and how those amounts were determined; and
3. report certain information that does not meet the requirements for inclusion in the financial statements, such as certain commitments and contingencies.

## Types of Information in the Financial Statements

All of Iron County's financial statements, **except the governmental fund financial statements**, use the **economic resources measurement focus** and the **accrual basis of accounting**. Under this approach, the statements report the full economic impact of transactions and events, regardless of when related cash flows occur. Accordingly, the government-wide financial statements and fiduciary fund statements report all elements of the County's financial position and results of operations, including:

- **Assets**, which represent resources controlled by the County, range from short-term assets such as cash and receivables to long-term assets such as land, buildings, infrastructure, and other capital assets.
- **Liabilities**, which represent obligations of the County, include short-term liabilities such as accounts payable and accrued expenses, as well as long-term obligations such as revenue bonds and net pension and other postemployment benefit liabilities.

- **Deferred outflows of resources and deferred inflows of resources**, which represent flows of resources applicable to future reporting periods, including amounts related to pensions, other postemployment benefits, and certain grant-related transactions.
- **Revenues and expenses**, which represent inflows and outflows of economic resources related to the current year, including taxes, intergovernmental revenues, charges for services, and the costs of providing County programs and services.

In contrast, the **governmental fund financial statements** use the **current financial resources measurement focus** and the **modified accrual basis of accounting**. This reporting model emphasizes near-term inflows and outflows of spendable resources and the balances available at year end to finance current operations.

Governmental funds do not report nonfinancial assets, such as capital assets, or certain long-term items, such as long-term debt and pension-related liabilities. However, they do report the flows of current financial resources associated with those long-term items. Examples include proceeds from the issuance of debt, proceeds from the sale of capital assets, principal and interest payments on outstanding obligations, and expenditures related to the acquisition or construction of capital assets.

**Figure A-1. Contents of the County's/City's/Town's Basic Financial Statements**

| | Financial Statements | | | | |
|---|---|---|---|---|---|
| | ***Government - Wide*** | ***Proprietary Fund*** | ***Fiduciary Fund*** | ***Component Unit*** | **Governmental Fund** |
| **Types of Assets and Liabilities** | All assets and liabilities, both financial and nonfinancial, short term and long term. | | | | Only current financial resources, such as cash, taxes receivable, and accounts payable. |
| **Types of Revenues/Additions** | All types of revenues/additions that flow into the government during the year that relate to that year, regardless of when cash is received. | | | | Only revenues that are measurable and available to finance expenditures of that year. |
| **Types of Expenses/Deductions/Expenditures** | All types of expenses/deductions that flow out of the government during the year that relate to that year, regardless of when cash is paid. | | | | Only expenditures for which the related governmental fund liability is incurred in that year. |
| **Types of Deferred Outflows of Resources and Deferred inflows of Resources** | All types of resources that flow into and out of the government during the year that relate to a future year. | | | | Current financial resources that flow into and out of the governmental funds during the year that relate to a future. |

More detail about the measurement focuses and bases of accounting can be found in the first note to financial statements, the summary of significant accounting policies, beginning on page 38.

# Iron County's Net Position – Table A-1

| | Governmental Activities | | Total Change | Business-Type Activities | | Total Change | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | | 2025 | 2024 | | 2025 | 2024 |
| Current and Other Assets | $153,646 | $161,865 | -5% | $14,365 | $13,115 | 9% | $169,011 | $174,980 |
| Capital and Noncurrent Assets | 77,981 | 53,102 | 32% | 3,995 | 4,128 | -3% | 81,976 | 57,230 |
| Total Assets | 231,627 | 214,967 | 8% | 18,360 | 17,243 | 6% | 250,987 | 232,210 |
| Deferred Outflows of Resources | 5,481 | 5,533 | -1% | 310 | 313 | -1% | 5,791 | 5,846 |
| Long-Term Liabilities | 104,765 | 104,563 | 0% | 2,722 | 2,571 | 6% | 107,487 | 107,134 |
| Other Liabilities | 15,709 | 10,399 | 34% | 109 | 63 | 42% | 15,818 | 10,462 |
| Total Liabilities | 120,474 | 114,962 | 5% | 2,831 | 2,634 | 7% | 123,305 | 117,596 |
| Deferred Inflows of Resources | 45 | 53 | -18% | 18 | 19 | -6% | 63 | 72 |
| Net Position: | | | | | | | | |
| Net Investment in Capital Assets | (21,946) | (47,437) | -116% | 3,993 | 4,127 | -3% | (17,953) | (43,310) |
| Restricted | 113,629 | 107,385 | 5% | 2,811 | 1,386 | 51% | 116,440 | 108,771 |
| Unrestricted | 24,905 | 45,537 | -83% | 9,017 | 9,390 | -4% | 33,922 | 54,927 |
| Total Net Position | $116,588 | $105,485 | 10% | $15,821 | $14,903 | 6% | $132,409 | $120,388 |

## Government-Wide Financial Analysis

Table A-1 presents Iron County's net position as of December 31, 2025. Net position may serve over time as a useful indicator of a government's financial condition. As of year-end, Iron County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $132.409 million, representing an increase of $12.022 million, or approximately 10 percent, from the prior year. Governmental activities accounted for $116.588 million of total net position, while business-type activities accounted for $15.821 million.

Total assets increased by approximately 8 percent during 2025, rising from $232.210 million to $249.987 million. Governmental activities experienced the largest increase, driven primarily by growth in capital and noncurrent assets, which increased from $53.102 million to $77.982 million, or approximately 47 percent. This increase reflects continued investment in infrastructure, facilities, equipment, and construction projects throughout the County. Business-type activities remained relatively stable, with total assets increasing approximately 6 percent.

Total liabilities increased from $117.596 million to $123.305 million, an increase of approximately 5 percent. Governmental long-term liabilities remained relatively unchanged, while other liabilities increased due primarily to the timing of current obligations and project-related activity. Deferred outflows and deferred inflows of resources remained consistent with prior-year balances.

Restricted net position totaled $116.440 million at year-end and represents resources subject to legal, contractual, grant, debt covenant, or other external restrictions regarding their use. Unrestricted net position totaled $33.922 million and remains available to support future operations, capital improvements, and unforeseen needs. Net investment in capital assets totaled negative $17.953 million, reflecting the County's significant outstanding debt obligations associated with capital assets and infrastructure projects.

The increase in net position during 2025 reflects revenues exceeding expenses, continued capital investment, and prudent financial management. Iron County continues to maintain a strong overall financial position and remains well-positioned to meet current operational needs, future infrastructure demands, and long-term financial obligations.

## Governmental Activities

Governmental activities generated total revenues of approximately $69.818 million during 2025. Revenue sources consisted primarily of taxes, charges for services, operating grants and contributions, capital grants and contributions, investment earnings, and other miscellaneous revenues. Charges for services and tax revenues continued to represent significant sources of funding for County operations, while intergovernmental revenues provided important support for public health, transportation, public safety, and other governmental programs.

Several revenue categories experienced changes during the year as a result of economic conditions, development activity, grant funding availability, and operational demand for County services. Property taxes, sales taxes, and other locally generated revenues remained stable and continued to provide a reliable source of recurring revenue. Investment earnings continued to contribute positively to County revenues, reflecting the County's investment portfolio and available cash balances.

Total governmental activities expenses were approximately $58.535 million during 2025. Public Safety remained the County's largest functional expenditure category, followed by Public Health, Highways and Public Improvements, General Government, Parks and Recreation, and Economic Development. These expenditures reflect the County's commitment to providing essential governmental services, maintaining infrastructure, supporting public health programs, and promoting economic development throughout the County.

Overall, governmental activities increased net position by approximately $11.105 million during 2025. The increase reflects revenues exceeding expenses, continued growth in the County's tax base, strong operational performance, and ongoing investment in infrastructure and public services. The County's positive operating results contributed to an increase in governmental activities net position from $105.485 million at the beginning of the year to $116.588 million at December 31, 2025.

Iron County continues to maintain a strong financial position supported by diversified revenue sources, significant restricted resources, prudent financial management practices, and a long-term commitment to maintaining essential public services and infrastructure.

**Financial Analysis of Governmental Funds**

Governmental funds provide insight into Iron County's short-term financial position, liquidity, and available spendable resources. At December 31, 2025, governmental funds reported combined ending fund balances of $139.090 million. A significant portion of these balances is restricted, committed, or assigned for specific purposes, including transportation, capital projects, municipal services, corridor preservation, and community development activities, while the remainder is available to support future operations and unforeseen needs.

The General Fund reported an ending fund balance of $16.866 million, an increase from the prior year. The increase reflects revenues exceeding expenditures and continued strong operating performance. The General Fund continues to provide substantial liquidity and financial flexibility to support County operations, respond to changing economic conditions, and address future service demands.

The Municipal Services Fund reported an ending fund balance of $8.858 million. This fund continues to provide resources for municipal-type services and infrastructure needs within designated service areas throughout the County.

The Class B Road Fund reported an ending fund balance of $9.270 million. Revenues generated through transportation-related sources continue to provide resources necessary to maintain and improve the County's transportation infrastructure and roadway system.

The Corridor Preservation Fund reported an ending fund balance of $7.398 million and continues to provide resources for future transportation corridor acquisition and preservation efforts. The Community and Development Renewal Fund reported an ending fund balance of $1.417 million and remains available to support future economic and community development initiatives.

The Capital Projects Fund reported an ending fund balance of $84.997 million, representing the County's largest governmental fund balance outside of restricted resources. These resources have been accumulated to support major infrastructure projects, facility improvements, transportation investments, and other long-term capital needs.

Other governmental funds reported combined ending fund balances of $10.284 million and continue to support specialized programs and activities throughout the County.

Overall, Iron County's governmental funds continue to provide a strong financial foundation for ongoing operations, capital improvements, transportation infrastructure, economic development, and future strategic initiatives. The County maintains substantial fund balances and liquidity to support both current service levels and long-term financial stability.

Budgetary comparison schedules are presented for major governmental funds to demonstrate compliance with legally adopted budgets. The governmental fund structure allows management to monitor financial performance, ensure compliance with legal and budgetary requirements, and evaluate the availability of resources to finance current and future operations. The County's governmental funds continue to provide a strong financial foundation and substantial liquidity to support ongoing services, infrastructure improvements, and future strategic initiatives.

## Iron County's Changes in Net Position – Table A-1

| | Governmental Activities | | Total (%) | Business-Type Activities | | Total (%) | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | Change | 2025 | 2024 | Change | 2025 | 2024 |
| **Revenues:** | | | | | | | | |
| Program Revenues: | | | | | | | | |
| Charges For Services | $ 6,741 | $ 3,947 | 41% | $ 4,108 | $ 3,723 | 9% | $ 10,849 | $ 7,670 |
| Operating Grants and Contributions | 16,501 | 14,140 | 14% | - | - | | 16,501 | 14,140 |
| Capital Grants and Contributions | 1,134 | 840 | 26% | - | - | | 1,134 | 840 |
| General Revenues: | | | | | | | | |
| Property Taxes | 25,084 | 21,738 | 13% | - | - | | 25,084 | 21,738 |
| Other Taxes | 12,216 | 15,393 | -26% | - | - | | 12,216 | 15,393 |
| Other | 1,404 | 3,310 | -136% | - | - | | 1,404 | 3,310 |
| Gain (Loss) on Sale of Capital Assets | 387 | (105) | 127% | 94 | - | | 481 | (105) |
| Unrestricted Investment Earnings | 6,351 | 3,413 | 46% | 600 | 643 | -7% | 6,951 | 4,056 |
| Total Revenues | $ 69,818 | $62,676 | 10% | $ 4,802 | $ 4,366 | 9% | $ 74,620 | $ 67,042 |

# Iron County's Changes in Net Position – Table A-1 (Continued)

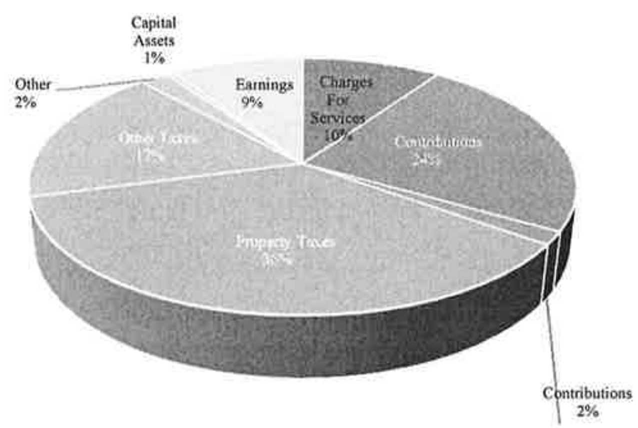
| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Expenses:** | | | | | | | | |
| General Government | $ 12,317 | $ 10,089 | 18% | $ - | $ - | | $ 12,317 | $ 10,089 |
| Public Safety | 20,995 | 19,828 | 6% | - | - | | 20,995 | 19,828 |
| Public Health | 1,479 | 214 | 86% | - | - | | 1,479 | 214 |
| Public Works and Streets | 6,846 | 6,862 | 0% | - | - | | 6,846 | 6,862 |
| Culture and Recreation | 4,780 | 4,250 | 11% | - | - | | 4,780 | 4,250 |
| Community and Economic Development | 7,829 | 6,020 | 23% | - | - | | 7,829 | 6,020 |
| Interest - Long-Term Debt | 4,288 | 1,016 | 76% | - | - | | 4,288 | 1,016 |
| Solid Waste Landfill | - | - | | 2,151 | 2,014 | 6% | 2,151 | 2,014 |
| Sewer Service | - | - | | 807 | 277 | 66% | 807 | 277 |
| Solid Waste Collection | - | - | | 747 | 609 | 18% | 747 | 609 |
| Total Expenses | 58,535 | 48,279 | 18% | 3,706 | 2,900 | 22% | 62,239 | 51,179 |
| Increase in Net Position Before Transfers | 11,283 | 14,397 | -28% | 1,096 | 1,466 | -34% | 12,381 | 15,863 |
| Transfers | (178) | 344 | 293% | (178) | (144) | 19% | (356) | 200 |
| Increase in Net Position | 11,105 | 14,741 | -33% | 918 | 1,322 | -44% | 12,025 | 16,063 |
| Net Position - Beginning | 105,484 | 90,744 | 14% | 14,903 | 13,581 | 9% | 120,387 | 104,325 |
| Net Position - Ending | $116,588 | $105,485 | 10% | $15,821 | $14,903 | 6% | $132,410 | $120,388 |

* Governmental activities increased net position by $11.105 million during 2025 as total revenues of $69.818 million exceeded total expenses of $58.535 million. The increase was driven primarily by growth in property tax revenues, charges for services, operating grants and contributions, capital grants and contributions, and investment earnings. Property tax revenues increased approximately 13 percent, charges for services increased approximately 41 percent, and investment earnings increased approximately 46 percent compared with the prior year. These increases helped offset declines in other taxes and miscellaneous revenues while supporting expanded governmental operations and capital investment activities.

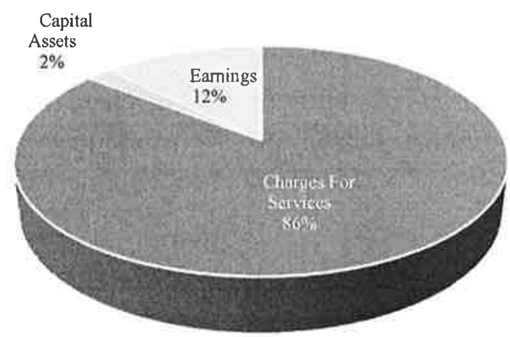
Business-type activities increased net position by $918 thousand during 2025 as operating and nonoperating revenues of $4.802 million exceeded total expenses of $3.706 million. Combined governmental and business-type activities increased total County net position by $12.025 million during the year.

Overall, Iron County continued to experience positive operating results during 2025, supported by diversified revenue sources, continued economic activity, strong investment earnings, and prudent financial management practices.

**Governmental Revenues *by Source - Gov. Activites**




**Governmental Revenues *by Source - Business-Type Activites**




## Changes in Revenues Due to Economic Conditions

Local and regional economic conditions influenced several of Iron County's governmental revenue sources during 2025. Total governmental revenues increased from $62.676 million in 2024 to $69.818 million in 2025, an increase of approximately 11 percent. The increase was driven primarily by growth in charges for services, property taxes, operating grants and contributions, and investment earnings.

Charges for services increased from $3.947 million to $6.741 million, an increase of approximately 71 percent. Charges for services represented approximately 10 percent of total governmental revenues during 2025 and reflect continued demand for County-provided services.

Property tax revenues increased from $21.738 million to $25.084 million, an increase of approximately 15 percent. Property taxes remained the County's largest single governmental revenue source, representing approximately 36 percent of total governmental revenues. The increase reflects growth in taxable valuation and continued economic activity throughout the County.

Operating grants and contributions increased from $14.140 million to $16.501 million, an increase of approximately 17 percent. Grant revenues continue to provide significant support for public health, transportation, public safety, and other governmental programs. Capital grants and contributions also increased from $840 thousand to $1.134 million, reflecting continued investment in infrastructure and capital projects.

Other tax revenues decreased from $15.393 million to $12.216 million, a decline of approximately 21 percent. Miscellaneous revenues decreased from $3.310 million to $1.404 million, while gains on the sale of capital assets increased from a loss of $105 thousand in 2024 to a gain of $387 thousand in 2025.

Unrestricted investment earnings increased from $3.413 million to $6.351 million, an increase of approximately 86 percent. The increase reflects favorable interest rate conditions and strong investment performance on County cash and investment balances.

Overall, Iron County experienced strong revenue growth during 2025. Increases in property taxes, charges for services, operating grants, and investment earnings more than offset declines in other tax revenues and miscellaneous revenues, resulting in total governmental revenue growth of approximately 11 percent.

**Revenue Structure and Financial Management Considerations**

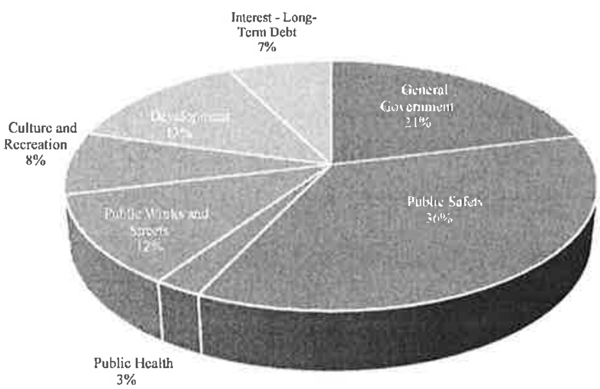
Iron County's governmental revenue structure is diversified among property taxes, charges for services, operating grants and contributions, other taxes, investment earnings, and miscellaneous revenue sources. This diversification helps reduce dependence on any single revenue source and provides financial stability during changing economic conditions.

As illustrated in Figure A-1, property taxes represented approximately 36 percent of governmental revenues during 2025 and remained the County's largest revenue source. Operating grants and contributions accounted for approximately 24 percent of total governmental revenues, while other taxes represented approximately 17 percent. Charges for services contributed approximately 10 percent of total revenues, and investment earnings represented approximately 9 percent.

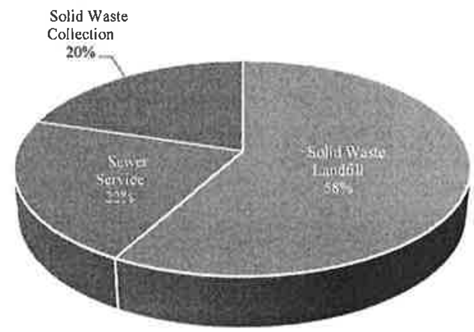
The County benefited from continued growth in property tax revenues, operating grants, and service-related revenues during 2025. Investment earnings also increased significantly due to favorable market conditions and higher interest rates. These revenue increases helped offset declines in other tax revenues and miscellaneous revenue sources.

The County continues to maintain a balanced revenue structure supported by both locally generated revenues and intergovernmental funding. Property taxes provide a stable and predictable source of recurring revenue, while grants and contributions help finance public health, transportation, public safety, and infrastructure programs. Charges for services provide cost recovery for various County operations and programs.

Iron County continues to emphasize prudent financial management practices, including conservative revenue forecasting, active monitoring of grant opportunities, careful investment management, and maintenance of adequate fund balances. These practices help position the County to respond effectively to changing economic conditions, support future capital investment, and maintain long-term financial stability.



Governmental Expenses *by Source - Gov. Activites



Business-Type Revenues*by Source - Business-Type Activites

## Growth in Expenses

Governmental activities expenses totaled $58.535 million during 2025, an increase of approximately 21 percent from the prior year's total of $48.279 million. The increase reflects expanded service demands, increased public safety and community development expenditures, higher interest costs associated with long-term debt, and continued investment in County operations and infrastructure.

Public Safety remained the County's largest governmental function, accounting for approximately 36 percent of total governmental activities expenses. Public Safety expenditures totaled $20.995 million, an increase of approximately $1.167 million, or 6 percent, from the prior year. These expenditures support law enforcement, corrections, emergency management, and related public safety services throughout the County.

General Government expenditures increased from $10.089 million to $12.317 million, an increase of approximately 22 percent. Community and Economic Development expenditures increased from $6.020 million to $7.829 million, an increase of approximately 30 percent, reflecting continued investment in planning, development, and community improvement initiatives. Culture and Recreation expenditures increased from $4.250 million to $4.780 million, an increase of approximately 12 percent.

Public Works and Streets expenditures remained relatively stable at $6.846 million compared with $6.862 million in the prior year. Public Health expenditures increased from $214 thousand to $1.479 million, reflecting expanded program activity and related expenditures during 2025. Interest on long-term debt increased from $1.016 million to $4.288 million due primarily to debt-related financing costs associated with County infrastructure and capital projects.

As illustrated in Figure A-2, Public Safety represented the largest component of governmental activities expenses during 2025 at approximately 36 percent of total expenses. General Government accounted for approximately 21 percent, Community and Economic Development approximately 13 percent, Public Works and Streets approximately 12 percent, Culture and Recreation approximately 8 percent, Interest on Long-Term Debt approximately 7 percent, and Public Health approximately 3 percent.

Business-type activities expenses totaled $3.706 million during 2025, an increase of approximately 28 percent from the prior year's total of $2.900 million. Solid Waste Landfill operations represented the largest business-type activity expenditure category at approximately 58 percent of total business-type expenses, followed by Sewer Service at 22 percent and Solid Waste Collection at 20 percent.

Iron County continues to manage expenditures prudently while maintaining service levels and addressing operational, infrastructure, and public service needs. Changes in expenditures from year to year are influenced by service demands, project timing, capital improvement priorities, grant-funded activities, and the evolving needs of County residents.

**Other Changes in Net Position**

Governmental activities reported an increase in net position of $11.105 million during 2025. The increase resulted primarily from revenues exceeding expenses and reflects continued financial stability across County operations. Growth in charges for services, property taxes, operating grants and contributions, capital grants, and investment earnings contributed significantly to the increase in net position.

Governmental revenues increased approximately 11 percent during the year, while governmental expenses increased approximately 21 percent. Despite higher expenditures, revenues remained sufficient to support governmental operations, capital investment activities, and growth in net position. Investment earnings increased approximately 86 percent, property tax revenues increased approximately 15 percent, and charges for services increased approximately 71 percent compared with the prior year.

Business-type activities reported an increase in net position of approximately $918 thousand during 2025 as revenues exceeded expenses. The increase reflects continued positive operating results within the County's landfill, sewer, and solid waste collection operations.

Other factors affecting net position include capital asset acquisitions, depreciation expense, debt service obligations, transfers between governmental and business-type activities, and changes in assets and liabilities associated with County operations. These items are reflected in the government-wide financial statements and contribute to changes in the County's overall financial position.

Consistent with GASB Statement No. 103, management evaluated whether any unusual or infrequent items significantly affected financial results during 2025. No unusual or infrequent items were identified that required separate presentation or disclosure. Accordingly, the increase in net position primarily reflects the County's normal operating activities, revenue sources, capital investment activities, and expenditures incurred in providing governmental and business-type services.

**Significant Capital Asset and Long-Term Financing Activity**

The discussion to this point has addressed only certain significant transactions affecting Iron County's financial position. During the year ended December 31, 2025, the County continued to invest substantially in capital assets to support governmental operations, public services, infrastructure improvements, and long-term community development needs. Total capital assets, net of depreciation, increased from $57.231 million in 2024 to $81.975 million in 2025, an increase of $24.744 million, or approximately 43 percent.

Governmental activities accounted for the majority of the increase. Governmental capital assets increased from $53.104 million to $77.982 million, an increase of approximately 47 percent. The most significant change occurred in construction in progress, which increased from $11.223 million to $36.628 million, reflecting substantial ongoing investments in infrastructure, facilities, transportation improvements, and other capital projects that had not yet been placed into service at year-end.

Equipment increased from $10.172 million to $10.886 million, while land increased modestly from $9.886 million to $9.976 million. Infrastructure assets totaled $10.564 million at year-end, and buildings totaled $7.306 million. Improvements other than buildings totaled $2.622 million. Declines in certain asset categories primarily reflect current-year depreciation exceeding capital additions within those categories.

Business-type activity capital assets remained relatively stable. Net capital assets associated with landfill, sewer, and solid waste operations totaled $3.993 million at December 31, 2025, compared with $4.127 million in the prior year. Equipment continues to represent the largest capital asset category within business-type activities.

**Iron County's Capital Assets:**

| | Governmental Activities | | Total (%) Change | Business-Type Activities | | Total (%) Change | Total | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | | 2025 | 2024 | | 2025 | 2024 |
| Land | $ 9,976 | $ 9,886 | 1% | $ 164 | $ 164 | 0% | $ 10,140 | $ 10,050 |
| Construction In Progress | 36,628 | 11,223 | 69% | - | - | | 36,628 | 11,223 |
| Infrastructure | 10,564 | 11,023 | -4% | - | - | | 10,564 | 11,023 |
| Buildings | 7,306 | 7,799 | -7% | 139 | 145 | -4% | 7,445 | 7,944 |
| Improvements other than Buildings | 2,622 | 3,001 | -14% | 29 | 36 | -24% | 2,651 | 3,037 |
| Equipment | 10,886 | 10,172 | 7% | 3,661 | 3,782 | -3% | 14,547 | 13,954 |
| Total | $ 77,982 | $ 53,104 | 32% | $ 3,993 | $ 4,127 | -3% | $ 81,975 | $ 57,231 |

* As illustrated in the capital asset table, construction in progress, equipment, infrastructure, land, and buildings continue to represent the largest categories of capital assets owned by the County. These assets provide the foundation necessary to support transportation systems, public safety operations, public health services, recreational facilities, administrative functions, utility operations, and other governmental services provided to County residents.

Capital improvements were financed through a combination of available fund balances, intergovernmental revenues, taxes, charges for services, and other legally available resources. Iron County continues to emphasize long-term capital planning and evaluates financing alternatives carefully to support infrastructure investment while maintaining fiscal sustainability and financial flexibility.

Additional information regarding capital assets and long-term obligations can be found in the notes to the financial statements.

## Long-Term Debt

At December 31, 2025, Iron County had outstanding revenue bond debt of $99.928 million, compared with $100.541 million at December 31, 2024. The decrease reflects scheduled principal repayments made during the year. The County continues to maintain a prudent approach to debt management while balancing the need to finance significant infrastructure, transportation, public safety, and other capital improvement projects that benefit County residents.

**Iron County's Outstanding Debt**

| | Governmental Activities | | Total Change | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|---|
| | 2025 | 2024 | | 2025 | 2024 | 2025 | 2024 |
| Revenue Bonds | $ 99,928 | $100,541 | -1% | $ - | $ - | $99,928 | $100,541 |
| Total | $ 99,928 | $100,541 | -1% | $ - | $ - | $99,928 | $100,541 |

Outstanding governmental revenue bond debt decreased by approximately $613 thousand, or approximately 1 percent, during 2025. The reduction reflects scheduled principal payments made on the County's outstanding bond obligations. No new governmental revenue bond debt was issued during the year.

Although long-term debt remains significant, the County continues to maintain debt levels that management believes are manageable relative to its financial resources, capital assets, and long-term infrastructure objectives. The County's debt portfolio supports major public investments while allowing the County to preserve available cash resources and maintain flexibility for future capital needs.

Iron County continues to evaluate financing alternatives for major capital projects and infrastructure improvements while emphasizing long-term fiscal sustainability. Management regularly monitors debt service requirements, interest costs, and available revenue sources to ensure continued compliance with debt obligations and prudent financial stewardship.

Additional information regarding long-term obligations can be found in the notes to the financial statements.

## Currently Known Facts, Decisions, or Conditions

Management is aware of several factors that may affect Iron County's financial position and results of operations in future periods. These factors have been considered in financial planning, budgeting, debt management, and long-term capital planning activities.

1. Personnel and benefit cost trends, including potential changes in retirement contribution rates, health insurance costs, and labor market conditions, may place upward pressure on future operating expenditures.
2. Economic conditions, including inflationary pressures, tourism activity, consumer spending patterns, housing development, and regional growth trends, may affect both revenue growth and service demands.

3. Intergovernmental funding remains an important source of revenue for County operations and capital projects. During 2025, the County received approximately $17.2 million in intergovernmental revenues. Changes in the availability, timing, or structure of state and federal grants may affect future operating and capital budgets.
4. Capital infrastructure needs continue to be evaluated as the County plans for the maintenance, replacement, and improvement of roads, facilities, equipment, public safety infrastructure, and other public assets. At December 31, 2025, construction in progress totaled approximately $36.6 million, reflecting significant ongoing capital investments that will continue into future years.
5. Long-term debt obligations and related debt service requirements remain important considerations in future financial planning. The County continues to monitor debt repayment schedules and evaluate financing alternatives for future capital projects while maintaining fiscal sustainability.
6. Budgetary and operational adjustments may be necessary as management monitors actual financial results, emerging priorities, legislative changes, and evolving community needs.

Management will continue to monitor these factors and adjust financial plans as necessary to maintain long-term fiscal stability, preserve financial flexibility, and ensure the continued delivery of essential public services.

**Recent Economic Conditions**

Iron County continues to monitor economic conditions that may affect future financial position and operating results. Key considerations include inflationary pressures affecting operating and construction costs, tourism activity, workforce availability, development trends, interest rate fluctuations, and the availability of state and federal funding sources.

Property taxes remain the County's largest governmental revenue source, generating approximately $25.1 million during 2025. Charges for services, operating grants and contributions, and other tax revenues also represent significant components of the County's revenue structure. Future changes in economic activity, property values, tourism, and population growth may affect these revenue sources and future service demands.

Intergovernmental revenues continue to play an important role in supporting County programs and infrastructure projects. As demonstrated by fluctuations in grant revenues from year to year, changes in state and federal funding levels can significantly influence operating results and capital planning activities. County management continues to monitor funding opportunities and incorporate known funding changes into future budgets.

The County also continues to evaluate economic factors that may influence development activity, transportation needs, public safety demands, and infrastructure requirements. While economic activity within Iron County remained generally stable during 2025, future changes in regional and national economic conditions may affect revenue growth and operating costs.

County officials remain committed to maintaining adequate fund balances, managing long-term obligations prudently, and planning for future infrastructure and capital needs. Management will continue to monitor these conditions and make adjustments as necessary to support long-term financial stability and the continued delivery of essential public services.

**Adoption of the State Budget**

Iron County's operations and capital projects are influenced by funding decisions made at the State level. State appropriations and grant programs provide financial support for transportation, public safety, infrastructure, health services, and other governmental activities. As a result, changes in State funding priorities or program requirements may affect the timing and availability of resources received by the County.

County management continues to monitor State budget actions and evaluates the potential impact of funding changes on future operations, capital planning, and service delivery. Known State funding changes have been incorporated into current financial planning, and management will continue to adjust budget assumptions as additional information becomes available.

**Pension Plan Changes**

Iron County participates in statewide retirement systems that provide pension benefits to eligible employees. Pension-related balances reported in the financial statements are determined using actuarial valuations that incorporate assumptions regarding investment returns, inflation, employee demographics, mortality rates, and other economic and demographic factors.

Changes in employer contribution rates, actuarial assumptions, investment performance, legislative actions, or other factors affecting the retirement systems may influence future pension-related expenditures, deferred outflows and inflows of resources, and pension-related assets or liabilities reported by the County. During 2025, pension-related deferred outflows and deferred inflows of resources remained relatively consistent with prior-year balances.

Management continues to monitor information provided by the retirement systems and incorporates known changes in contribution requirements and pension-related costs into future budget planning. The County remains committed to maintaining sound financial management practices while meeting its obligations to employees and retirees and ensuring the long-term sustainability of employee benefit programs.

**Request for Information**

This financial report is designed to provide a general overview of Iron County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Iron County Auditor, P.O. Box 457, Parowan, UT 84761.

# BASIC FINANCIAL STATEMENTS

**IRON COUNTY**
**STATEMENT OF NET POSITION**
**December 31, 2025**

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| **ASSETS** | | | | |
| Current Assets: | | | | |
| Cash and Investments | $ 25,734,405 | $ 8,839,635 | $ 34,574,040 | $ 404,958 |
| Restricted Cash and Investments | 122,711,541 | 5,203,330 | 127,914,871 | - |
| Property Taxes Receivable | 3,059,513 | - | 3,059,513 | - |
| Other Receivable | 2,140,241 | 322,504 | 2,462,745 | 142,345 |
| Total Current Assets | 153,645,700 | 14,365,469 | 168,011,169 | 547,303 |
| Noncurrent Assets: | | | | |
| Net Pension Asset | (1,444) | 1,444 | - | - |
| Capital Assets: | | | | |
| Land and Infrastructure | 9,976,065 | 164,429 | 10,140,494 | - |
| Construction In Progress | 36,627,570 | - | 36,627,570 | - |
| Other Depreciable Assets (Net of Depreciation) | 31,378,458 | 3,829,070 | 35,207,528 | 888 |
| Total Noncurrent Assets | 77,980,649 | 3,994,943 | 81,975,592 | 888 |
| TOTAL ASSETS | 231,626,349 | 18,360,412 | 249,986,761 | 548,191 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Related To Pensions | 5,481,466 | 310,058 | 5,791,524 | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS | $237,107,815 | $18,670,470 | $255,778,285 | $ 548,191 |
| **LIABILITIES** | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | $ 11,975,360 | $ 108,966 | $ 12,084,326 | $ - |
| Accrued Liabilities | 373,217 | - | 373,217 | - |
| Accrued Interest Payable | 968,889 | - | 968,889 | - |
| Other Payables | 1,749,015 | - | 1,749,015 | - |
| Unearned Revenues | 88,739 | - | 88,739 | - |
| Revenue Bonds Payable - Due Within One Year | 553,555 | - | 553,555 | - |
| Total Current Liabilities | 15,708,775 | 108,966 | 15,817,741 | - |
| Noncurrent Liabilities: | | | | |
| Revenue Bonds Payable - More Than One Year | 99,374,540 | - | 99,374,540 | - |
| Compensated Absences | 1,051,801 | 71,261 | 1,123,062 | - |
| Net Pension Liability | 4,339,152 | 258,416 | 4,597,568 | - |
| Post Closure Payable | - | 2,392,008 | 2,392,008 | - |
| Total Noncurrent Liabilities | 104,765,493 | 2,721,685 | 107,487,178 | - |
| TOTAL LIABILITIES | 120,474,268 | 2,830,651 | 123,304,919 | - |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Related to Pensions | 45,175 | 18,419 | 63,594 | - |
| **NET POSITION** | | | | |
| Investment in Capital Assets, Net of Debt | (21,946,002) | 3,993,499 | (17,952,503) | 888 |
| Restricted For: | | | | |
| Assessing & Collecting | 2,384,509 | - | 2,384,509 | - |
| Construction | 83,775,456 | - | 83,775,456 | - |
| Debt Service | 2,606,238 | - | 2,606,238 | - |
| Debt Reserve | 537,274 | - | 537,274 | - |
| Roads | 9,269,662 | - | 9,269,662 | - |
| Public Safety | 1,485,559 | - | 1,485,559 | - |
| Community & Economic Development | 12,903,392 | - | 12,903,392 | - |
| Other Purposes | 667,176 | 2,811,322 | 3,478,498 | - |
| Unrestricted | 24,905,108 | 9,016,579 | 33,921,687 | 547,303 |
| TOTAL NET POSITION | 116,588,372 | 15,821,400 | 132,409,772 | 548,191 |
| TOTAL LIABILITIES, NET POSITION AND DEFERRED INFLOWS OF RESOURCES | $237,107,815 | $18,670,470 | $255,778,285 | $ 548,191 |

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

# IRON COUNTY
## STATEMENT OF ACTIVITIES
### For The Year Ended December 31, 2025

| | | Program Revenues | | | Net (Expenses) Revenues and Changes in Net Position | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Primary Government | | | |
| | Expenses | Charges for Services | Operating Grants/ Contributions | Capital Grants/ Contributions | Governmental Activities | Business-Type Activities | Total | Component Units |
| **Function/Programs Primary Government:** | | | | | | | | |
| **Governmental Activities:** | | | | | | | | |
| General Government | $12,317,429 | $ 4,372,481 | $ 4,914,607 | $ 469,317 | $ (2,561,024) | $ - | $ (2,561,024) | $ - |
| Public Safety | 20,995,179 | 2,021,851 | 2,435,236 | 664,809 | (15,873,283) | - | (15,873,283) | - |
| Public Health | 1,479,419 | - | - | - | (1,479,419) | - | (1,479,419) | - |
| Public Works & Streets | 6,846,488 | - | 9,007,025 | - | 2,160,537 | - | 2,160,537 | - |
| Culture and Recreation | 4,780,367 | - | - | - | (4,780,367) | - | (4,780,367) | - |
| Community & Economic Develop. | 7,828,506 | 346,927 | 144,500 | - | (7,337,079) | - | (7,337,079) | - |
| Interest on Long-Term Debt | 4,288,173 | - | - | - | (4,288,173) | - | (4,288,173) | - |
| Total Governmental Activities | 58,535,561 | 6,741,259 | 16,501,368 | 1,134,126 | (34,158,808) | - | (34,158,808) | - |
| **Business-Type Activities:** | | | | | | | | |
| Solid Waste Landfill | 2,151,247 | 3,091,667 | - | - | - | 940,420 | 940,420 | - |
| Sewer Service | 807,367 | 342,351 | - | - | - | (465,016) | (465,016) | - |
| Solid Waste Collection | 747,410 | 674,386 | - | - | - | (73,024) | (73,024) | - |
| Total Business-Type Activities | 3,706,024 | 4,108,404 | - | - | - | 402,380 | 402,380 | - |
| Total Primary Government | 62,241,585 | 10,849,663 | 16,501,368 | 1,134,126 | (34,158,808) | 402,380 | (33,756,428) | - |
| **Component Units:** | | | | | | | | |
| Water - Summit SSD | 37,675 | 36,320 | - | - | - | - | - | (1,355) |
| Roads - Iron County SSD#3 | 1,581 | 289,855 | - | - | - | - | - | 288,274 |
| Total Component Units | $ 39,256 | $ 326,175 | $ - | $ - | - | - | - | 286,919 |
| **General Revenues:** | | | | | | | | |
| Property Taxes | | | | | 25,084,051 | - | 25,084,051 | - |
| Sales Taxes | | | | | 7,510,699 | - | 7,510,699 | - |
| Fee In Lieu Taxes | | | | | 605,409 | - | 605,409 | - |
| Transient Room and Restaurant Food Taxes | | | | | 4,099,770 | - | 4,099,770 | - |
| Unrestricted Investment Earnings | | | | | 6,350,521 | 599,808 | 6,950,329 | 13,406 |
| Other | | | | | 1,403,612 | - | 1,403,612 | - |
| Transfers In (Out) | | | | | (178,026) | (178,026) | (356,052) | (200,000) |
| Gain (Loss) on Sale and Transfer of Capital Assets | | | | | 386,614 | 94,414 | 481,028 | - |
| Total General Revenues and Transfers | | | | | 45,262,650 | 516,196 | 45,778,846 | (186,594) |
| Change in Net Position | | | | | 11,103,842 | 918,576 | 12,022,418 | 100,325 |
| Net Position - Beginning | | | | | 105,484,530 | 14,902,824 | 120,387,354 | 447,866 |
| Net Position - Ending | | | | | $116,588,372 | $15,821,400 | $132,409,772 | $ 548,191 |

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

# IRON COUNTY
# BALANCE SHEET
# GOVERNMENTAL FUNDS
# December 31, 2025

| | General Fund | Special Revenue Funds: Municipal Services | Special Revenue Funds: Class B Roads | Special Revenue Funds: Corridor Preservation | Special Revenue Funds: Community Development & Renewal Agency | Capital Project Funds | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | |
| Cash and Investments | $ 15,696,930 | $ 8,349,201 | $ - | $ - | $ - | $ 1,273,492 | $ - | $ 25,319,623 |
| Property Taxes Receivable | 1,652,620 | 891,858 | - | - | - | - | 515,035 | 3,059,513 |
| Other Receivables | 1,170,748 | 172,195 | 566,191 | 61,178 | - | - | 163,598 | 2,133,910 |
| Restricted Cash and Investments | 1,485,559 | - | 8,853,506 | 7,337,129 | 5,750,126 | 89,406,679 | 9,878,542 | 122,711,541 |
| TOTAL ASSETS | $ 20,005,857 | $ 9,413,254 | $ 9,419,697 | $ 7,398,307 | $ 5,750,126 | $ 90,680,171 | $ 10,557,175 | $ 153,224,587 |
| **LIABILITIES AND FUND BALANCE** | | | | | | | | |
| Liabilities: | | | | | | | | |
| Accounts Payable | $ 985,175 | $ 498,788 | $ 150,035 | $ - | $ 4,333,513 | $ 5,682,792 | $ 273,506 | $ 11,923,809 |
| Accrued Liabilities | 373,217 | - | - | - | - | - | - | 373,217 |
| Other Payables | 1,692,414 | 56,601 | - | - | - | - | - | 1,749,015 |
| Unearned Revenues | 88,739 | - | - | - | - | - | - | 88,739 |
| Total Liabilities | 3,139,545 | 555,389 | 150,035 | - | 4,333,513 | 5,682,792 | 273,506 | 14,134,780 |
| Fund Balances: | | | | | | | | |
| Restricted For: | | | | | | | | |
| Assessing & Collecting | - | - | - | - | - | - | 2,384,509 | 2,384,509 |
| Construction | - | - | - | - | - | 83,775,456 | - | 83,775,456 |
| Debt Service | - | - | - | - | - | - | 2,606,238 | 2,606,238 |
| Debt Reserve | - | - | - | - | - | - | 537,274 | 537,274 |
| Roads | - | - | 9,269,662 | - | - | - | - | 9,269,662 |
| Public Safety | 1,485,559 | - | - | - | - | - | - | 1,485,559 |
| Community and Economic Development | - | - | - | 7,398,307 | 1,416,613 | - | 4,088,472 | 12,903,392 |
| Public Health | - | - | - | - | - | - | 269,163 | 269,163 |
| Culture and Recreation | - | - | - | - | - | - | 398,013 | 398,013 |
| Committed, Reported In: | | | | | | | | |
| Special Revenue Funds | - | 8,857,865 | - | - | - | - | - | 8,857,865 |
| Capital Projects | - | - | - | - | | 1,221,923 | - | 1,221,923 |
| Unassigned: | | | | | | | | |
| General Fund | 15,380,753 | - | - | - | - | - | - | 15,380,753 |
| Total Fund Balance | 16,866,312 | 8,857,865 | 9,269,662 | 7,398,307 | 1,416,613 | 84,997,379 | 10,283,669 | 139,089,807 |
| TOTAL LIABILITIES AND UND BALANCE | $ 20,005,857 | $ 9,413,254 | $ 9,419,697 | $ 7,398,307 | $ 5,750,126 | $ 90,680,171 | $ 10,557,175 | $ 153,224,587 |

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

**IRON COUNTY**
**GOVERNMENTAL BALANCE SHEET RECONCILIATION TO THE STATEMENT OF NET POSITION**
**December 31, 2025**

| | | |
|---|---|---|
| Total Fund Balances - Governmental Fund Types | | $ 139,089,807 |
| Amounts reported for governmental activities in the Statement of Net Position are different because: | | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds: | | |
| Land | $ 9,976,065 | |
| Construction In Progress | 36,627,570 | |
| Buildings & Improvements | 7,305,626 | |
| Improvements Other Than Buildings | 2,622,222 | |
| Autos and Trucks | 4,111,312 | |
| Machinery and Equipment | 6,412,706 | |
| Office Furniture & Equipment | 362,159 | |
| Infrastructure | 10,564,433 | |
| Total - Net of Depreciation | | 77,982,093 |
| Some liabilities, including bonds payable and capital leases, are not due and payable in the current period and, therefore, are not reported in the funds. | | |
| Bonds Payable | $ (99,293,095) | |
| Special Assessment Bond | (635,000) | |
| Compensated Absences | (1,051,801) | |
| Total | | (100,979,896) |
| Interest payable on long-term debt does not require current resources and, therefore, is not reported as a liability in funds. | | (968,889) |
| Deferred outflows and inflows of resources related to pensions and net pension assets and liabilities are applicable to future reporting periods and, therefore, are not reported in the funds. | | |
| Net Pension Asset | $ (1,444) | |
| Net Pension Liability | (4,339,152) | |
| Deferred Outflows of Resources Related to Pensions | 5,481,466 | |
| Deferred Inflows of Resources Related to Pensions | (45,175) | |
| Total | | 1,095,695 |
| An internal service fund is used by management to charge the cost of fleet services to individual funds. The assets and liabilities of the internal service fund are included in the governmental activities of the statement of net position. | | |
| Net Position of the Internal Service Fund | | 369,562 |
| Net Position of Governmental Activities | | $ 116,588,372 |

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

# IRON COUNTY
## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
## GOVERNMENTAL FUNDS
### For The Year Ended December 31, 2025

| | | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | General Fund | Municipal Services | Class B Roads | Corridor Preservation | Community Development & Renewal Agency | Capital Projects Funds | Other Governmental Funds | Total Governmental Funds |
| **Revenues:** | | | | | | | | |
| Taxes | $ 12,815,927 | $ 7,077,978 | $ - | $ - | $ 4,821,227 | $ - | $ 12,584,797 | $ 37,299,929 |
| Licenses and Permits | - | 1,089,062 | - | - | - | - | - | 1,089,062 |
| Intergovernmental | 6,566,354 | 445,368 | 8,332,236 | 674,789 | - | 664,809 | 482,621 | 17,166,177 |
| Charges for Services | 2,965,683 | 469,317 | - | - | - | - | 66,478 | 3,501,478 |
| Fines and Forfeitures | 1,214,846 | - | - | - | - | - | - | 1,214,846 |
| Interest | 358,200 | 265,397 | 308,327 | 289,404 | 190,631 | 4,508,888 | 423,587 | 6,344,434 |
| Other Revenue | 1,403,612 | 136,495 | 205,137 | 141,790 | 40,000 | - | 47,177 | 1,974,211 |
| Total Revenues | 25,324,622 | 9,483,617 | 8,845,700 | 1,105,983 | 5,051,858 | 5,173,697 | 13,604,660 | 68,590,137 |
| **Expenditures:** | | | | | | | | |
| Current: | | | | | | | | |
| General Government | 6,879,801 | 255,865 | - | - | - | - | 2,026,470 | 9,162,136 |
| Public Safety | 9,762,723 | 10,108,832 | - | - | - | 26,233,925 | - | 46,105,480 |
| Public Health | 306,471 | - | - | - | - | - | 1,038,195 | 1,344,666 |
| Public Works & Streets | 1,516,973 | 253,448 | 3,865,078 | 251,070 | - | - | - | 5,886,569 |
| Culture and Recreation | 1,318,660 | - | - | - | - | - | 3,390,510 | 4,709,170 |
| Community and Econ. Develop. | 917,621 | 15,500 | - | - | 4,806,782 | - | 1,981,195 | 7,721,098 |
| Matching Funds and Contributions | 234,629 | - | - | - | - | - | - | 234,629 |
| Debt Service: | | | | | | | | |
| Principal | - | - | - | - | - | - | 399,000 | 399,000 |
| Interest | - | - | - | - | - | - | 4,283,872 | 4,283,872 |
| Capital Outlay: | | | | | | | | |
| Equipment | - | - | 1,387,802 | - | - | - | - | 1,387,802 |
| Total Expenditures | 20,936,878 | 10,633,645 | 5,252,880 | 251,070 | 4,806,782 | 26,233,925 | 13,119,242 | 81,234,422 |
| Excess Revenues Over (Under) Expenditures | 4,387,744 | (1,150,028) | 3,592,820 | 854,913 | 245,076 | (21,060,228) | 485,418 | (12,644,285) |
| **Other Financing Sources (Uses):** | | | | | | | | |
| Transfers In | 2,142,587 | 2,896,774 | - | - | - | 600,000 | 797,961 | 6,437,322 |
| Transfers Out | (4,447,516) | (1,124,306) | (17,989) | - | (8,123) | - | (1,504,665) | (7,102,599) |
| Total Other Financing | (2,304,929) | 1,772,468 | (17,989) | - | (8,123) | 600,000 | (706,704) | (665,277) |
| Net Change In Fund Balance | 2,082,815 | 622,440 | 3,574,831 | 854,913 | 236,953 | (20,460,228) | (221,286) | (13,309,562) |
| Fund Balance - Beginning | 14,783,497 | 8,235,425 | 5,694,831 | 6,543,394 | 1,179,660 | 105,457,607 | 10,504,955 | 152,399,369 |
| Fund Balance - Ending | $ 16,866,312 | $ 8,857,865 | $ 9,269,662 | $ 7,398,307 | $ 1,416,613 | $ 84,997,379 | $ 10,283,669 | $ 139,089,807 |

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

## IRON COUNTY
## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
### For The Year Ended December 31, 2025

| | | |
|---|---|---|
| Amounts reported for governmental activities in the Statement of Activities are different because: | | |
| Net Changes in Fund Balances - Total Governmental Funds | | $ (13,309,562) |
| The Statement of Activities shows pension benefits and pension expenses from the adoption of GASB 68 that are not shown on the fund statements. | | (903,133) |
| Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period: | | |
| Capital Outlays | $ 29,533,237 | |
| Depreciation | (4,654,573) | |
| Total | | 24,878,664 |
| The issuance of long-term debt (e.g., bonds, leases) provide current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items: | | |
| Amortization of Bond Costs | 221,770 | |
| Amortization of Bond Premium | (8,215) | |
| Principal Payments on Bonds | 399,000 | |
| Total | | 612,555 |
| Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds: | | |
| Increase In Bond Interest Payable | $ (4,301) | |
| Increase In Compensated Absences | (70,143) | |
| Total | | (74,444) |
| The internal service fund is used by management to charge the costs of fleet services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. | | (100,238) |
| Changes In Net Position of Governmental Activities | | $ 11,103,842 |

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

# IRON COUNTY
## STATEMENT OF NET POSITION
## PROPRIETARY FUNDS
## December 31, 2025

| | Business-Type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | | Nonmajor funds | | | Internal Service Fund |
| | Solid Waste Landfill | Sewer Service | Solid Waste Collection | Total Enterprise Fund | Fleet Fund |
| **ASSETS:** | | | | | |
| Current Assets: | | | | | |
| Cash and Investments | $ 8,182,493 | $ 270,779 | $ 386,363 | $ 8,839,635 | $ 414,782 |
| Restricted Cash and Investments | 4,873,356 | 329,974 | - | 5,203,330 | - |
| Accounts Receivable (Net) | 255,073 | 27,697 | 39,734 | 322,504 | 6,331 |
| Total Current Assets | 13,310,922 | 628,450 | 426,097 | 14,365,469 | 421,113 |
| Noncurrent Assets: | | | | | |
| Net Pension Asset | 1,779 | - | (335) | 1,444 | - |
| Capital Assets: | | | | | |
| Not Being Depreciated | 164,429 | - | - | 164,429 | - |
| Net of Accumulated Depreciation | 2,747,052 | - | 1,082,018 | 3,829,070 | 3,871,139 |
| Total Noncurrent Assets | 2,913,260 | - | 1,081,683 | 3,994,943 | 3,871,139 |
| TOTAL ASSETS | 16,224,182 | 628,450 | 1,507,780 | 18,360,412 | 4,292,252 |
| **DEFERRED OUTFLOWS OF RESOURCES:** | | | | | |
| Related to Pensions | 237,053 | - | 73,005 | 310,058 | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | $16,461,235 | $ 628,450 | $ 1,580,785 | $18,670,470 | $ 4,292,252 |
| **LIABILITIES:** | | | | | |
| Current Liabilities: | | | | | |
| Accounts Payable | $ 68,395 | $ 21,522 | $ 19,049 | $ 108,966 | $ 51,551 |
| Total Current Liabilities | 68,395 | 21,522 | 19,049 | 108,966 | 51,551 |
| Noncurrent Liabilities: | | | | | |
| Compensated Absences, Current | 70,148 | - | 1,113 | 71,261 | - |
| Net Pension Liability | 189,384 | - | 69,032 | 258,416 | - |
| Post Closure Payable | 2,392,008 | - | - | 2,392,008 | - |
| Total Noncurrent Liabilities | 2,651,540 | - | 70,145 | 2,721,685 | - |
| TOTAL LIABILITIES | 2,719,935 | 21,522 | 89,194 | 2,830,651 | 51,551 |
| **DEFERRED INFLOWS OF RESOURCES:** | | | | | |
| Related to Pensions | 8,180 | - | 10,239 | 18,419 | - |
| **NET POSITION:** | | | | | |
| Net Investment in Capital Assets | 2,911,481 | - | 1,082,018 | 3,993,499 | 3,871,139 |
| Restricted | 2,481,348 | 329,974 | - | 2,811,322 | - |
| Unrestricted | 8,340,291 | 276,954 | 399,334 | 9,016,579 | 369,562 |
| TOTAL NET POSITION | 13,733,120 | 606,928 | 1,481,352 | 15,821,400 | 4,240,701 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION | $16,461,235 | $ 628,450 | $ 1,580,785 | $18,670,470 | $ 4,292,252 |

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

**IRON COUNTY**
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION**
**PROPRIETARY FUNDS**
**For The Year Ended December 31, 2025**

| | Business-type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | | Nonmajor Funds | | Total | Internal Service Fund |
| | Solid Waste Landfill | Sewer Service | Solid Waste Collection | Enterprise Funds | Fleet Fund |
| **Operating Revenues:** | | | | | |
| Charges for Sales and Services | $ 2,801,947 | $ 272,764 | $ 634,780 | $ 3,709,491 | $ 659,030 |
| Connection Fees | - | 14,845 | - | 14,845 | - |
| Impact Fees | - | 34,500 | - | 34,500 | - |
| Other | 289,720 | 20,242 | 39,606 | 349,568 | 175,561 |
| Total Operating Revenues | 3,091,667 | 342,351 | 674,386 | 4,108,404 | 834,591 |
| **Operating Expenses:** | | | | | |
| Costs of Sales and Services | 1,693,067 | 807,367 | 586,558 | 3,086,992 | 977,202 |
| Depreciation | 458,180 | - | 160,852 | 619,032 | 1,193,630 |
| Total Operating Revenues | | | | | |
| Total Operating Expenses | 2,151,247 | 807,367 | 747,410 | 3,706,024 | 2,170,832 |
| Operating Income (Loss) | 940,420 | (465,016) | (73,024) | 402,380 | (1,336,241) |
| **Nonoperating Revenues (Expenses):** | | | | | |
| Investment Earnings | 541,134 | 57,380 | 1,294 | 599,808 | 6,087 |
| Gain on Disposition of Capital Assets | - | - | 94,414 | 94,414 | 386,614 |
| Total Nonoperating Revenues (Expenses) | 541,134 | 57,380 | 95,708 | 694,222 | 392,701 |
| Total Income Before Transfers | 1,481,554 | (407,636) | 22,684 | 1,096,602 | (943,540) |
| **Other Financing Sources (Uses):** | | | | | |
| Transfers In | - | - | 450,000 | 450,000 | 843,302 |
| Transfers (Out) | (628,026) | - | - | (628,026) | - |
| Total Other Financing | (628,026) | - | 450,000 | (178,026) | 843,302 |
| Change In Net Position | 853,528 | (407,636) | 472,684 | 918,576 | (100,238) |
| Net Position - Beginning | 12,879,592 | 1,014,564 | 1,008,668 | 14,902,824 | 4,340,939 |
| Net Position - Ending | $13,733,120 | $ 606,928 | $ 1,481,352 | $15,821,400 | $ 4,240,701 |

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

**IRON COUNTY**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUND**
**For The Year Ended December 31, 2025**

| | Business-Type Activities | | | | Governmental Activities |
|---|---|---|---|---|---|
| | | Nonmajor Funds | | Total | Internal Service Fund |
| | Solid Waste Landfill | Sewer Service | Solid Waste Collection | Enterprise Funds | Fleet Fund |
| **Cash Flows From Operating Activities:** | | | | | |
| Receipts From Customers | $ 2,692,728 | $ 269,510 | $ 632,055 | $ 3,594,293 | $ 715,382 |
| Receipts From Customers, Other | 289,720 | 69,587 | 39,606 | 398,913.00 | 175,561 |
| Payments to Suppliers | (482,096) | (808,084) | (253,943) | (1,544,123) | (542,191) |
| Payments to Employees | (1,030,701) | - | (313,275) | (1,343,976) | (402,183) |
| Net Cash Flows From by Operating Activities | 1,469,651 | (468,987) | 104,443 | 1,105,107 | (53,431) |
| **Cash Flows From Noncapital Financing Activities:** | | | | | |
| Transfers (to) from Other Funds | (628,026) | - | 450,000 | (178,026) | 843,302 |
| Net Cash Flows From Noncapital Financing Activities | (628,026) | - | 450,000 | (178,026) | 843,302 |
| **Cash Flows From Capital and Related Financing Activities:** | | | | | |
| Purchase of Capital Assets | (229,412) | - | (256,247) | (485,659) | (1,375,812) |
| Proceeds from Sale of Assets | - | - | 94,414 | 94,414 | 386,614 |
| Net Cash Flows From Capital and Related Financing Activities | (229,412) | - | (161,833) | (391,245) | (989,198) |
| **Cash Flows from Investing Activities:** | | | | | |
| Interest On Investments | 541,134 | 57,380 | 1,294 | 599,808 | 6,087 |
| Net Cash Provided (Used) by Investing Activities | 541,134 | 57,380 | 1,294 | 599,808 | 6,087 |
| **Net Change in Cash and Cash Equivalents** | 1,153,347 | (411,607) | 393,904 | 1,135,644 | (193,240) |
| Cash and Cash Equivalents - Beginning of Year | 11,902,502 | 1,012,360 | (7,541) | 12,907,321 | 608,022 |
| Cash and Cash Equivalents - End of Year | $ 13,055,849 | $ 600,753 | $ 386,363 | $ 14,042,965 | $ 414,782 |
| **Reconciliation of Operating Income to Net Cash Provided (Used) By Operating Activities:** | | | | | |
| Operating Income (Loss) | $ 940,420 | $ (465,016) | $ (73,024) | $ 402,380 | $ (1,336,241) |
| Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities: | | | | | |
| Depreciation/Amortization | 458,180 | - | 160,852 | 619,032 | 1,193,630 |
| Pension Expense | 30,801 | - | 9,127 | 39,928 | - |
| Post Closure Cost | 96,292 | - | - | 96,292 | - |
| Increase (Decrease) in Operating Assets: | | | | | |
| Receivables | (109,219) | (3,254) | (2,725) | (115,198) | 56,352 |
| Payables | 35,929 | (717) | 10,321 | 45,533 | 32,828 |
| Compensated Absences | 17,248 | - | (108) | 17,140 | - |
| Net Cash Provided (Used) by Operating Activities | $ 1,469,651 | $ (468,987) | $ 104,443 | $ 1,105,107 | $ (53,431) |

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

**IRON COUNTY**
**STATEMENT OF FIDUCIARY NET POSITION**
**FIDUCIARY FUNDS**
**December 31, 2025**

| | Custodial Funds |
|---|---|
| **ASSETS:** | |
| Cash and Investments | $ 14,018,819 |
| TOTAL ASSETS | $ 14,018,819 |
| **LIABILITIES:** | |
| Collections Payable | $ 289,188 |
| Due to Taxing Units | 13,729,631 |
| TOTAL LIABILITIES | 14,018,819 |
| **FIDUCIARY NET POSITION:** | |
| Net Position | - |
| TOTAL LIABILITIES AND NET POSITION | $ 14,018,819 |

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

**IRON COUNTY**
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**
**FIDUCIARY FUNDS**
**December 31, 2025**

| | Custodial Funds |
|---|---|
| **Additions:** | |
| Tax Collections | $ 79,348,398 |
| Total Additions | 79,348,398 |
| **Deductions:** | |
| Payment of Tax to Other Governments | 75,324,730 |
| Total Deductions | 75,324,730 |
| Net Increase (Decrease) in Fiduciary Net Position | 4,023,668 |
| Liabilities and Net Position-Beginning | 9,995,151 |
| Liabilities and Net Position-Ending | $ 14,018,819 |

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

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

### Reporting Entity

Iron County (the County) is a political subdivision of the State of Utah with a County Commission comprised of three commissioners elected at large. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. 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 primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

### Blended Component Units:

The following **blended component unit** transactions are blended into the audit report issued by the County. No separate audit report is issued:

The **Municipal Building Authority of Iron County, Utah** (the Authority) was formally recognized by the State of Utah as an incorporated entity in April 1982. The Authority was formed for the purpose of accomplishing the public purposes for which Iron County exists by acquiring, improving, or extending one or more projects and financing the cost of such projects on behalf of Iron County. The Authority is governed by a board of trustees comprised of the elected officials of Iron County. The Authority accounts for the construction of major fixed assets, which are then leased to Iron County for County purposes. Transactions of the Authority are blended into the audit report issued by Iron County. No separate audit report is issued.

The **Iron County Community Development and Renewal Agency** is governed by a three-member board comprised of the County Commissioners. The agency's purpose is to promote urban renewal, economic development, community development, or any combination of them in certain areas of the County. Activities for the Agency are blended with the County's special revenue funds, but separate financial statements are not issued or required for the Agency.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Discrete Component Unit:**

The following are **discretely presented component units** do not have separately issued audited financial statements and are reported in the government-wide financial statements by the County. All of the following were created by the County under the Utah Special Service District Act:

The **Summit Special Service District** has a separately appointed board and provides services within the geographic boundaries of the County. The District charges for water utility services provided to some residents within the unincorporated areas of the County.

The **Iron County Special Service District #3** has a separate board of directors and accounts for funds received generally from state allocated mineral lease funds which are used to provide construction, repair and maintenance of roads within the unincorporated areas of the County.

Separately issued financial reports are not prepared or available for the above discretely presented component units.

**Basis of Presentation - Government-Wide and 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, while business-type activities incorporate data from the government's enterprise funds. 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.

As discussed earlier, the government has two discretely presented component units. Neither the Summit Special Service District nor the Iron County Special Service District #3 are considered to be a major component unit, and are combined in the same column in the government-wide financial statements.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

**Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The County reports the following major governmental funds:

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

The **Municipal Service Fund** (Blended Component Unit) is used to account for property tax revenues, sales tax revenues, charges for services and other revenues used for providing planning and zoning, public safety, weed control and other services for unincorporated areas of the County.

The **Class B and C Roads Fund** is used to account for state highway user taxes and fees that are legally restricted to expenditures for the construction and maintenance of County roads.

The **Corridor Preservation Fund** is used to account for revenues and expenses for right of way purchases, planning, and related expenses.

The **Community Development Renewal Agency Fund** (Blended Component Unit) accounts for promotion of urban renewal, economic development, and community development activities in certain areas of the County.

The **Jail Capital Projects Fund** is used to account for the financing sources, sales tax revenues and expenditures related to the construction, furnishing and equipping of a new jail in the County.

The County's non-major governmental funds account for specific revenue sources that are legally restricted or committed to expenditures for specific purposes. The non-major funds of the County are the Assessing & Collecting, Council on Aging, Library, Transient Room Tax, Public Health, Restaurant Food Tax, Capital Projects, and Debt Service.

The County reports the following major proprietary funds:

The **Solid Waste Landfill Fund** accounts for fees and other revenues used to operate and maintain the County landfill.

The non-major proprietary funds of the County are the Sewer Service Fund and Solid Waste collection Fund.

Additionally, the County reports the following fiduciary fund and internal service fund:

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

The **Internal Service Fund** accounts for the fleet services provided to other department of funds of of the County on a cost-reimbursement basis.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

During the course of operations, the government has activity between funds for various purposes, any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., governmental funds) are eliminated so that only the net amount is included as internal balances in the internal balances in the governmental activities column. Similarly, balances between the fund included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported a gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated to that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

**Measurement Focus and Basis of Accounting**

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 *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are recorded using the current financial resources measurement focus and 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 a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded whin a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions under capital leases are reported as other financing sources.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Property taxes, sales taxes, transient room taxes, restaurant food taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within to days of year end). Expenditure-driven grants are recognized revenue when the qualifying expenditures have been incurred and all other eligibility have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Only the portion of special assessments receivable due within the current period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered top be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

**Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**Deposits and Investments:**

Cash includes cash on hand, demand deposits with banks and other financial institutions, deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit account and short-term investments with original maturities of three months or less from the date of acquisition. The County's policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the state treasurer's pool, obligations of the U. S. Government and other investments as allowed by the State of Utah's Money Management Act. All investments are carried a fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices.

**Inventories and Prepaid Items:**

For all funds the County charges consumable supplies against appropriations at the time of purchase. Any inventories of such supplies at December 31 are not considered material to the individual funds and are not recognized in these financial statements.

**Receivables and Payables:**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to" or "due from" other funds. The County's governmental funds do not have any trade accounts receivable, all other receivables are deemed collectible and allowance for uncollectible accounts is deemed immaterial and has not been recorded. The proprietary fund trade receivables are deemed collectible and an allowance for uncollectible accounts is deemed immaterial and has not been recorded.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets:**

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

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the asset constructed. The amount of interest capitalized depends on the specific circumstances.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Land and construction in progress are not depreciated. Property, plant and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the following estimated useful lives:

| | |
|---|---|
| Buildings | 40 Years |
| Improvements Other Than Buildings | 20 Years |
| Equipment | 5 Years |

The County has adopted and complied with GASB 87, regarding the classification and disclosure of leases and the related leased assets and liabilities. The County has also adopted and complied with GASB 96, regarding intangible assets.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has only one type of item that qualifies for reporting in this category, deferred outflows as relating to pensions as described in Note 14.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item that qualifies for reporting in this category. The County deferred inflows as relating to pensions as described in Note 14. This amount is deferred and recognized as an inflow of resources in the period in which the amount becomes available.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Net Position Flow Assumption:**

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., 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 consider restricted - net position to have been depleted before unrestricted - net position is applied.

**Equity Classifications:**

Equity is classified in the government-wide financial statements as net position and is displayed in three components:

a. Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net position - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position - All other net position that do not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned, or Unassigned.

**Nonspendable fund balance** classification includes amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

**Restricted fund balance** classification are restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed fund balance** classification includes those funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority.

**Assigned fund balance** classification includes amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. It also includes all remaining amounts that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable, restricted nor committed, that are intended to be used for specific purposes.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Unassigned fund balance** classification is the residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Proprietary Fund equity is classified the same as in the government-wide statements.

**Revenues and Expenditures/Expenses:**

**Program Revenues:**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

**Property Taxes:**

The property taxes of Iron County are levied, collected, and distributed by the County as required by Utah State law. Utah statutes established the process by which taxes are levied and collected. The following schedule outlines the property tax calendar of the County:

| | |
|---|---|
| January 1 | Lien Date – All property appraised based upon situs and status of this date (real and personal). |
| March 1 | Calendar year taxing entities must inform the County of the date, time and place of the budget hearing for the next fiscal year for inclusion with tax notice. |
| June 22 | All taxing entities to adopt tentative budgets and proposed tax rates and report them to the county auditor. |
| July 22 | County auditor to prepare and mail Notice of Valuation and Tax Changes to all real property owners, including centrally assessed property owners or in the event that Notices of Valuation and Tax Changes are not required, the county auditor is to compute taxes and the county treasurer is to mail tax notices. |
| Sept. 1 | State Tax Commission approves tax rates. |
| Nov. 1 | County auditor is to deliver the equalized assessment roll to the county treasurer with affidavit. |
| Nov. 1 | County auditor to charge the County Treasurer to account for all taxes levied. |
| Nov. 1 | County treasurer to mail tax notices. Tax notices for calendar year entities include notice of budget hearings. |
| Nov. 30 | Taxes on real property become delinquent. |

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Compensated Absences:**

The County has a policy which allow full time employees to accumulate vacation pay and comp-time. For most employees, the County allows vacation hours to accumulate up to a maximum of 320 hours at year end payable at termination. The maximum comp-time payable is 80 hours. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

**Proprietary Funds Operating and Non-Operating Revenues and Expenses:**

Proprietary funds distinguish *operating* revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste Landfill, Sewer Service and Solid Waste Collection funds are fees and/or charges to customers for sales and services. The Sewer fund also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Use of Estimates:**

Generally accepted accounting principles require management to make estimates and assumptions that affect assets and liabilities, contingent assets and liabilities, and revenues and expenditures. Actual results could differ from those estimates.

**Date of Subsequent Event Evaluation:**

Iron County's subsequent events have been evaluated through the date of the financial statements issuance of May 18, 2026.

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental fund balance sheet includes reconciliation between total governmental fund balances and net position of governmental activities as reported in the government-wide statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets. The details of these differences are reported in the reconciliation on page 18.

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)**

The governmental fund statement of revenues, expenditures, and changes in fund balance includes reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. These differences are the result of converting from the current resources measurement focus and modified accrual basis used for government-wide statements. The details of these differences are reported in the reconciliation on page 20.

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgets and Budgetary Accounting:**

Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the County. The use of budgets and monitoring of equity status facilitate the County's compliance with legal requirements.

The County uses the following procedures to establish, modify and control the budgetary data presented in the financial statements:

1. On or before the first regularly scheduled meeting of the County Commission in the month of November, the County Auditor prepares a tentative budget for the next budget year.

2. After a public notice has been published, a public hearing is then held on the adoption of the budget.

3. After the public hearing, the County Commission makes final adjustments to the tentative budget.

4. On or before December 15, the County Commission adopts the budget by resolution or ordinance and sets the tax rate for taxes.

5. The Budget officer may transfer unexpended budgeted amounts within departments.

6. The County Commission may transfer unexpended budgeted amounts from one department in a fund to another department in the same fund by resolution.

7. The total budget appropriation of any governmental fund may be increased only after a public hearing has been held and followed by resolution of the County Commission.

8. Budgets for the General fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).

**NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

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

The County Commission adopts a budget for all of the County's funds except trust and agency funds. The Boards of the component units adopt their own budgets independent of the County. All budget amounts presented in the accompanying financial statements and supplementary information have been adjusted for legally authorized revisions of the annual budgets during the year. During the current fiscal year there were amendments to the budget. Procedures followed for amending the budgets were in accordance with State laws.

All Governmental Fund budgets are maintained on the modified accrual basis of accounting. The actual results of operations are presented in accordance with GAAP.

**Expenditures over Appropriations:**

The Fiscal Procedures Act for Utah Counties requires Counties to restrict expenditures to authorized departmental budgets. The County had no funds with expenditures in excess of budgeted amounts. The various statements of revenues, expenditures and changes in fund balance – budget and actual reports as listed in the table of contents, identify and give further detail for the major funds and related the departments which have over expended budgeted amounts, if any.

**Encumbrances:**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

A reconciliation of cash and investments as shown on the statement of net position follows:

| | Carrying at Fair Value |
|---|---|
| Cash and Investments | $ 34,574,040 |
| Restricted Cash and Investments | 127,914,871 |
| Agency Fund Cash and Investments | 14,018,819 |
| Total Cash and Investments | $176,507,730 |

**NOTE 4 - DEPOSITS AND INVESTMENTS (CONTINUED)**

Restricted cash and investments consists of the following:

| | |
|---|---|
| Debt Service and Bond Reserves | $ 3,136,518 |
| Inmate Trust Account | 49,380 |
| Council on Aging | 216,704 |
| General Fund - Opioid and Maintenance Reserve | 1,345,779 |
| Community Development & Renewal | 5,084,360 |
| Library | 332,317 |
| Open and Agricultural Land | 86,100 |
| Tourism | 4,214,188 |
| Roads Development and Maintenance | 8,875,791 |
| Corridor Development | 7,337,129 |
| Assessing & Collecting Property Tax | 2,020,588 |
| Bond Proceeds - Unexpended | 89,406,679 |
| ICDNRA-61 | 606,008 |
| Sewer Impact Fees | 329,974 |
| Landfill closure and Post Closure | 4,873,356 |
| Total Restricted Cash and Investments | 127,914,871 |
| Fiduciary Fund | 14,018,819 |
| Total Restricted Cash and Investments | $141,933,690 |

**Component Unit:**

| | Carrying at Fair Value |
|---|---|
| Cash and Investments | $ 404,958 |
| Total Cash and Investments | $ 404,958 |
| Governmental Activities - Unrestricted | $ 404,958 |
| Governmental Activities - Restricted | - |
| Total Cash and Investments | $ 404,958 |

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds. The County follows the requirements of the Utah Money Management Act (Utah code, Section 51, chapter 7) in handling its depository and investment transactions. The Act requires the depositing of County funds in a qualified depositor. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

**NOTE 4 - DEPOSITS AND INVESTMENTS (CONTINUED)**

**Deposits:**

*Custodial Credit Risk*

For deposits this is the risk that in the event of a bank failure, the government's deposit may not be returned to it. The County does not have a formal policy for custodial credit risk. As of December 31, 2025, $3,325,757 of the County's bank balance of $3,575,757 was exposed to custodial credit risk because it was uninsured and, uncollateralized. No deposits are collateralized, nor is it required by state statute.

**Investments:**

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

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

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer. The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated, 1953,* as amended.

The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gain or losses on investments.

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

## NOTE 4 - DEPOSITS AND INVESTMENTS (CONTINUED)

As of December 31, 2025, the County had the following investments quality ratings and maturities:

| | Fair Value | Credit Rating | Average Maturity |
|---|---|---|---|
| Cash on deposit | $ 1,151,046 | N/A | N/A |
| Cash on hand | 3,935 | N/A | N/A |
| PTIF (Public Treasurer's Investment Fund) | 151,853,092 | N/A | 1 year or less |
| Corporate bonds | 2,713,330 | AAA to A | 1 year or less |
| Corporate bonds | 7,739,068 | AAA to A | More than 1 year less than 5 |
| Corporate bonds | 237,874 | BBB+ to BB- | 1 year or less |
| Corporate bonds | 243,000 | BBB+ to BB- | More than 1 year less than 5 |
| Corporate bonds | 12,566,385 | Not rated | 1 year or less |
| | $ 176,507,730 | | |

(1) Securities in the PTIF include certificates of deposit, money market securities, commercial paper, short-term corporate notes, and obligations of the U.S. Treasury and certain agencies of the U.S. government.

(2) Corporate bonds include investments to various corporate notes.

### Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect fair value of an investment. The County's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State's Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period availability of the funds to be invested.

### Credit Risk

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

### Fair Value Measurement

As noted above the County holds investments that are measured at fair value on a reoccurring basis. 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 assets. Level 1 inputs are quoted prices in active markets; level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The PTIF, as listed above, is valued using significant other observable inputs (Level 2 inputs). The Corporate bonds, as listed above, are valued using quoted prices in active markets (Level 1 inputs).

## NOTE 5 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2025, was as follows:

**Primary Government:**

| | Beginning Balance | Additions | Transfers and Deletions | Ending Balance |
|---|---|---|---|---|
| **Governmental Activities:** | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | $ 9,886,065 | $ 90,000 | $ - | $ 9,976,065 |
| Construction In Progress | 11,223,403 | 25,404,167 | - | 36,627,570 |
| Total Capital Assets Not Being Depreciated | 21,109,468 | 25,494,167 | - | 46,603,635 |
| Capital Assets Being Depreciated: | | | | |
| Buildings and Improvements | 24,740,499 | - | - | 24,740,499 |
| Improvements Other Than Buildings | 7,103,766 | 210,442 | - | 7,314,208 |
| Autos and Trucks | 10,160,400 | 1,375,811 | 579,541 | 10,956,670 |
| Machinery and Equipment | 12,217,206 | 1,872,676 | 505,043 | 13,584,839 |
| Office Furniture and Equip. | 2,683,218 | 50,305 | - | 2,733,523 |
| Infrastructure | 48,281,399 | 529,836 | - | 48,811,235 |
| Total Capital Assets Being Depreciated | 105,186,488 | 4,039,070 | 1,084,584 | 108,140,974 |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvements | 16,941,565 | 493,308 | - | 17,434,873 |
| Improvements Other Than Buildings | 4,103,091 | 588,895 | - | 4,691,986 |
| Autos and Trucks | 5,970,646 | 1,454,253 | 579,541 | 6,845,358 |
| Machinery and Equipment | 6,671,346 | 1,005,830 | 505,043 | 7,172,133 |
| Office Furniture and Equip. | 2,247,485 | 123,879 | - | 2,371,364 |
| Infrastructure | 37,258,394 | 988,408 | - | 38,246,802 |
| Total Accumulated Depreciation | 73,192,527 | 4,654,573 | 1,084,584 | 76,762,516 |
| Total Capital Assets Being Depreciated (Net) | 31,993,961 | (615,503) | - | 31,378,458 |
| Governmental Activities Capital Assets, Net | $ 53,103,429 | $ 24,878,664 | $ - | $77,982,093 |

## NOTE 5 - CAPITAL ASSETS (CONTINUED)

Capital assets activity for the year ended December 31, 2025, was as follows:

| | Beginning Balance | Additions | Transfers & Deletions | Ending Balance |
|---|---|---|---|---|
| **Business-Type Activities:** | | | | |
| Capital Assets not Being Depreciated: | | | | |
| Land | $ 164,429 | $ - | $ - | $ 164,429 |
| Total Capital Assets Not Being Depreciated | 164,429 | - | - | 164,429 |
| Capital Assets Being Depreciated: | | | | |
| Buildings and Improvements | 312,253 | - | - | 312,253 |
| Improvements Other Than Buildings | 261,768 | - | - | 261,768 |
| Autos and Trucks | 849,125 | 122,699 | 173,335 | 798,489 |
| Machinery and Equipment | 6,274,813 | 473,492 | 123,960 | 6,624,345 |
| Office Furniture and Equip. | 10,799 | - | - | 10,799 |
| Total Capital Assets Being Depreciated | 7,708,758 | 596,191 | 297,295 | 8,007,654 |
| Less Accumulated Depreciation For: | | | | |
| Buildings and Improvements | 167,362 | 6,037 | - | 173,399 |
| Improvements Other Than Buildings | 225,781 | 6,819 | - | 232,600 |
| Autos and Trucks | 744,866 | 53,257 | 173,335 | 624,788 |
| Machinery and Equipment | 2,597,509 | 552,919 | 13,429 | 3,136,999 |
| Office Furniture and Equip. | 10,799 | - | - | 10,799 |
| Total Accumulated Depreciation | 3,746,317 | 619,032 | 186,764 | 4,178,585 |
| Total Capital Assets Being Depreciated (Net) | 3,962,441 | (22,841) | 110,531 | 3,829,069 |
| Business-Type Activities Capital Assets, Net | 4,126,870 | (22,841) | 110,531 | 3,993,498 |
| Total Capital Assets | $ 57,230,299 | $ 24,855,823 | $ 110,531 | $81,975,591 |

**NOTE 5 - CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functions of the Primary Government as follows:

| | Governmental Activities | Business -Type Activities |
|---|---|---|
| General Government | $ 754,957 | $ - |
| Public Safety | 1,622,242 | - |
| Public Health | 272,334 | - |
| Public Works | 1,563,746 | - |
| Culture and Recreation | 329,396 | - |
| Community and Economic Development | 111,898 | - |
| Solid Waste Landfill | - | 458,180 |
| Solid Waste Collection | - | 160,852 |
| Total Depreciation Expense | $ 4,654,573 | $ 619,032 |

**NOTE 6 - DUE TO TAXING DISTRICTS**

Due to taxing districts shown in the combined statement of fiduciary net assets represents property taxes collected by the County for the various taxing districts in the County and held in the Treasurer's Trust Fund at December 31, 2025. These monies were distributed in January of 2026 and thereafter.

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## NOTE 7 - LONG-TERM LIABILITIES

The following is a schedule of changes in long-term debt for the Primary Government as of December 31, 2025.

| | Balance 12/31/2024 | Additions | Retirements | Balance 12/31/2025 | Current Portion |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| **General Obligation:** | | | | | |
| Net Pension Liability | $ 3,652,746 | $ 686,406 | $ - | $ 4,339,152 | $ - |
| Accr. Compensated Absences | 981,658 | 70,143 | - | 1,051,801 | - |
| Total General Obligation | 4,634,404 | 756,549 | - | 5,390,953 | - |
| **Revenue Obligation:** | | | | | |
| CIB Bond - Sfty Bldg | 2,881,000 | - | 129,000 | 2,752,000 | 132,000 |
| CIB Bond - Fire Bldg | 236,000 | - | 7,000 | 229,000 | 7,000 |
| Tax Revenue Bonds | 723,844 | - | 142,000 | 581,844 | 144,000 |
| Sales Tax Rev Bonds | 87,520,000 | - | 65,000 | 87,455,000 | - |
| Unamort. Premium | 8,815,352 | - | 221,770 | 8,593,582 | 221,770 |
| Unamort. Discount | (326,546) | - | (8,215) | (318,331) | (8,215) |
| Total General Obligation | 99,849,650 | - | 556,555 | 99,293,095 | 496,555 |
| **Special Assessment Debt With Government Commitment:** | | | | | |
| Special Assessment. Bonds, Series 2020 | 691,000 | - | 56,000 | 635,000 | 57,000 |
| Total Special Assessment | 691,000 | - | 56,000 | 635,000 | 57,000 |
| Total Governmental Activity | $105,175,054 | $ 756,549 | $ 612,555 | $105,319,048 | $ 553,555 |
| **Business Type Activities:** | | | | | |
| **General Obligation:** | | | | | |
| Net Pension Liability | $ 220,849 | $ 37,567 | $ - | $ 258,416 | $ - |
| Accr. Compensated Absences | 54,121 | 39,161 | 22,021 | 71,261 | - |
| Total General Obligation | $ 274,970 | $ 76,728 | $ 22,021 | $ 329,677 | $ - |

## NOTE 7 - LONG-TERM DEBT (CONTINUED)

The County has reviewed its long-term debt in accordance with the Governmental Accounting Standards Board Statement 88, effective for years Beginning after June 15, 2018, and the County has no unused lines of credit and no direct borrowing or direct placement debt.

CIB Bonds outstanding as of December 31, 2025 are composed of the following:

| | |
|---|---|
| CIB Bond, issued for the Safety Service Building, due in annual principal and interest installments, bearing interest at 2.5% maturing September 1, 2042 | $ 2,752,000 |
| Total Governmental Lease Revenue Bonds | 2,752,000 |
| Less Current Portion | (132,000) |
| Total Long-Term Governmental Lease Revenue Bonds | $ 2,620,000 |

Debt Service requirements to maturity for CIB Bonds payable are as follows:

| Year Ended December 31, | Governmental Activities Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 132,000 | $ 68,800 | $ 200,800 |
| 2027 | 135,000 | 65,500 | 200,500 |
| 2028 | 139,000 | 62,125 | 201,125 |
| 2029 | 142,000 | 58,650 | 200,650 |
| 2030 | 146,000 | 55,100 | 201,100 |
| 2031-2035 | 785,000 | 219,000 | 1,004,000 |
| 2036-2040 | 889,000 | 115,800 | 1,004,800 |
| 2041-2042 | 384,000 | 14,425 | 398,425 |
| Total | $ 2,752,000 | $ 659,400 | $ 3,411,400 |

| | |
|---|---|
| CIB Bond, issued for the Newcastle Firehouse Building, due in annual principal and interest installments, bearing interest at 1% maturing October 1, 2052. | $ 229,000 |
| Total Governmental Lease Revenue Bonds | 229,000 |
| Less Current Portion | (7,000) |
| Total Long-Term Governmental Lease Revenue Bonds | $ 222,000 |

## NOTE 7 - LONG-TERM DEBT (CONTINUED)

Debt Service requirements to maturity for CIB Bonds payable are as follows:

| Year Ended October 31, | Governmental Activities Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 7,000 | $ 2,290 | $ 9,290 |
| 2027 | 7,000 | 2,220 | 9,220 |
| 2028 | 8,000 | 2,150 | 10,150 |
| 2029 | 8,000 | 2,070 | 10,070 |
| 2030 | 8,000 | 1,990 | 9,990 |
| 2031-2035 | 40,000 | 8,750 | 48,750 |
| 2036-2040 | 42,000 | 6,740 | 48,740 |
| 2041-2045 | 45,000 | 4,550 | 49,550 |
| 2046-2050 | 45,000 | 2,300 | 47,300 |
| 2051-2052 | 19,000 | 290 | 19,290 |
| Total | $ 229,000 | $ 33,350 | $ 262,350 |

Tax Revenue Bonds outstanding as of December 31, 2025 are comprised of the following:

| | |
|---|---|
| Excise Tax Revenue Bonds, Series 2014, Issued for the Shakespeare Theater, bearing interest at 1.5%, due in annual principal and interest installments, maturing fiscal year 2029. | $ 581,844 |
| Total Governmental Lease Revenue Bonds | 581,844 |
| Less Current Portion | (144,000) |
| Total Long-Term Governmental Lease Revenue Bonds | $ 437,844 |

Debt Service requirements to maturity for Excise Tax Revenue Bonds are as follows:

| Year Ended December 31, | Governmental Activities Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 144,000 | $ 8,820 | $ 152,820 |
| 2027 | 146,000 | 6,660 | 152,660 |
| 2028 | 148,000 | 4,470 | 152,470 |
| 2029 | 143,844 | 2,250 | 146,094 |
| Total | $ 581,844 | $ 22,200 | $ 604,044 |

## NOTE 7 - LONG-TERM DEBT (CONTINUED)

### Sales Tax Revenue Bonds, Series 2024

On October 17, 2024 the County issued Sales Tax Revenue Bonds, Series 2024, in the par amount of $87,520,000. Proceeds of the bond were used to (i) finance the constructing, furnishing and equipping of a new jail and related improvements and (ii) pay certain costs of issuance associated with the Bonds. The bonds were issued in compliance with Utah Code Section 11-14-310, which authorizes counties to issue revenue bonds payable solely from pledged revenue sources. The purchaser of the Bonds is BofA Securities, Inc and KeyBanc Capital Markets, Inc collectively, and the proceeds are held in trust by US Bank Trust Company, National Association to be disbursed as reimbursements for construction and finance costs are requested.

**Bond Terms:**

* Issue Date: October 17, 2024
* Par Value: $87,520,000
* Final Maturity Date: October 1, 2064
* Interest Payment Dates: April 1 and October 1
* Principal Payments Begin: October 1, 2025

**Bond Financing Summary:**

| Description | Amount |
|---|---|
| Par Amount | $87,520,000 |
| Plus: Bond Premium | $8,870,794 |
| Less: Underwriters' Discount | ($328,600) |
| Less: Bond Issuance Costs | ($435,000) |
| Net Proceeds | $95,627,195 |

**Accounting and Disclosure:**

In accordance with GASB Statement No. 65, the bond premium of $8,870,794 is reported in the government-wide Statement of Net Position as an addition to bonds payable, and is amortized over the bond's life using the straight-line method.
In the governmental fund financial statements, which follow the modified accrual basis, the components of the issuance are recorded as follows:

* The bond premium is reported as an other financing source in FY 2024.
* The underwriters' discount of $328,600 and issuance costs of $435,000 are recorded as debt service expenditures in FY 2024.

**Legal Compliance:**

The issuance was made in compliance with the County's debt limit restrictions as prescribed in Utah Constitution Article XIV and Utah Code Section 11-14-301. Unamortized bond premiums are considered part of the debt outstanding for purposes of assessing compliance with statutory limits.

**NOTE 7 - LONG-TERM DEBT (CONTINUED)**

Sales Tax Revenue Bonds, Series 2024 outstanding as of December 31, 2025 are composed of the following:

| | |
|---|---|
| Sales Tax Revenue Bonds, Series 2024 payable in annual principal and semi-annual interest installments, bearing average interest at 5%, maturing in 2064. | $87,455,000 |
| Total Governmental Sales Tax Revenue Bonds | 87,455,000 |
| Less Current Portion | - |
| Total Long-Term Governmental Sales Tax Revenue Bonds | $87,455,000 |

Debt Service requirements to maturity for CIB Bonds payable are as follows:

| Year Ended December 31, | Governmental Activities Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ - | $ 4,372,750 | $ 4,372,750 |
| 2027 | 45,000 | 4,372,750 | 4,417,750 |
| 2028 | 135,000 | 4,370,500 | 4,505,500 |
| 2029 | 235,000 | 4,363,750 | 4,598,750 |
| 2030 | 340,000 | 4,352,000 | 4,692,000 |
| 2031-2035 | 3,455,000 | 17,181,250 | 20,636,250 |
| 2036-2040 | 6,160,000 | 20,250,750 | 26,410,750 |
| 2041-2045 | 9,310,000 | 18,407,250 | 27,717,250 |
| 2046-2050 | 12,260,000 | 15,777,250 | 28,037,250 |
| 2051-2055 | 15,655,000 | 12,390,000 | 28,045,000 |
| 2056-2060 | 19,975,000 | 8,065,000 | 28,040,000 |
| 2061-2064 | 19,885,000 | 2,546,000 | 22,431,000 |
| Total | $87,455,000 | $116,449,250 | $203,904,250 |

## NOTE 7 - LONG-TERM DEBT (CONTINUED)

Special Assessment Bonds outstanding as of December 31, 2025 are composed of the following:

| | |
|---|---|
| Special Assessments Bonds, Series 2020 payable in annual principal and semi-annual interest installments, bearing average interest at 2.61%, maturing in 2035. | $ 635,000 |
| Total Governmental Special Assessment Bonds | 635,000 |
| Less Current Portion | (57,000) |
| Total Long-Term Governmental Special Assessment Bonds | $ 578,000 |

Debt Service requirements to maturity for CIB Bonds payable are as follows:

| Year Ended | Governmental Activities | | |
|---|---|---|---|
| December 31, | Principal | Interest | Total |
| 2026 | $ 57,000 | $ 15,959 | $ 72,959 |
| 2027 | 58,000 | 14,723 | 72,723 |
| 2028 | 59,000 | 13,406 | 72,406 |
| 2029 | 61,000 | 11,980 | 72,980 |
| 2030 | 62,000 | 10,443 | 72,443 |
| 2031-2035 | 338,000 | 25,350 | 363,350 |
| Total | $ 635,000 | $ 91,861 | $ 726,861 |

## NOTE 8 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

There were no interfund transfers due to/from other funds account balances of December 31, 2025. Interfund transfers for the year ended December 31, 2025 are shown in the following table:

| | Transfers Out | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Non-Major | | | Business-Type | Component Unit |
| | General Fund | Municipal Services | Class B Roads | Community Development and Renewal | Assessing and Collecting | Transient Room Tax | Restaurant Food Tax | Solid Waste Landfill | Special Service District #3 |
| **Transfers In:** | | | | | | | | | |
| General Fund | $ - | $ 604,723 | $ - | $ 8,123 | $ 1,073,715 | $ 58,000 | $ 120,000 | $ 178,026 | $ - |
| Municipal Services | 335,000 | - | - | - | - | - | - | - | - |
| Class B Roads | - | - | - | - | - | - | - | - | 200,000 |
| Capital Projects | 600,000 | - | - | - | - | - | - | - | - |
| Non-Major Funds: | | | | | | | | | |
| Assessing and Collecting | 64,626 | - | - | - | - | - | - | - | - |
| Council on Aging | 335,000 | - | - | - | - | - | - | - | - |
| Public Health | 35,000 | - | - | - | - | - | - | - | - |
| Debt Service | 201,025 | 9,360 | - | - | - | 76,475 | 76,475 | - | - |
| Internal Service Fund | 315,090 | 510,223 | 17,989 | - | - | - | - | - | - |
| Business-Type Funds: | | | | | | | | | |
| Collection | - | - | - | - | - | - | - | 450,000 | - |
| Total Transfers | $ 1,885,741 | $ 1,124,306 | $ 17,989 | $ 8,123 | $ 1,073,715 | $ 134,475 | $ 196,475 | $ 628,026 | $ 200,000 |

Transfers are used to 1) move revenues from the fund with collection authorization the debt service fund as debt service principal and interest payments become due, 2) move restricted amounts from borrowings to the debt service fund to establish mandatory reserve accounts, and 3) move unrestricted general fund revenues to finance various programs that the government must account for in the other funds in accordance budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.
funds for various grant programs.

**NOTE 9 - CLOSURE AND POST CLOSURE CARE COST - MUNICIPAL SOLID WASTE LANDFILL**

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an expenditure in the enterprise fund financial statements based on landfill capacity used as of each balance sheet date. The landfills are divided into various cells which will each be opened as the need arises for additional capacity. The $2,392,008 reported as estimated landfill closure and post-closure costs liability at December 31, 2025, represents the cumulative amount of closure and post closure costs reported to date based on the use of 100% of the estimated capacity of the landfills. The County will recognize inflationary costs for the remaining life of the landfills. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required to finance closure and post closure care. At December 31, 2025, the County has $4,873,356 of restricted cash and a liability of $2,392,008 for this purpose.

**NOTE 10 - CONTINGENCIES**

The County is involved in various matters of litigation. It is the opinion of County officials that none of the cases should result in a material effect on the County's financial condition.

**NOTE 11 - RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets by intent or acts of God, errors and omissions, and job related illnesses or injury.

The County has procured commercial insurance coverage, which in the County's estimation, is adequate to reduce the risk of loss to a manageable level.

There were no significant reductions in insurance coverage from the previous year and the amount of settlements have not exceeded coverages for each of the past three years.

**NOTE 12 - ROUNDING CONVENTION**

A rounding convention to the nearest whole dollar has been applied throughout this report, therefore the precision displayed in any monetary amount is plus or minus $1. These financial statements are computer generated and the rounding convention is applied to each amount displayed in a column, whether detail item or total. As a result, without the overhead cost of manually balancing each column, the sum displayed amounts in a column may not equal the total displayed. The maximum difference between any displayed number or total and its actual value will not be more than $1.

## NOTE 13 - TAX ABATEMENTS

Iron County negotiates property tax abatement agreements on an individual basis. The County has utilized the Community Development and Renewal Agency to establish abatement agreements. Each agreement was negotiated under Utah Code Section 17C which allows the use of funds for community development projects and stipulated a percentage of property tax valuation above a specified base for which the property tax paid would be returned to the paying party. The percentage of abatement was set by resolution. As stipulated by the abatement agreement, to qualify for return of the abated amounts the party must have a solar farm in operation, must be current in its tax payments, provide proof of current payments, and request the refund. Agreements on thirteen projects was in effect and taxes abated during the year ending December 31, 2025. The amounts abated for agreements with an abatement percentage over 10 percent, as classified by the percentages were:

| Purpose | Percentage of Taxes Abated during the Calendar year | Amount of Taxes Abated during the Calendar Year |
|---|---|---|
| Providing for the construction and operation of a solar power generation facility | 50% | $ 11,231 |
| Providing for the construction and operation of a solar power generation facility | 70% | 296,487 |
| Providing for the construction and operation of a solar power generation facility | 100% | 163,592 |
| Total | | $ 471,310 |

Two municipalities within the County have entered into various tax abatement agreements that reduce the tax revenue on the general fund levy of the County. The amounts abated for agreements with an abatement percentage over 10 percent, as classified by the percentage were:

| Purpose | Percentage of Taxes Apportioned during the Calendar year | Amount of Taxes Apportioned during the Calendar Year |
|---|---|---|
| **Brian Head:** | | |
| Providing for the build-out of business within the municipal core | 60% | $ 134,761 |
| **Cedar City:** | | |
| Providing for economic development in the manufacturing arena | 100% | 124,460 |
| Total | | $ 259,221 |

## NOTE 14 - PENSION PLAN

### General Information about the Pension Plan

**Plan Description:**

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

**Defined Benefit Plans:**

Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system.

The Public Safety Retirement System (Public Safety System) is a mixed agent and cost sharing, multiple employer public employee retirement system.

Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public employee retirement system.

Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System) is a multiple employer, cost sharing, public employee retirement system.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The System's defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act, Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah, 84102 or visiting the website:

www.urs.org/general/publications.

## NOTE 14 - PENSION PLAN (CONTINUED)

Summary of Benefits By System:

**Benefits Provided:**

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

| System | Final Average Salary | Years of Service Required and/or Age Eligible for Benefit | Benefit Percent Per Year of Service | COLA** |
|---|---|---|---|---|
| Noncontributory System | Highest 3 years | 30 years, any age<br>25 years, any age*<br>20 years, age 60*<br>10 years, age 62*<br>4 years, age 65 | 2.0% per year all years | Up to 4% |
| Public Safety System | Highest 3 years | 20 years, any age<br>10 years, age 60<br>4 years, age 65 | 2.5% per year up to 20 years; 2.0% per year over 20 years | Up to 2.5% or 4% depending upon the employer |
| Tier 2 Public Employees System | Highest 5 years | 35 years, any age<br>20 years, age 60*<br>10 years, age 62*<br>4 years, age 65 | 1.5% per year all years | Up to 2.5% |
| Tier 2 Public Safety anc Firefighter System | Highest 5 years | 25 years, any age<br>20 years, age 60*<br>10 years, age 62*<br>4 years, age 65 | 1.5% per year to June 2020<br>2.0% per year July 2020 to present | Up to 2.5% |

* Actuarial reductions are applied.

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

**NOTE 14 - PENSION PLAN (CONTINUED)**

**Contribution Rate Summary:**

As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2025, are as follows:

**Utah Retirement Systems**

| | Employee | Employer | ER 401(k) |
|---|---|---|---|
| **Noncontributory System** | | | |
| 15 - Local Government - Tier 1 - DB System | - | 15.97% | - |
| 111 - Local Government - Tier 2 - DB Hybrid System | 0.81% | 14.19% | - |
| 211 - Local Government - Tier 2 - 401(k) Option | - | 4.19% | 10.00% |
| **Public Safety System** | | | |
| 43 - Other Div A 2.5% COLA - Tier 1 - DB System | - | 33.04% | - |
| 122 - Other Div A 2.5% COLA - Tier 2 - DB Hybrid Sys. | 4.73% | 24.83% | - |
| 222 - Other Div A 2.5% COLA - Tier 2 - 401(k) Option | - | 10.83% | 14.00% |

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

For year ended December 31, 2025, the employer and employee contributions to the Systems were as follows:

| | Employer Contributions | Employee Contributions |
|---|---|---|
| Noncontributory System | $ 551,502 | $ - |
| Public Safety System | 611,284 | - |
| Tier 2 Public Employees System | 624,632 | 32,112 |
| Tier 2 Public Safety and Firefighter System | 1,022,449 | 192,557 |
| Tier 2 DC Public Employees Plan | 63,943 | - |
| Tier 2 DC Public Safety and Firefighter Plan | 37,109 | - |
| Total Contributions | $2,910,919 | $ 224,669 |

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

## NOTE 14 - PENSION PLAN (CONTINUED)

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

At December 31, 2025, we reported a net pension liability of $4,597,568 and a net pension asset of $0.

| | Measurement Date: December 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Net Pension Liability | Net Pension Asset | Proportionate Share - 2024 | Proportionate Share - 2023 | Change (Decrease) |
| Noncontributory System | $ 1,302,689 | $ - | 0.4107983% | 0.3957517% | 0.0150466% |
| Contributory System | - | - | 0.0000000% | 0.1602306% | -0.1602306% |
| Public Safety System | 2,512,441 | - | 1.6237568% | 1.6446490% | -0.0208922% |
| Tier 2 Public Employees System | 422,675 | - | 0.1417238% | 0.1404403% | 0.0012835% |
| Tier 2 Public Public Safety and Firefighter System | 359,763 | - | 0.7954268% | 0.8413489% | -0.0459221% |
| Total | $ 4,597,568 | $ - | | | |

The net pension asset and liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024, and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2025, we recognized pension expense of $3,678,828.

## NOTE 14 - PENSION PLAN (CONTINUED)

At December 31, 2025, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $1,442,240 | $ 21,814 |
| Changes in assumptions | 450,686 | 5,693 |
| Net difference between projected and actual earnings on pension plan investments | 877,554 | - |
| Changes in proportion and differences between contributions and proportionate share of contributions | 110,125 | 36,087 |
| Contributions subsequent to the measurement date | 2,910,919 | - |
| Total | $5,791,524 | $ 63,594 |

$2,910,919 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2024.

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

| Year Ended December 31, | Deferred Outflows (Inflows) of Resources (Net) |
|---|---|
| 2025 | $ 1,108,896 |
| 2026 | $ 1,470,980 |
| 2027 | $ (278,661) |
| 2028 | $ 12,318 |
| 2029 | $ 172,846 |
| Thereafter | $ 330,631 |

## NOTE 14 - PENSION PLAN (CONTINUED)

**Actuarial Assumptions:**

The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---|---|
| Inflation | 2.50 Percent |
| Salary Increases | 3.50 - 9.50 percent, average, including inflation |
| Investment rate of return | 6.85 percent, net of pension plan investment expense, including inflation |

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2024, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

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

| | Expected Return Arithmetic Basis | | |
|---|---|---|---|
| Asset Class | Target Asset Allocation | Real Return Arithmetic Basis | Long-Term Expected Portfolio Real Rate of Return |
| Equity Securities | 35.00% | 7.01% | 2.45% |
| Debt Securities | 20.00% | 2.54% | 0.51% |
| Real Assets | 18.00% | 5.45% | 0.98% |
| Private Equity | 12.00% | 10.05% | 1.21% |
| Absolute Return | 15.00% | 4.36% | 0.65% |
| Cash and Cash Equivalents | 0.00% | 0.49% | 0.00% |
| Totals | 100.00% | | 5.80% |
| | Inflation | | 2.50% |
| | Expected arithmetic nominal return | | 8.30% |

**NOTE 14 - PENSION PLAN (CONTINUED)**

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.35% that is net of investment expense.

**Discount Rate:**

The discount rate used to measure the total pension liability was 6.85%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

**Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate:**

The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.85%, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.85%) or 1 percentage point higher (7.85%) than the current rate:

| System | 1% Decrease or 5.85% | Discount Rate or 6.85% | 1% Increase or 7.85% |
|---|---|---|---|
| Noncontributory System | $ 5,509,306 | $1,302,689 | $(2,225,301) |
| Public Safety System | 7,718,582 | 2,512,441 | (1,735,688) |
| Tier 2 Public Employees System | 1,262,429 | 422,675 | (230,570) |
| Tier 2 Public Safety and Firefighter | 1,226,757 | 359,763 | (333,413) |
| | $ 15,717,074 | $4,597,568 | $(4,524,972) |

**Pension Plan Fiduciary Net Position:**

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

## NOTE 14 - PENSION PLAN (CONTINUED)

### Defined Contribution Savings Plans:

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

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

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

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

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| 401(k) Plan: | | | |
| Employer Contributions | $ 301,949 | $ 256,924 | $ 210,052 |
| Employee Contributions | $ 318,587 | $ 314,378 | $ 310,116 |
| 457(b) Plan: | | | |
| Employer Contributions | $ - | $ - | $ - |
| Employee Contributions | $ 55,427 | $ 58,297 | $ 58,692 |
| Roth IRA Plan: | | | |
| Employer Contributions | N/A | N/A | N/A |
| Employee Contributions | $ 121,065 | $ 97,324 | $ 80,517 |
| Traditional IRA Plan: | | | |
| Employer Contributions | N/A | N/A | N/A |
| Employee Contributions | $ 14,120 | $ 8,500 | $ 1,760 |

# REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

**IRON COUNTY**
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - BUDGETS**
**For The Year Ended December 31, 2025**

**Budgetary Comparison Schedules:**

The Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual presented in this section of the report are for the County's General Fund, Municipal Services Special Revenue Fund, Class B Road Fund, Corridor Preservation Fund, and Community Development and Renewal Agency Fund.

**Budgeting and Budgetary Control:**

Budgets for the General Fund, Municipal Services Special Revenue Fund, Class B Road Fund, Corridor Preservation Fund, and Community Development and Renewal Agency Fund are legally required and are prepared and adopted on the modified accrual basis of accounting.

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

**Current Year Budgetary Compliance:**

For the year ended December 31, 2025, spending for all funds and department of the County were within the approved budgets.

**IRON COUNTY**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**
**GENERAL FUND**
**For The Year Ended December 31, 2025**

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Revenues:** | | | | | |
| Taxes: | | | | | |
| General Property Taxes | $ 6,741,443 | $ 6,741,443 | $ - | $ 6,991,251 | $ 249,808 |
| Delinquent Prior Years Taxes | 275,000 | 275,000 | - | 310,875 | 35,875 |
| Fee-In-Lieu | 405,000 | 405,000 | - | 397,245 | (7,755) |
| Penalty and Interest | 175,000 | 175,000 | - | 256,718 | 81,718 |
| General Sales and Use Taxes | 4,601,872 | 4,601,872 | - | 4,859,838 | 257,966 |
| Intergovernmental Revenue: | | | | | |
| Grants and Other | 6,049,330 | 6,784,330 | 735,000 | 6,566,354 | (217,976) |
| Charges for Services: | | | | | |
| Recorder's Fees | 550,000 | 550,000 | - | 593,026 | 43,026 |
| Jail Fees | 1,625,000 | 1,625,000 | - | 2,021,851 | 396,851 |
| Other | 213,150 | 213,150 | - | 350,806 | 137,656 |
| Fines and Forfeitures | 1,137,500 | 1,137,500 | - | 1,214,846 | 77,346 |
| Interest Earnings | 235,000 | 235,000 | - | 358,200 | 123,200 |
| Other Revenues | 1,286,456 | 1,295,648 | 9,192 | 1,361,673 | 66,025 |
| Unrealized Gain (Loss) On Investments | - | - | - | 41,939 | 41,939 |
| Fund Balance Appropriation | 1,559,422 | 1,861,728 | 302,306 | - | (1,861,728) |
| Total Revenues | 24,854,173 | 25,900,671 | 1,046,498 | 25,324,622 | (576,049) |
| **Expenditures:** | | | | | |
| General Government: | | | | | |
| Admin | 334,100 | 334,100 | - | 315,021 | 19,079 |
| Human Resources | 246,800 | 246,800 | - | 238,531 | 8,269 |
| Information Technology | 2,194,100 | 2,194,100 | - | 2,053,463 | 140,637 |
| Auditor | 548,150 | 548,150 | - | 533,889 | 14,261 |
| Clerk | 307,450 | 307,450 | - | 296,987 | 10,463 |
| Recorder | 654,530 | 654,530 | - | 608,677 | 45,853 |
| Attorney | 1,909,900 | 2,103,693 | 193,793 | 1,840,009 | 263,684 |
| Non-Departmental | 660,500 | 756,000 | 95,500 | 728,088 | 27,912 |
| Elections | 292,000 | 292,000 | - | 233,736 | 58,264 |
| Other Miscellaneous | 40,000 | 40,000 | - | 31,400 | 8,600 |
| Total General Government | $ 7,187,530 | $ 7,476,823 | $ 289,293 | $ 6,879,801 | $ 597,022 |

Continued

**IRON COUNTY**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**
**GENERAL FUND**
**For The Year Ended December 31, 2025**

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Expenditures (Continued)** | | | | | |
| Public Safety: | | | | | |
| Justice Court | $ 897,300 | $ 897,300 | $ - | $ 748,909 | $ 148,391 |
| Public Defender | 825,000 | 825,000 | - | 809,831 | 15,169 |
| County Jail | 8,702,900 | 8,409,913 | (292,987) | 7,612,354 | 797,559 |
| Emergency Management | 136,576 | 144,576 | 8,000 | 127,281 | 17,295 |
| Children's Justice Center | 544,675 | 544,675 | - | 464,348 | 80,327 |
| Total Public Safety | 11,106,451 | 10,821,464 | (284,987) | 9,762,723 | 1,058,741 |
| Public Health: | | | | | |
| Health Services | 551,485 | 551,485 | - | 296,597 | 254,888 |
| Welfare Services | 9,000 | 9,000 | - | 9,874 | (874) |
| Total Public Health | 560,485 | 560,485 | - | 306,471 | 254,014 |
| Public Works: | | | | | |
| Engineer | 732,450 | 732,450 | - | 694,102 | 38,348 |
| Buildings and Grounds | 990,050 | 1,005,050 | 15,000 | 822,871 | 182,179 |
| Total Public Works | 1,722,500 | 1,737,500 | 15,000 | 1,516,973 | 220,527 |
| Culture and Recreation: | | | | | |
| Parks and Recreation | 396,600 | 396,600 | - | 357,319 | 39,281 |
| Natural Resources Manager | 312,691 | 312,691 | - | 216,973 | 95,718 |
| County Fair | 730,156 | 797,348 | 67,192 | 744,368 | 52,980 |
| Total Culture and Recreation | 1,439,447 | 1,506,639 | 67,192 | 1,318,660 | 187,979 |
| Community and Economic Development: | | | | | |
| Economic Development | 645,000 | 645,000 | - | 395,746 | 249,254 |
| Prairie Dog Control | 6,000 | 6,000 | - | 4,640 | 1,360 |
| County Television | 212,250 | 212,250 | - | 183,887 | 28,363 |
| Frisco Peak Television | 65,500 | 65,500 | - | 81,020 | (15,520) |
| USU Extension Office | 227,767 | 227,767 | - | 208,328 | 19,439 |
| Exhibits and Shows | 8,000 | 8,000 | - | 8,000 | - |
| Airports | 36,000 | 36,000 | - | 36,000 | - |
| Total Community and Economic Development | $ 1,200,517 | $ 1,200,517 | $ - | $ 917,621 | $ 282,896 |

# IRON COUNTY
## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
## GENERAL FUND
### For The Year Ended December 31, 2025

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Expenditures (Continued)** | | | | | |
| Matching Funds and Contributions: | | | | | |
| Utah Association of Counties | $ 43,853 | $ 43,853 | $ - | $ 43,853 | $ - |
| Employment Security | 2,000 | 52,000 | 50,000 | 45,251 | 6,749 |
| Five County Assoc. of Governments | 31,720 | 31,720 | - | 31,720 | - |
| Other Contributions | 120,000 | 145,000 | 25,000 | 113,805 | 31,195 |
| Total Matching Funds and Contributions | 197,573 | 272,573 | 75,000 | 234,629 | 37,944 |
| Total Expenditures | 23,414,503 | 23,576,001 | 161,498 | 20,936,878 | 2,639,123 |
| Excess Revenues Over (Under) Expenditures | 1,439,670 | 2,324,670 | 885,000 | 4,387,744 | 2,063,074 |
| **Other Financing Sources and (Uses):** | | | | | |
| Budgeted Increase in Fund Balance | (19,741) | (19,741) | - | - | 19,741 |
| Transfers In | 4,320,928 | 4,320,928 | - | 2,142,587 | (2,178,341) |
| Transfers (Out) | (5,740,857) | (6,625,857) | (885,000) | (4,447,516) | 2,178,341 |
| Total Other Financings Sources (Uses) | (1,439,670) | (2,324,670) | (885,000) | (2,304,929) | 19,741 |
| Net Changes In Fund Balance | $ - | $ - | $ - | 2,082,815 | $ 2,082,815 |
| Fund Balance - Beginning | | | | 14,783,497 | |
| Fund Balance - Ending | | | | $ 16,866,312 | |

**IRON COUNTY**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**
**MUNICIPAL SERVICES SPECIAL REVENUE FUND**
**For The Year Ended December 31, 2025**

| | Budgeted Amounts | | Variance With Original Budget Over (Under) | Actual Amounts Budgetary | Variance With |
|---|---|---|---|---|---|
| | Original | Final | Final Budget | Basis | Final Budget |
| **Revenues:** | | | | | |
| Taxes | $ 6,721,805 | $ 6,721,805 | $ - | $ 7,077,978 | $ 356,173 |
| Licenses and Permits | 775,000 | 775,000 | - | 1,089,062 | 314,062 |
| Intergovernmental | 916,947 | 967,306 | 50,359 | 445,368 | (521,938) |
| Charges for Services | 372,500 | 372,500 | - | 469,317 | 96,817 |
| Interest | 180,000 | 180,000 | - | 265,397 | 85,397 |
| Other Revenues | 117,350 | 117,350 | - | 136,495 | 19,145 |
| Fund Balance to be Appropriated | 1,101,574 | 1,202,401 | 100,827 | - | (1,202,401) |
| Total Revenues | 10,185,176 | 10,336,362 | 151,186 | 9,483,617 | (852,745) |
| **Expenditures:** | | | | | |
| General Government: | | | | | |
| Beryl Community Building | 16,500 | 16,500 | - | 5,599 | 10,901 |
| Planning and Zoning | 171,500 | 298,800 | 127,300 | 250,266 | 48,534 |
| Total General Government | 188,000 | 315,300 | 127,300 | 255,865 | 59,435 |
| Public Safety: | | | | | |
| Highway Patrol Contract | 25,000 | 25,000 | - | - | 25,000 |
| Sheriff | 7,468,527 | 7,702,519 | 233,992 | 7,600,685 | 101,834 |
| Search and Rescue | 73,300 | 107,225 | 33,925 | 103,603 | 3,622 |
| Victim's Advocates | 223,168 | 223,168 | - | 161,530 | 61,638 |
| Fire Suppression | 1,759,000 | 1,849,970 | 90,970 | 1,538,769 | 311,201 |
| Beryl Fire | 849,603 | 849,603 | - | 63,337 | 786,266 |
| New Castle Fire | 94,200 | 94,200 | - | 70,828 | 23,372 |
| Building Inspector | 613,850 | 613,850 | - | 570,080 | 43,770 |
| Total Public Safety | 11,106,648 | 11,465,535 | 358,887 | 10,108,832 | 1,356,703 |
| Public Works: | | | | | |
| Weed Control | 289,496 | 289,495 | (1) | 230,448 | 59,047 |
| Predator Control | 23,000 | 23,000 | - | 23,000 | - |
| Total Public Works | $ 312,496 | $ 312,495 | $ (1) | $ 253,448 | $ 59,047 |

Continued

# IRON COUNTY
## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
## MUNICIPAL SERVICES SPECIAL REVENUE FUND
## For The Year Ended December 31, 2025

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Expenditures (Continued)** | | | | | |
| Culture and Recreation: | | | | | |
| Cooperative Recreation | $ 15,500 | $ 15,500 | $ - | $ 15,500 | $ - |
| Total Culture and Recreation | 15,500 | 15,500 | - | 15,500 | - |
| Total Expenditures | 11,622,644 | 12,108,830 | 486,186 | 10,633,645 | 1,475,185 |
| Excess Revenues Over (Under) Expenditures | (1,437,468) | (1,772,468) | (335,000) | (1,150,028) | 622,440 |
| **Other Financing Sources (Uses):** | | | | | |
| Transfers In | 2,561,774 | 2,896,774 | 335,000 | 2,896,774 | - |
| Transfers (Out) | (1,124,306) | (1,124,306) | - | (1,124,306) | - |
| Total Other Financings Sources (Uses) | 1,437,468 | 1,772,468 | 335,000 | 1,772,468 | - |
| Net Changes In Fund Balance | $ - | $ - | $ - | 622,440 | $ 622,440 |
| Fund Balance - Beginning | | | | 8,235,425 | |
| Fund Balance - Ending | | | | $ 8,857,865 | |

**IRON COUNTY**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**
**CLASS B ROAD FUND**
**For The Year Ended December 31, 2025**

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Revenues:** | | | | | |
| Intergovernmental | $ 6,950,000 | $ 6,910,000 | $ (40,000) | $ 8,332,236 | $ 1,422,236 |
| Interest | 165,000 | 165,000 | - | 308,327 | 143,327 |
| Other Revenues | 305,000 | 305,000 | - | 205,137 | (99,863) |
| Total Revenues | 7,420,000 | 7,380,000 | (40,000) | 8,845,700 | 1,465,700 |
| **Expenditures:** | | | | | |
| County Roads | 4,960,500 | 4,960,500 | - | 3,865,078 | 1,095,422 |
| Equipment | 2,136,200 | 2,136,200 | - | 1,387,802 | 748,398 |
| Budgeted Increase in Fund Balance | 305,311 | 265,311 | (40,000) | - | 265,311 |
| Total Expenditures | 7,402,011 | 7,362,011 | (40,000) | 5,252,880 | 2,109,131 |
| Excess Revenues Over (Under) Expenditures | 17,989 | 17,989 | - | 3,592,820 | 3,574,831 |
| **Other Financing Sources (Uses):** | | | | | |
| Transfers (Out) | (17,989) | (17,989) | - | (17,989) | - |
| Total Other Financings Sources (Uses) | (17,989) | (17,989) | - | (17,989) | - |
| Net Change in Fund Balance | $ - | $ - | $ - | 3,574,831 | $ 3,574,831 |
| Fund Balance - Beginning | | | | 5,694,831 | |
| Fund Balance - Ending | | | | $ 9,269,662 | |

## IRON COUNTY
## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
## CORRIDOR PRESERVATION FUND
## For The Year Ended December 31, 2025

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Revenues:** | | | | | |
| Intergovernmental | $ 620,000 | $ 620,000 | $ - | $ 674,789 | $ 54,789 |
| Other Revenue | | | - | 141,790 | 141,790 |
| Interest Earnings | 225,000 | 225,000 | - | 289,404 | 64,404 |
| Total Revenues | 845,000 | 845,000 | - | 1,105,983 | 260,983 |
| **Expenditures:** | | | | | |
| Public Works: | | | | | |
| Streets and Roads | 665,000 | 665,000 | - | 251,070 | 413,930 |
| Budgeted Increase in Fund Balance | 180,000 | 180,000 | - | - | 180,000 |
| Total Expenditures | 845,000 | 845,000 | - | 251,070 | 593,930 |
| Excess Revenues Over (Under) Expenditures | $ - | $ - | $ - | 854,913 | $ 854,913 |
| Fund Balance - Beginning | | | | 6,543,394 | |
| Fund Balance - Ending | | | | $ 7,398,307 | |

**IRON COUNTY**
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL**
**COMMUNITY DEVELOPMENT AND RENEWAL AGENCY FUND**
**For The Year Ended December 31, 2025**

| | Budgeted Amounts | | Variance With Original Budget Over (Under) Final Budget | Actual Amounts Budgetary Basis | Variance With Final Budget |
|---|---|---|---|---|---|
| | Original | Final | | | |
| **Revenues:** | | | | | |
| Property Tax Increments | $ 4,094,000 | $ 4,821,227 | $ 727,227 | $ 4,821,227 | $ - |
| Other Income | 20,000 | 40,000 | 20,000 | 40,000 | - |
| Interest Earnings | 175,000 | 175,000 | - | 190,631 | 15,631 |
| Total Revenues | 4,289,000 | 5,036,227 | 747,227 | 5,051,858 | 15,631 |
| **Expenditures:** | | | | | |
| Community and Economic Development | 4,120,500 | 4,735,869 | 615,369 | 4,736,342 | (473) |
| Administrative Costs | 20,000 | 85,000 | 65,000 | 70,440 | 14,560 |
| Budgeted Increase in Fund Balance | 140,377 | 207,235 | 66,858 | - | 207,235 |
| Total Community and Economic Development | 4,280,877 | 5,028,104 | 747,227 | 4,806,782 | 221,322 |
| Excess Revenues Over (Under) Expenditures | 8,123 | 8,123 | - | 245,076 | 236,953 |
| **Other Financing Sources (Uses):** | | | | | |
| Transfers (Out) | (8,123) | (8,123) | - | (8,123) | - |
| Total Other Financings Sources (Uses) | (8,123) | (8,123) | - | (8,123) | - |
| Net Change in Fund Balance | $ - | $ - | $ - | 236,953 | $ 236,953 |
| Fund Balance - Beginning | | | | 1,179,660 | |
| Fund Balance - Ending | | | | $ 1,416,613 | |

## IRON COUNTY
## REQUIRED SUPPLEMENTARY INFORMATION
## NOTE TO BUDGETARY COMPARISON SCHEDULE
## For The Year Ended December 31, 2025

### NOTE A - BUDGETARY REVENUES

| | | General Fund Over (Under) |
|---|---|---|
| **GENERAL FUND:** | | |
| Differences - Original Budget to Final Budget: | | |
| Grants and Other: | | |
| There were new geothermal leases with for a project on BLM land. The County received a one time bonus payment of $678,000. | $ | 735,000 |
| **COMMUNITY DEVELOPMENT:** | | |
| Property Tax Increments: | | |
| Tax increments are budgeted for as an estimate from the prior year. Once assessment values are published and actual tax increment is determined, the budget is adjusted to match the actual tax increment. | $ | 727,227 |
| **BUDGETARY EXPENDITURES:** | | |
| Differences - Final Budget to Actual: | | |
| Attorney: | | |
| Expenses were less than budgeted due to being short a staff attorney for a large part of the year. Payments to a third party attorney were less than budgeted due to less time spent on centrally assessed appeals. | $ | (263,644) |
| Jail: | | |
| The County had an inmate with large medical expenses that they budgeted to be there the entire year, but was released early, so they didn't end up spending as much. The County were also understaffed for parts of the year, so payroll expenses were less than budgeted. | $ | (797,559) |
| Health Services: | | |
| The County did not spend as much as was budgeted with the opioid funds last year. | $ | (254,888) |
| Buildings and Grounds: | | |
| There were a few repairs/projects that were planned and budgeted for that didn't end up needing to be done, or cost less than budgeted. | $ | (182,179) |
| Economic Development: | | |
| There are grant funds that were not spent in 2025 and carried to 2026. | $ | (249,254) |

IRON COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO BUDGETARY COMPARISON SCHEDULE
Continued

**NOTE A - BUDGETARY EXPENDITURES: (CONTINUED)**

| | | Municipal Services Fund Over (Under) |
|---|---|---|
| **MUNICIPAL SERVICES FUND:** | | |
| Fire Suppression: | | |
| There are in kind contributions that go towards the state PC payment. The County didn't have to pay the full cash amount due to the in kind contributions. | $ | (311,201) |
| Beryl Fire: | | |
| The new fire truck was budgeted but wasn't ready to be purchased yet, so it was moved to 2026. | $ | (786,266) |

| | | Class B Road Fund Over (Under) |
|---|---|---|
| **CLASS B ROAD FUND:** | | |
| County Roads: | | |
| There were vacant employee positions which caused wages and benefits to cost less than budgeted. | $ | (1,095,422) |
| Equipment: | | |
| There was a crusher budgeted but it was determined it was more cost effective to rent one when needed and one was not purchased. | $ | (748,398) |

| | | Corridor Preservation Over (Under) |
|---|---|---|
| **CORRIDOR PRESERVATION:** | | |
| Streets and Roads: | | |
| There was less land purchased for future corridors than what was budgeted for. | $ | (413,930) |

# IRON COUNTY
## SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
## UTAH RETIREMENT SYSTEMS
### Measurement Date of December 31, 2024
### December 31, 2025
Last 10 Fiscal Years*

| | Noncontributory Retirement System | Contributory Retirement System | Public Safety Retirement System | Tier 2 Public Employees Retirement System | Tier 2 Public Safety and Firefighters Retirement System |
|---|---|---|---|---|---|
| Proportion of the Net Pension Liability (Asset) | | | | | |
| 2015 | 0.4574379% | 0.1081528% | 1.7656705% | 0.1251687% | 0.8071150% |
| 2016 | 0.4661161% | 0.2015241% | 1.7455369% | 0.1335924% | 0.8766194% |
| 2017 | 0.4362166% | 0.2320727% | 1.6208921% | 0.1406582% | 0.8222001% |
| 2018 | 0.4315446% | 0.2696592% | 1.7768286% | 0.1406582% | 0.3855150% |
| 2019 | 0.4225057% | 0.2907716% | 1.7598080% | 0.1474363% | 0.7744257% |
| 2020 | 0.4028528% | 0.3195219% | 1.7159945% | 0.1503742% | 0.7460970% |
| 2021 | 0.3879497% | 0.3787113% | 1.7414735% | 0.1530543% | 0.7523581% |
| 2022 | 0.3980157% | 0.4307475% | 1.7051365% | 0.1507085% | 0.8265590% |
| 2023 | 0.3957517% | 0.1602306% | 1.6446490% | 0.1404403% | 0.8413489% |
| 2024 | 0.4107983% | 0.0000000% | 1.6237568% | 0.1417238% | 0.7954268% |
| Proportionate Share of the Net Pension Liability (Asset) | | | | | |
| 2015 | $ 2,588,406 | $ 76,016 | $ 3,162,760 | $ (273) | $ (11,792) |
| 2016 | $ 2,993,036 | $ 66,122 | $ 3,542,176 | $ 14,902 | $ (7,610) |
| 2017 | $ 1,911,196 | $ 18,885 | $ 2,542,626 | $ 12,401 | $ (9,513) |
| 2018 | $ 3,177,775 | $ 109,428 | $ 4,571,043 | $ 63,144 | $ 21,426 |
| 2019 | $ 1,592,358 | $ 19,056 | $ 2,825,579 | $ 34,096 | $ 72,846 |
| 2020 | $ 206,640 | $ (57,265) | $ 1,424,689 | $ 21,658 | $ 66,877 |
| 2021 | $ (2,221,829) | $ (274,165) | $ (1,414,315) | $ (64,778) | $ (38,026) |
| 2022 | $ 681,701 | $ 44,301 | $ 2,204,869 | $ 164,106 | $ 68,955 |
| 2023 | $ 917,972 | $ 13,226 | $ 2,352,118 | $ 273,350 | $ 316,929 |
| 2024 | $ 1,302,689 | $ - | $ 2,512,441 | $ 422,678 | $ 359,763 |
| Covered Payroll | | | | | |
| 2015 | $ 3,769,843 | $ 46,083 | $ 2,552,732 | $ 808,585 | $ 480,321 |
| 2016 | $ 3,921,267 | $ 48,354 | $ 2,453,291 | $ 1,095,575 | $ 724,279 |
| 2017 | $ 3,563,751 | $ 47,091 | $ 2,260,147 | $ 1,375,709 | $ 867,702 |
| 2018 | $ 3,478,699 | $ 50,472 | $ 2,414,537 | $ 1,719,365 | $ 1,144,131 |
| 2019 | $ 3,312,315 | $ 52,104 | $ 2,501,842 | $ 2,017,279 | $ 1,276,581 |
| 2020 | $ 3,062,855 | $ 52,707 | $ 2,352,672 | $ 2,404,534 | $ 1,484,375 |
| 2021 | $ 2,801,405 | $ 55,626 | $ 2,301,624 | $ 2,840,320 | $ 1,799,175 |
| 2022 | $ 3,005,403 | $ 60,479 | $ 2,246,523 | $ 3,289,481 | $ 2,543,141 |
| 2023 | $ 3,209,561 | $ 21,559 | $ 2,132,110 | $ 3,630,860 | $ 3,187,897 |
| 2024 | $ 3,371,006 | $ - | $ 2,070,838 | $ 4,199,838 | $ 3,630,898 |
| Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll | | | | | |
| 2015 | 68.66% | 164.95% | 123.90% | -0.03% | -2.46% |
| 2016 | 76.33% | 136.75% | 144.38% | 1.36% | -1.05% |
| 2017 | 53.63% | 40.10% | 112.50% | 0.90% | -1.10% |
| 2018 | 91.35% | 216.81% | 189.31% | 3.67% | 1.87% |
| 2019 | 48.07% | 36.57% | 117.64% | 1.62% | 5.71% |
| 2020 | 6.75% | -108.65% | 60.56% | 0.90% | 4.51% |
| 2021 | -79.31% | -492.88% | -61.45% | -2.28% | -2.11% |
| 2022 | 22.68% | 73.25% | 98.15% | 4.99% | 2.71% |
| 2023 | 28.60% | 61.35% | 110.32% | 7.53% | 9.94% |
| 2024 | 38.64% | 0.00% | 121.32% | 10.06% | 9.91% |
| Plan Fiduciary Net Position as a Percentage of its Covered-Employee Payroll | | | | | |
| 2015 | 87.80% | 85.70% | 87.10% | 100.20% | 110.70% |
| 2016 | 87.30% | 92.90% | 86.50% | 95.10% | 103.60% |
| 2017 | 91.90% | 98.20% | 90.20% | 97.40% | 103.00% |
| 2018 | 87.00% | 91.20% | 84.70% | 90.80% | 95.60% |
| 2019 | 93.70% | 98.60% | 90.90% | 96.50% | 89.60% |
| 2020 | 99.20% | 103.90% | 95.50% | 98.30% | 93.10% |
| 2021 | 108.70% | 115.90% | 104.20% | 103.80% | 102.80% |
| 2022 | 97.50% | 97.70% | 93.60% | 92.30% | 96.40% |
| 2023 | 96.90% | 98.20% | 92.44% | 89.58% | 89.10% |
| 2024 | 96.02% | 0.00% | 93.30% | 87.44% | 90.10% |

* In accordance with paragraph 81.a of GASB 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset) in their RSI.

**IRON COUNTY**
**SCHEDULE OF CONTRIBUTIONS**
**UTAH RETIREMENT SYSTEMS**
**December 31, 2025**

| | As of the Year Ended December 31, | Actuarial Determined Contributions | Contributions in Relation to The Contractually Required Contributions | Contribution Deficiency (Excess) | Covered Employee Payroll | Contributions As a Percentage of Covered Employee Payroll |
|---|---|---|---|---|---|---|
| Noncontributory System | 2016 | $ 715,786 | $ 715,786 | $ - | $3,922,115 | 18.25% |
| | 2017 | $ 650,383 | $ 650,383 | $ - | $3,563,751 | 18.25% |
| | 2018 | $ 635,789 | $ 635,789 | $ - | $3,478,552 | 18.28% |
| | 2019 | $ 605,551 | $ 605,551 | $ - | $3,312,315 | 18.28% |
| | 2020 | $ 556,014 | $ 556,014 | $ - | $3,062,855 | 18.15% |
| | 2021 | $ 504,742 | $ 504,742 | $ - | $2,801,405 | 18.02% |
| | 2022 | $ 531,581 | $ 531,581 | $ - | $3,005,403 | 17.69% |
| | 2023 | $ 542,892 | $ 542,892 | $ - | $3,209,561 | 16.91% |
| | 2024 | $ 549,626 | $ 549,626 | $ - | $3,371,006 | 16.30% |
| | 2025 | $ 551,502 | $ 551,502 | $ - | $3,579,923 | 15.41% |
| Contributory System | 2016 | $ 6,992 | $ 6,992 | $ - | $ 48,354 | 14.46% |
| | 2017 | $ 6,809 | $ 6,809 | $ - | $ 47,091 | 14.46% |
| | 2018 | $ 7,298 | $ 7,298 | $ - | $ 50,472 | 14.46% |
| | 2019 | $ 7,534 | $ 7,534 | $ - | $ 52,104 | 14.46% |
| | 2020 | $ 7,621 | $ 7,621 | $ - | $ 52,707 | 14.46% |
| | 2021 | $ 8,043 | $ 8,043 | $ - | $ 55,626 | 14.46% |
| | 2022 | $ 8,589 | $ 8,589 | $ - | $ 60,479 | 14.20% |
| | 2023 | $ 3,010 | $ 3,010 | $ - | $ 21,559 | 13.96% |
| | 2024 | $ - | $ - | $ - | $ - | 0.00% |
| | 2025 | $ - | $ - | $ - | $ - | 0.00% |
| Public Safety System | 2016 | $ 813,497 | $ 813,497 | $ - | $2,454,078 | 33.15% |
| | 2017 | $ 750,563 | $ 750,563 | $ - | $2,260,147 | 33.21% |
| | 2018 | $ 804,252 | $ 804,252 | $ - | $2,414,537 | 33.31% |
| | 2019 | $ 798,986 | $ 798,986 | $ - | $2,401,842 | 33.27% |
| | 2020 | $ 781,822 | $ 781,822 | $ - | $2,352,672 | 33.23% |
| | 2021 | $ 763,600 | $ 763,600 | $ - | $2,301,624 | 33.18% |
| | 2022 | $ 741,269 | $ 741,269 | $ - | $2,246,523 | 33.00% |
| | 2023 | $ 696,885 | $ 696,885 | $ - | $2,132,110 | 32.69% |
| | 2024 | $ 667,086 | $ 667,086 | $ - | $2,070,838 | 32.21% |
| | 2025 | $ 611,284 | $ 611,284 | $ - | $1,957,324 | 31.23% |

**IRON COUNTY**
**SCHEDULE OF CONTRIBUTIONS**
**UTAH RETIREMENT SYSTEMS**
**December 31, 2025**

| | As of the Year Ended December 31, | Actuarial Determined Contributions | Contributions in Relation to The Contractually Required Contributions | Contribution Deficiency (Excess) | Covered Employee Payroll | Contributions As a Percentage of Covered Employee Payroll |
|---|---|---|---|---|---|---|
| Tier 2 Public Employees System | 2016 | $ 163,525 | $ 163,525 | $ - | $1,099,015 | 14.88% |
| | 2017 | $ 206,842 | $ 206,842 | $ - | $1,376,901 | 15.02% |
| | 2018 | $ 263,863 | $ 263,863 | $ - | $1,719,365 | 15.35% |
| | 2019 | $ 330,095 | $ 330,095 | $ - | $2,115,863 | 15.60% |
| | 2020 | $ 379,088 | $ 379,088 | $ - | $2,409,868 | 15.73% |
| | 2021 | $ 453,310 | $ 453,310 | $ - | $2,843,059 | 15.94% |
| | 2022 | $ 529,058 | $ 529,058 | $ - | $3,299,506 | 16.03% |
| | 2023 | $ 582,154 | $ 582,154 | $ - | $3,636,182 | 16.01% |
| | 2024 | $ 655,711 | $ 655,711 | $ - | $4,370,167 | 15.00% |
| | 2025 | $ 624,632 | $ 624,632 | $ - | $4,255,627 | 14.68% |
| Tier 2 Public Safety and Firefighter System | 2016 | $ 162,963 | $ 162,963 | $ - | $ 724,279 | 22.50% |
| | 2017 | $ 195,574 | $ 195,574 | $ - | $ 867,702 | 22.54% |
| | 2018 | $ 261,735 | $ 261,735 | $ - | $1,145,689 | 22.85% |
| | 2019 | $ 295,015 | $ 295,015 | $ - | $1,276,581 | 23.11% |
| | 2020 | $ 364,237 | $ 364,237 | $ - | $1,485,865 | 24.51% |
| | 2021 | $ 465,505 | $ 465,505 | $ - | $1,802,186 | 25.83% |
| | 2022 | $ 657,367 | $ 657,367 | $ - | $2,544,997 | 25.83% |
| | 2023 | $ 824,969 | $ 824,969 | $ - | $3,193,841 | 25.83% |
| | 2024 | $ 928,691 | $ 928,691 | $ - | $3,630,898 | 25.58% |
| | 2025 | $1,022,449 | $1,022,449 | $ - | $4,079,110 | 25.07% |
| Tier 2 DC Public Employees System | 2016 | $ 7,526 | $ 7,526 | $ - | $ 116,029 | 6.49% |
| | 2017 | $ 6,486 | $ 6,486 | $ - | $ 96,942 | 6.69% |
| | 2018 | $ 5,977 | $ 5,977 | $ - | $ 90,567 | 6.60% |
| | 2019 | $ 16,008 | $ 16,008 | $ - | $ 241,708 | 6.62% |
| | 2020 | $ 24,699 | $ 24,699 | $ - | $ 369,196 | 6.69% |
| | 2021 | $ 37,709 | $ 37,709 | $ - | $ 370,208 | 10.19% |
| | 2022 | $ 43,990 | $ 43,990 | $ - | $ 482,878 | 9.11% |
| | 2023 | $ 54,361 | $ 54,361 | $ - | $ 666,556 | 8.16% |
| | 2024 | $ 60,887 | $ 60,887 | $ - | $ 849,199 | 7.17% |
| | 2025 | $ 63,943 | $ 63,943 | $ - | $1,136,854 | 5.62% |

Continued

**IRON COUNTY**
**SCHEDULE OF CONTRIBUTIONS**
**UTAH RETIREMENT SYSTEMS**
**December 31, 2025**

| | As of the Year Ended December 31, | Actuarial Determined Contributions | Contributions in Relation to The Contractually Required Contributions | Contribution Deficiency (Excess) | Covered Employee Payroll | Contributions As a Percentage of Covered Employee Payroll |
|---|---|---|---|---|---|---|
| Tier 2 DC Public Safety and Firefighter System | 2016 | $ 13,050 | $ 13,050 | $ - | $ 110,312 | 11.83% |
| | 2017 | $ 9,274 | $ 9,274 | $ - | $ 78,394 | 11.83% |
| | 2018 | $ 10,210 | $ 10,210 | $ - | $ 86,310 | 11.83% |
| | 2019 | $ 15,633 | $ 15,633 | $ - | $ 132,146 | 11.83% |
| | 2020 | $ 11,270 | $ 11,270 | $ - | $ 95,263 | 11.83% |
| | 2021 | $ 15,423 | $ 15,423 | $ - | $ 130,373 | 11.83% |
| | 2022 | $ 8,969 | $ 8,969 | $ - | $ 75,816 | 11.83% |
| | 2023 | $ 21,045 | $ 21,045 | $ - | $ 177,893 | 11.83% |
| | 2024 | $ 33,530 | $ 33,530 | $ - | $ 289,808 | 11.57% |
| | 2025 | $ 37,109 | $ 37,109 | $ - | $ 335,372 | 11.07% |

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

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

**IRON COUNTY**
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**
**UTAH RETIREMENT SYSTEMS**
**For the Year Ended December 31, 2025**

**Changes in Assumptions:**

There were no changes in the actuarial assumptions or methods since the prior actuarial valuation.

(This page contains no information and is used to assist in formatting for easier reading)

# COMBINING FINANCIAL STATEMENTS AND SCHEDULES

(This page contains no information and is used to assist in formatting for easier reading)

## IRON COUNTY
## NONMAJOR GOVERNMENTAL FUNDS
### For The Year Ended December 31, 2025

Descriptions of Non-Major Governmental Funds:

### SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

**Assessing and Collecting Fund:**

This fund is used to account for funds raised by property tax levies that are legally restricted to expenditures for the County's function of assessing, collecting, and distribution of property taxes.

**Council on Aging Fund:**

This fund is used to account for grants and other revenues restricted for senior nutrition and other senior citizen programs.

**Library Fund:**

This fund is used to account for property tax levies, fees, and other revenue for the operation and maintenance of County Libraries.

**Transient Room Tax Fund:**

This fund is used to account for transient room taxes which are restricted for the promotion of recreation and tourism within the County.

**Public Health Fund:**

This fund is used to account for specific property tax levies used to subsidize the Five County operation and maintenance of the Southwest Utah Health Department.

**Restaurant Food Tax Fund:**

This fund is used to account for restaurant food taxes which are restricted for economic development and related expenditures within the County.

### DEBT SERVICE FUNDS

Debt Service funds are used to account for payment of debt service in the County.

**Debt Service Funds:**

These funds account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

# IRON COUNTY
## COMBINING BALANCE SHEET
## NONMAJOR GOVERNMENTAL FUNDS
### December 31, 2025

| | Assessing & Collection | Council On Aging | Library | Transient Room Tax | Public Health | Restaurant Food Tax | Debt Service Funds | Total Nonmajor Government Funds |
|---|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | | |
| Restricted Cash and Investments | $ 1,992,196 | $ 210,274 | $ 332,317 | $ 2,542,410 | $ - | $ 1,664,827 | $ 3,136,518 | $ 9,878,542 |
| Property Tax Receivable | 449,339 | - | 65,696 | - | - | - | - | 515,035 |
| Accounts Receivable | 27,228 | 52,897 | - | 8,030 | 67,445 | 1,004 | 6,994 | 163,598 |
| TOTAL ASSETS | $ 2,468,763 | $ 263,171 | $ 398,013 | $ 2,550,440 | $ 67,445 | $ 1,665,831 | $ 3,143,512 | $10,557,175 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | | |
| Liabilities: | | | | | | | | |
| Liabilities | $ 84,254 | $ 21,409 | $ - | $ 90,354 | $ 40,044 | $ 37,445 | $ - | $ 273,506 |
| Fund Balances: | | | | | | | | |
| Restricted, Reported in: | | | | | | | | |
| Assessing & Collecting | 2,384,509 | - | - | - | - | - | - | 2,384,509 |
| Public Health | - | 241,762 | - | - | 27,401 | - | - | 269,163 |
| Debt Service | - | - | - | - | - | - | 2,606,238 | 2,606,238 |
| Debt Reserve | - | - | - | - | - | - | 537,274 | 537,274 |
| Development | - | - | - | 2,460,086 | - | 1,628,386 | - | 4,088,472 |
| Culture & Recreation | - | - | 398,013 | - | - | - | - | 398,013 |
| Total Fund Balances | 2,384,509 | 241,762 | 398,013 | 2,460,086 | 27,401 | 1,628,386 | 3,143,512 | 10,283,669 |
| TOTAL LIABILITIES AND FUND BALANCES | $ 2,468,763 | $ 263,171 | $ 398,013 | $ 2,550,440 | $ 67,445 | $ 1,665,831 | $ 3,143,512 | $10,557,175 |

**IRON COUNTY**
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**
**NONMAJOR GOVERNMENTAL FUNDS**
**For The Fiscal Year Ended December 31, 2025**

| | Assessing & Collection | Aging Council | Library | Transient Room Tax | Public Health | Restaurant Food Tax | Debt Service Funds | Total Nonmajor Government Funds |
|---|---|---|---|---|---|---|---|---|
| **Revenues:** | | | | | | | | |
| Taxes | $ 2,826,369 | $ - | $ 353,007 | $ 2,529,118 | $ 362,265 | $ 1,570,652 | $4,943,386 | $12,584,797 |
| Intergovernmental | - | 338,121 | - | 144,500 | - | - | - | 482,621 |
| Charges for Services | 245 | 7,039 | - | 2,032 | - | - | 57,162 | 66,478 |
| Interest | 84,447 | 1,848 | 7,377 | 134,270 | - | 93,797 | 101,848 | 423,587 |
| Sundry | 1,978 | 327 | - | 43,868 | - | 1,004 | - | 47,177 |
| Total Revenues | 2,913,039 | 347,335 | 360,384 | 2,853,788 | 362,265 | 1,665,453 | 5,102,396 | 13,604,660 |
| **Expenditures:** | | | | | | | | |
| Current: | | | | | | | | |
| Administration | 2,026,471 | - | - | - | - | - | - | 2,026,471 |
| Public Health | - | 604,771 | - | - | 433,424 | - | - | 1,038,195 |
| Culture and Recreation | - | - | 365,067 | 3,025,443 | - | - | - | 3,390,510 |
| Economic Development | - | - | - | - | - | 1,981,195 | - | 1,981,195 |
| Debt Service: | | | | | | | | |
| Principal | - | - | - | - | - | - | 399,000 | 399,000 |
| Interest | - | - | - | - | - | - | 4,283,872 | 4,283,872 |
| Total Expenditures | 2,026,471 | 604,771 | 365,067 | 3,025,443 | 433,424 | 1,981,195 | 4,682,872 | 13,119,243 |
| Excess of Revenues Over (Under) Expenditures | 886,569 | (257,436) | (4,683) | (171,655) | (71,159) | (315,742) | 419,524 | 485,418 |
| **Other Financing Sources (Uses):** | | | | | | | | |
| Transfers In | 64,626 | 335,000 | - | - | 35,000 | - | 363,335 | 797,961 |
| Transfers Out | (1,073,715) | - | - | (184,475) | - | (246,475) | - | (1,504,665) |
| Total Other Financing | (1,009,089) | 335,000 | - | (184,475) | 35,000 | (246,475) | 363,335 | (706,704) |
| Net Change in Fund Balance | (122,520) | 77,564 | (4,683) | (356,130) | (36,159) | (562,217) | 782,859 | (221,286) |
| Fund Balances - Beginning | 2,507,029 | 164,198 | 402,696 | 2,816,216 | 63,560 | 2,190,603 | 2,360,653 | 10,504,955 |
| Fund Balances - Ending | $ 2,384,509 | $ 241,762 | $ 398,013 | $ 2,460,086 | $ 27,401 | $ 1,628,386 | $3,143,512 | $10,283,669 |

**IRON COUNTY**
**SUPPLEMENTARY INFORMATION**
**GOVERNMENTAL FUNDS**
**For The Year Ended December 31, 2025**

## TRUST AND CUSTODIAL FUND

Trust and Custodial Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable, Nonexpendable, Trust, and Custodial Funds. Nonexpendable Trust and Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable Trust funds are accounted for in essentially the same manner as governmental funds. Custodial Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Treasurer's Tax Collection Custodial Funds:**

These funds are used to account for taxes collected by the County Treasurer but not paid as of December 31 to the taxing entities within the County.

## COMPONENT UNITS

The following discretely presented component units do not have separately issued audited financial statements and are reported in the government-wide financial statements by the County. All of the following were created by the County under the Utah Special Service District Act:

**Summit Special Service District:**

This District has a separately appointed board and provides services within the geographic boundaries of the County. The District charges for water utility services provided to some residents within the unincorporated areas of the County.

**Iron County Special Service District #3:**

This District has a separately board of directors and accounts for funds received generally from state allocated mineral lease funds and secure rural schools funds which are used to provide construction, repair, and maintenance of roads within the unincorporated acres of the County.

# IRON COUNTY
## COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
## ALL CUSTODIAL FUNDS
## For The Year Ended December 31, 2025

**CUSTODIAL FUNDS:**

| | Balance December 31, 2024 | Additions | Deletions | Balance December 31, 2025 |
|---|---|---|---|---|
| PROPERTY TAX FUND | | | | |
| ASSETS | | | | |
| Cash & Investments | $ 9,995,151 | $ 79,348,398 | $ 75,324,730 | $ 14,018,819 |
| TOTAL ASSETS | $ 9,995,151 | $ 79,348,398 | $ 75,324,730 | $ 14,018,819 |
| LIABILITIES | | | | |
| Due to Taxing Entities | $ 9,666,541 | $ 79,010,398 | $ 74,947,308 | $ 13,729,631 |
| Due to Iron County General Fund | 328,610 | 338,000 | 377,422 | 289,188 |
| Total Liabilities | $ 9,995,151 | $ 79,348,398 | $ 75,324,730 | $ 14,018,819 |
| TOTALS - ALL CUSTODIAL FUNDS | | | | |
| ASSETS | | | | |
| Cash | $ 9,995,151 | $ 79,348,398 | $ 75,324,730 | $ 14,018,819 |
| LIABILITIES | | | | |
| Due to Taxing Entities | $ 9,666,541 | $ 79,010,398 | $ 74,947,308 | $ 13,729,631 |
| Due to Iron County General Fund | 328,610 | 338,000 | 377,422 | 289,188 |
| TOTAL LIABILITIES | $ 9,995,151 | $ 79,348,398 | $ 75,324,730 | $ 14,018,819 |

**IRON COUNTY**
**COMBINING STATEMENT OF NET POSITION**
**COMPONENT UNITS**
**December 31, 2025**

| | (Unaudited) Summit Special Service District | (Unaudited) Iron County Special Service District #3 | Total Component Units |
|---|---|---|---|
| **ASSETS** | | | |
| Current Assets: | | | |
| Cash and Investments | $ 197,803 | $ 207,155 | $ 404,958 |
| Accounts Receivable | - | 142,345 | 142,345 |
| Total Current Assets | 197,803 | 349,500 | 547,303 |
| Noncurrent Assets: | | | |
| Furniture, Fixtures, and Equipment | 361,298 | - | 361,298 |
| Less: Accumulated Depreciation | (360,410) | - | (360,410) |
| Total Noncurrent Assets | 888 | - | 888 |
| TOTAL ASSETS | $ 198,691 | $ 349,500 | $ 548,191 |
| **LIABILITIES AND NET POSITION** | | | |
| Liabilities: | | | |
| Liabilities | $ - | $ - | $ - |
| Net Position: | | | |
| Net Investment in Capital Assets | 888 | - | 888 |
| Unrestricted | 197,803 | 349,500 | 547,303 |
| Total Fund Balances | 198,691 | 349,500 | 548,191 |
| TOTAL LIABILITIES AND NET POSITION | $ 198,691 | $ 349,500 | $ 548,191 |

# IRON COUNTY
## COMBINING STATEMENT OF ACTIVITIES
## COMPONENT UNITS
## For The Year Ended December 31, 2025

| | (Unaudited) Summit Special Service District | (Unaudited) Iron County Special Service District #3 | Total Governmental Funds |
|---|---|---|---|
| **Program Revenues** | | | |
| Charges for Services | $ 36,320 | $ - | $ 36,320 |
| Operating Grants and Contributions | - | 289,855 | 289,855 |
| Total Program Revenues | 36,320 | 289,855 | 326,175 |
| **General Revenues:** | | | |
| Unrestricted Investment Earnings | 13 | 13,393 | 13,406 |
| Total General Revenues | 13 | 13,393 | 13,406 |
| Total Revenues | 36,333 | 303,248 | 339,581 |
| **Expenditures:** | | | |
| Streets | - | 1,581 | 1,581 |
| Water Services (Nov - Dec 2024) | 6,427 | - | 6,427 |
| Water Services | 31,248 | - | 31,248 |
| Total Expenditures | 37,675 | 1,581 | 39,256 |
| Excess Revenues Over (Under) Expenditures | (1,342) | 301,667 | 300,325 |
| **Other Financing Sources (Uses):** | | | |
| Transfers In (Out) | - | (200,000) | (200,000) |
| Total Other Financing | - | (200,000) | (200,000) |
| Net Change In Fund Balance | (1,342) | 101,667 | 100,325 |
| Fund Balance - Beginning | 200,033 | 247,833 | 447,866 |
| Fund Balance - Ending | $ 198,691 | $ 349,500 | $ 548,191 |

**IRON COUNTY**
**COUNTY TREASURER**
**STATEMENT OF TAXES CHARGED AND COLLECTED**
**December 31, 2025**

| | Taxable Value of Property | | | |
|---|---|---|---|---|
| | Real Property Value | Centrally Assessed Value | Personal Property Value | Total Value |
| County Funds: | | | | |
| Iron County | $8,007,748,569 | $576,943,756 | $1,209,392,455 | $9,794,084,780 |
| Multicounty Assessing an Collecting | $8,007,748,569 | $576,943,756 | $1,209,392,455 | $9,794,084,780 |
| County Assessing and Collecting Levy | $8,007,748,569 | $576,943,756 | $1,209,392,455 | $9,794,084,780 |
| Iron County School District | $8,007,748,569 | $576,943,756 | $1,209,392,455 | $9,794,084,780 |
| Cities and Towns: | | | | |
| Brian Head Town | $ 740,731,472 | $ 3,558,589 | $ 17,965,365 | $ 762,255,426 |
| Cedar City | $4,082,196,590 | $ 85,206,854 | $ 282,610,426 | $4,450,013,870 |
| Enoch City | $ 612,719,328 | $ 6,816,340 | $ 8,873,224 | $ 628,408,892 |
| Kanarraville Town | $ 51,635,959 | $ 695,330 | $ 1,166,847 | $ 53,498,136 |
| Paragonah Town | $ 67,138,524 | $ 383,648 | $ 326,968 | $ 67,849,140 |
| Parowan Town | $ 439,901,293 | $ 5,183,360 | $ 9,654,678 | $ 454,739,331 |
| Cedar Valley WCD | $6,247,719,415 | $384,690,209 | $ 881,983,127 | $7,514,392,751 |
| Iron County Municipal Type Services District #2 | $2,013,425,403 | $475,099,635 | $ 888,794,947 | $3,377,319,985 |
| Chesley Public Infrastructure District #1 | $ 768,332 | $ - | $ - | $ 768,332 |
| GRAND TOTALS | | | | |

| Current Year Tax Rate | Prior Year Tax Rate | Real Taxes Charged | Centrally Assessed Taxes Charged | Personal Taxes Charged | Total Taxes Charged |
|---|---|---|---|---|---|
| 0.000926 | 0.000794 | $ 7,415,175 | $ 534,250 | $ 960,258 | $ 8,909,683 |
| 0.000014 | 0.000015 | 112,108 | 8,077 | 18,141 | 138,327 |
| 0.000260 | 0.000267 | 2,082,015 | 150,005 | 322,908 | 2,554,928 |
| 0.004634 | 0.004740 | 37,107,907 | 2,673,557 | 5,732,520 | 45,513,984 |
| 0.002328 | 0.002069 | 1,724,423 | 8,284 | 37,170 | 1,769,878 |
| 0.001583 | 0.001607 | 6,462,117 | 134,882 | 454,155 | 7,051,155 |
| 0.001141 | 0.001128 | 699,113 | 7,777 | 10,009 | 716,899 |
| 0.001069 | 0.001075 | 55,199 | 743 | 1,254 | 57,197 |
| 0.000706 | 0.000719 | 47,400 | 271 | 235 | 47,906 |
| 0.002191 | 0.002241 | 963,824 | 11,357 | 21,636 | 996,817 |
| 0.000349 | 0.000355 | 2,180,454 | 134,257 | 313,104 | 2,627,815 |
| 0.001585 | 0.001625 | 3,191,279 | 753,033 | 1,444,292 | 5,388,604 |
| 0.006000 | 0.000000 | 4,610 | - | - | 4,610 |
| | | $ 62,045,624 | $ 4,416,495 | $ 9,315,682 | $ 75,777,801 |

**Continued**

# IRON COUNTY
## COUNTY TREASURER
## STATEMENT OF TAXES CHARGED AND COLLECTED
## December 31, 2025

| | Treasurer's Relief | | | | Current Year Actual |
|---|---|---|---|---|---|
| | Unpaid Taxes | Abatements | Other Relief | Total Relief | Collections |
| County Funds: | | | | | |
| Iron County | $ 484,949 | $ 196,361 | $ 33,934 | $ 715,244 | $ 8,194,438 |
| Multicounty Assess. and Coll. | 7,379 | 2,969 | 704 | 11,052 | 127,275 |
| County Assessing and Coll. Levy | 136,850 | 55,134 | 11,888 | 203,871 | 2,351,056 |
| Iron County School District | 2,438,788 | 982,655 | 220,775 | 3,642,218 | 41,871,767 |
| Cities and Towns: | | | | | |
| Brian Head Town | 175,630 | 1,298 | (2,397) | 174,531 | 1,595,347 |
| Cedar City | 322,372 | 150,615 | (54,283) | 418,704 | 6,632,451 |
| Enoch City | 19,081 | 34,860 | (4,573) | 49,368 | 667,531 |
| Kanarraville Town | 2,642 | 2,292 | (43) | 4,891 | 52,306 |
| Paragonah Town | 2,372 | 2,855 | (23) | 5,204 | 42,702 |
| Parowan Town | 60,005 | 41,245 | (3,758) | 97,492 | 899,325 |
| Cedar Valley WCD | 128,744 | 64,506 | 17,479 | 210,729 | 2,417,086 |
| Iron County Municipal Type Services District #2 | 312,443 | 96,347 | 136,872 | 545,662 | 4,842,942 |
| Chesley Public Infrastructure Dist. #1 | - | - | - | - | 4,610 |
| GRAND TOTALS | $4,091,255 | $1,631,137 | $356,575 | $6,078,966 | $69,698,835 |

| Current Year Actual | Other Collections | | | | | | |
|---|---|---|---|---|---|---|---|
| Collection Rate | Reallocate Personal Property Tax | Fee-In-Lieu Age Based | Miscellaneous Collections | Delinquent Taxes Collected | Delinquent Interest Collected | Taxes Inc. Paid | Total Distributions |
| 91.97% | $ 44,132 | $ 515,018 | $ 59,664 | $ 345,077 | $240,283 | $ 730,533 | 8,668,079 |
| 92.01% | (321) | 7,787 | 1,092 | 6,446 | 253 | - | 142,532 |
| 92.02% | (2,139) | 144,606 | 20,034 | 116,037 | 4,680 | - | 2,634,274 |
| 92.00% | (31,940) | 2,577,320 | 345,028 | 2,043,737 | 61,091 | 3,933,421 | 42,933,582 |
| 90.14% | 153 | 13,746 | 11,527 | 100,881 | 2,210 | 339,250 | 1,384,614 |
| 94.06% | (4,509) | 481,135 | 48,869 | 268,724 | 9,202 | 208,881 | 7,226,991 |
| 93.11% | 84 | 79,171 | 4,663 | 26,388 | 815 | - | 778,652 |
| 91.45% | (7) | 7,747 | 389 | 3,251 | 141 | - | 63,827 |
| 89.14% | (2) | 5,857 | 331 | 1,639 | 36 | - | 50,563 |
| 90.22% | (304) | 71,991 | 6,377 | 62,309 | 1,581 | - | 1,041,279 |
| 91.98% | (1,639) | 167,897 | 19,622 | 109,725 | 4,533 | 166,837 | 2,550,387 |
| 89.87% | (3,508) | 203,743 | 51,517 | 263,309 | 14,794 | 948,932 | 4,423,865 |
| 100.00% | - | - | - | - | - | - | 4,610 |
| 91.98% | $ - | $4,276,018 | $569,113 | $3,347,523 | $339,619 | $6,327,854 | $71,903,254 |

(This page contains no information and is used to assist in formatting for easier reading)

# COMPLIANCE SECTION

Kimball & Roberts
A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

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

The Honorable Board of County Commissioners
Iron County
Parowan, Utah 84761

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Iron County, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise Iron County's basic financial statements, and have issued our report thereon dated May 18, 2026.

**Internal Control Over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

We noted a certain other matter that we reported to management of Iron County in the accompanying *Independent Auditor's Report in Accordance with the State Compliance Audit Guide on Compliance with General State Compliance Requirements and on Internal Control Over Compliance.*

**Purpose of this Report**

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

Kimball & Roberts, PC
Certified Public Accountants

May 18, 2026
Richfield, Utah

Kimball & Roberts
A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

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

The Honorable Board of County Commissioners
Iron County
Parowan, Utah 84761

**Report on Compliance for Each Major Federal Program**

We have audited Iron County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2025. The County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

**Report on Internal Control Over Compliance**

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

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

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

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

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated May 18, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Kimball & Roberts, PC
Certified Public Accountants

May 18, 2026
Richfield, Utah

**IRON COUNTY**
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**
**For The Year Ended December 31, 2025**

## A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

| | | |
|---|---|---|
| Type of independent auditor's report issued: | Unmodified | |
| Internal control over financial reporting: | | |
| * Material weakness identified? | ____ Yes | X No |
| * Significant deficiency identified that is not considered to be a material weakness? | ____ Yes | X No |
| Noncompliance material to financial statements noted? | ____ Yes | X No |
| Conditions or events, considered in the aggregate that raise substantial doubt about Iron County's ability to continue as a going concern. | ____ Yes | X No |

Federal Awards

| | | |
|---|---|---|
| Internal Control over major programs: | | |
| * Material weaknesses identified? | ____ Yes | X No |
| * Significant deficiency identified that are not considered to be material weaknesses? | ____ Yes | X None Reported |
| Type of independent auditor's report issued on compliance for major programs: | Unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance) | ____ Yes | X No |

Identification of major programs.

| CFDA Number | Name of Federal Program or Cluster |
|---|---|
| 10.904 | Watershed Protection and Flood Prevention |
| 10.923 | Emergency Watershed Protection Program |

| | | |
|---|---|---|
| Dollar threshold used to distinguish between Type A and Type B programs | $750,000 | |
| Auditee qualified as low-risk auditee? | X Yes | ____ No |

## B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No significant matters were noted.

## C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No significant matters were noted.

**IRON COUNTY**
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**
**For The Year Ended December 31, 2025**

| Federal Grantor/Pass Through Grantor | State Pass-Thru # | Federal Catalogue # | | Disbursement/ Expenditures |
|---|---|---|---|---|
| **Direct Assistance:** | | | | |
| **Department of Agriculture:** | | | | |
| Forest Health Protection | N/A | 10.665 | | $ 20,000 |
| Watershed Protection and Flood Prevention (Pine Valley Road) | N/A | 10.904 | * | 392,818 |
| Emergency Watershed Protection Program | N/A | 10.923 | * | 141,501 |
| Total Department of Agriculture | | | | 554,319 |
| **Department of the Interior:** | | | | |
| Invasive and Noxious Plant Management | N/A | 15.230 | | 59,807 |
| Secure Rural Schools and Community Self-Determination | N/A | 15.234 | | 152,190 |
| Secure Rural Schools and Community Self-Determination | N/A | 15.234 | | 53,714 |
| Total Department of Interior | | | | 265,711 |
| **Department of Transportation:** | | | | |
| Safe Streets and Roads For All | N/A | 20.939 | | 166,885 |
| Total Department of Transportation | | | | 166,885 |
| **Department of Health and Human Services** | | | | |
| Special Programs For the Aging, Title III, Part C, Nutrition Services | N/A | 93.045 | | 133,898 |
| Special Programs For the Aging, Title III, Part B, Senior Centers | N/A | 93.044 | | 45,185 |
| Drug-Free Communities Support Program Grant | N/A | 93.276 | | 96,750 |
| Total Department of Health and Human Services | | | | 275,833 |
| **Total Direct Assistance** | | | | $ 1,262,748 |

* Major Programs

(Continued)

## IRON COUNTY
## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
## For The Year Ended December 31, 2025

| Federal Grantor/Pass Through Grantor | State Pass-Thru # | Federal Catalogue # | Disbursement/ Expenditures |
|---|---|---|---|
| **Indirect Assistance:** | | | |
| **Department of Justice:** | | | |
| Passed Through Utah Department of Public Safety, Division of Emergency Management: | | | |
| Crime Victim Assistance (Sheriff VOCA) | N/A | 16.575 | $ 55,629 |
| Crime Victim Assistance (CJC VOCA) | N/A | 16.575 | 177,027 |
| Total Department of Justice | | | 232,656 |
| **Department of Homeland Security:** | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | N/A | 97.042 | 6,909 |
| Total Department of Homeland Security | | | 6,909 |
| **Total Indirect Assistance** | | | 239,565 |
| **Total Assistance** | | | $ 1,502,313 |

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

**General:**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Iron County under programs of the federal government for the year ended December 31, 2025. The information in this Schedule is presented in accordance with the requirements Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles,* and *Audit Requirements for Federal Awards (Uniform Guidance).* Because the Schedule presents only a selected portion of the operations of Iron County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Iron County.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNT POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**IRON COUNTY**
**SCHEDULE OF PRIOR AUDIT FINDINGS**
**For The Year Ended December 31, 2025**

There were no prior audit findings.

Kimball & Roberts
A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

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

To the Board of County Commission,
Audit Committee and Ken Robinson
Iron County
Parowan, Utah 84761

## Report on Compliance with State Requirements

### Opinion on Each State Compliance Requirement

We have audited Iron County's compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide,* issued by the Office of the Utah State Auditor, for the year ended December 31, 2025.

State compliance requirements were tested for the year ended December 31, 2025, in the following areas:

Budgetary Compliance
Fund Balance
Cash Management
Tax Levy Revenue Recognition
Restricted Taxes and Related Revenues
Impact Fees
Special and Local Service District Board Members
Fraud Risk Assessment
Government Fees
Crime Insurance for Public Treasurers
Open and Public Meetings Act
Component Units
Utah Retirement Systems
Internal Control Systems
Enterprise Fund Transfers, Reimbursements, Loans, and Services

In our opinion, Iron County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2025.

### *Basis for Opinion*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United State of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements outlined in the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Iron County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Iron County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of Iron County's internal control over compliance. Accordingly, no such opinion is expressed.

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

***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Guide, and which are described below. Our opinion on compliance for each state compliance requirement identified above is not modified with respect to these matters.

**Finding 2025-1: State Compliance – Fraud Risk Assessment Not Completed:**

**Criteria:**
Per Utah Code 51-2a-201.5, and guidance from the Utah State Auditor's Office, each municipality must complete and approve a Fraud Risk Assessment annually within the fiscal year to assess internal controls and risk mitigation practices. The assessment must be approved by the governing body and retained for audit review.

**Condition:**
The County's Fraud Risk Assessment for fiscal year 2025 was not completed and approved by the governing body within the required fiscal year. The assessment was performed after fiscal year-end and was not formally reviewed or adopted in a public council meeting as required.

**Cause:**
The delay in completion and approval was due to a misunderstanding of timing requirements and lack of a formalized internal process to ensure timely council presentation and adoption.

**Effect:**
Failure to complete and approve the Fraud Risk Assessment within the fiscal year results in noncompliance with state requirements and limits management's ability to formally evaluate and document internal controls and fraud prevention practices.

**Auditor's Recommendation:**
We recommend that Iron County ensure the Fraud Risk Assessment is completed, presented to, and approved by the Commission annually within the fiscal year. Management should assign responsibility for timely completion and maintain documentation of approval in meeting minutes.

**Iron County's Response:**
The Fraud Risk Assessment will now be completed during the calendar year instead of in the months following the end of the year. It was unknown that it must be completed within the calendar year to meet the formal requirements. It has been added as a reminder to ensure this is completed and approved in the 2026 year.

**Report on Internal Control Over Compliance**

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

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

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

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

Kimball & Roberts, PC
Certified Public Accountants

May 18, 2026
Richfield, Utah

Kimball & Roberts
A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

## RESOLUTION OF FINDING AND RECOMMENDATION 2024-1 and 2024-2

The Honorable Board of County Commissioners
Iron County
Parowan, Utah 84761

During our audit of the financial statements of Iron County for the year ended December 31, 2025, we found a circumstance that, if improved, would strengthen the County's accounting system and control over its assets. The resolution of item 2024-1 and 2024-2 is discussed below for your consideration:

**Significant Deficiency Findings and Recommendations:**

**2024-1 Bond and Related Transactions Not Recorded in the General Ledger**

**Finding:**
During our review of long-term obligations and related financial activity, we noted that a sales tax revenue bond with a par amount of $87,520,000 issued during year 2024 was not recorded in the County's accounting records. In addition, related financial components were omitted, including:

- Bond premium of $8,870,794,
- Underwriter's discount of $328,600,
- Bond issuance costs of $435,000, and
- Interest income earned and recognized of $543,126.18.

The offsetting cash transactions associated with the bond proceeds and related accounts were also not recorded, resulting in materially misstated cash and liability balances.

**Auditor's Recommendation:**
We recommended that the County implement procedures to ensure that all debt issuances and related financial transactions are promptly and accurately recorded in the general ledger. Communication between finance, legal counsel, and third-party financial advisors should be improved to ensure proper reporting of bond transactions.

**Iron County's Resolution:**
The County implemented procedures to ensure that all debt issuances and financial transactions were recorded in the general ledger.

The Honorable Board of County Commissioners
Iron County
Page -2-

**2024-2 Overstatement of Capital Asset Due to Entry Error**

**Finding:**
We identified a clerical data entry error in the capital asset ledger that resulted in the overstatement of a single asset by $751,500.

**Auditor's Recommendation:**
We recommended implementing a review and approval process for capital asset entries, particularly those manually entered. Supporting documentation for capital asset acquisitions should be cross verified by a second reviewer before posting to the accounting system.

**Iron County's Resolution:**
The County implemented a review and approval process for capital asset entries and those manually entered.

This report is intended solely for the information and use of management, County Commission and others within the entity and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Kimball & Roberts, PC
Certified Public Accountants

May 18, 2026
Richfield, Utah

## Transient Room Tax (TRT) REVENUE

**Transient Room Tax (TRT) Uses:**

TRT Revenue greater than $1,000,000 requires a minimum expenditure of the first 2% of the transient room tax rate regarding Establishing and Promoting. The remaining percentage of the transient room tax rate can be expended on Acquiring, Leasing, Constructing, Furnishing or Operating and Mitigation.

TRT Revenue greater than $500,000 but less than $1,000,000 requires a minimum expenditure of the first 1% of the transient room tax rate regarding Establishing and Promoting. The remaining percentage of the transient room tax rate can be expended on Acquiring, Leasing, Constructing, Furnishing or Operating and Mitigation.

TRT Revenue less than $500,000 does not have a minimum Establishing and Promoting expenditure amount. This amount of the transient room tax rate can be expended on Establishing and Promoting, Acquiring, Leasing, Constructing, Furnishing or Operating and Mitigation.

TRT REVENUE, Prior Year $2,685,202.96

TRT REVENUE, Current Year $2,529,117.66

## 3(a): Establishing & Promoting

Establishing and Promotion definition as outlined in Subsection (3)(a): an activity or related expense to encourage, solicit, advertise, or market in order to attract or enhance transient guest spending in a county.

| | Amount | Description |
|---|---|---|
| **Tourism** | | |
| *Activity Detail*<br>*• All expenses related to tourism promoting*<br>•<br>•<br>• | $ 2,920,648.43 | Employee wages & benefits, travel, training, advertising & promoting, events, summer games contribution, shakespeare contribution, Iron County fair contribution. |
| **Cooperative Marketing - include how much money was received from the Co-op and how much TRT was used to match the grant** | Amount Received from UOT co-op grant: $144,500<br>Amount of TRT used to match the grant: $0 | **The amount spent to match the grant was all spent in 2024. All funds spent in 2025 were funds reimbursed from the grant.** |
| *Activity Detail*<br>**Advertising for UOT Destination marking*<br>•<br>•<br>• | $ - | This was spent for advertising in relation to the grant. |

| | | |
|---|---|---|
| **TOTAL TRT restricted for Establishing and Promoting from prior year** | $ - | (no prior year restricted balance) |
| **TOTAL TRT collected in the current year restricted for Establishing and Promoting** | $ 1,190,202.77 | |
| **TOTAL Establishing and Promoting elligible expenditures in the current year** | $ 2,920,648.43 | |
| **TOTAL TRT restricted for Establishing and Promoting at year end** | $ (1,730,445.66) | |

## 3(b-e): Mitigating Costs

3(b): To pay for tourism or recreation-related facilities in the county, including acquiring, leasing, constructing, furnishing, maintaining, or operating.

| | Amount | Description |
|---|---|---|
| **Visitor Information Centers** | | |
| *Activity Detail*<br>* *County Visitor Center*<br>* *Gift shop in Visitor Center*<br>*<br>* | $58,000.00<br>$32,594.02 | Building improvements, utilities, cleaning, maintenance.<br>Supplies and inventory for gift shop |

3(c): Purpose of acquiring land, leasing land, or making payments for construction or infrastructure improvements, for or related to facilities listed in 3(b).

| | Amount | Description |
|---|---|---|

| 3(e): To make annual payment of principal, interest, premiums, and necessary reserves for any of the aggregate of bonds. | | |
|---|---|---|
| | Amount | Description |
| **Principal Payments** | | |
| *Activity Detail*<br>* *Bond for Shakespeare Theatre Building*<br>*<br>*<br>* | $ 71,000.00 | Yearly amount contributed towards principal payment on bond. |
| **Interest Payments** | | |
| *Activity Detail*<br>* *Bond for Shakespeare Theatre Building*<br>*<br>*<br>* | $ 5,475.00 | Yearly amount contributed towards interest payment on bond. |

| | |
|---|---|
| **TOTAL TRT restricted for Mitigating Costs from the prior year** | $ 2,583,241.58 |
| **TOTAL TRT collected in the current year elligible to be used on Mitigating Costs** | $ 1,338,914.89 |
| **TOTAL Mitigating expenditures in the current year** | $ 167,069.02 |
| **TOTAL TRT elligible for Mitigation Costs at year end** | $ 2,024,641.79 |

*The total Mitigation Costs elligible at year end are the total starting from prior year, plus total elligible for current year, minus what was actually spent, minus what was over spent on Establishing and Promoting. There was $1,730,445.66 extra spent on establishing and promoting than what was required.*

| Tourism, Recreation, Cultural, Convention, and Airport Facilities (TRCCA) Revenue |
|---|

**Tourism, Recreation, Cultural, Convention, and Airport Facilities (TRCCA) uses:**

A county of the first class must expend at least $450,000 each year within the county to fund a marketing and ticketing system designed to promote tourism in ski area within the county by persons who do not reside within the state and combine the sale of: ski lift tickets and accommodations and services.

A county of the fourth, fifth or sixth class with a population density of fewer than 15 people per square mile may expend revenue to mitigate the impacts of tourism: solid waste disposal, search and rescue activities, law enforcement activities, emergency medical services or fire protection services.

| | |
|---|---|
| TRCCA REVENUE, Prior Year | $1,414,335.82 |
| TRCCA REVENUE, Current Year | $1,570,652.05 |

| 2(a-c): Financing, Promoting, Developing, Operating, Maintaining and Mitigating Costs |
|---|

| 2(a): Financing Tourism Promotion and the Development, Operation, and Maintenance | Amount | Description |
|---|---|---|
| **Financing Tourism Promotion** | | |
| *Activity Detail*<br>* *Various projects throughout the county to develop, encourage, solicit, and market tourism*<br>*<br>*<br>* | $ 1,981,194.58 | Projects with cities, businesses, county wide. |
| **Cultural Facilities** | | |
| *Activity Detail*<br>* *Iron County Fairgrounds*<br>*<br>*<br>* | $ 50,000.00 | contribution to fair for operations and matenance |
| **Recreation Facility** | | |
| *Activity Detail*<br>* *County Parks*<br>*<br>*<br>* | $ 120,000.00 | Contribution to upgrade and improve recreational parks throughout the county |
| **Tourist Facility** | | |
| *Activity Detail*<br>* *Bond for Shakespeare Theatre Building*<br>*<br>*<br>* | $ 76,475.00 | yearly bond payment |

| 2(b): Mitigation Costs (fourth, fifth, and sixth class counties only) | Amount | Description |
|---|---|---|

| | | |
|---|---|---|
| **TOTAL TRCCA restricted for Financing, Promoting, Developing, Operating, Maintaining and Mitigating Costs** | $ 1,626,347.94 | (prior year ending balance plus current year revenue) |
| **TOTAL TRCCA used on Financing, Promoting, Developing, Operating, Maintaining and Mitigating Costs** | $ 2,227,669.58 | |
| **TOTAL unspent TRCCA reserved for Financing, Promoting, Developing, Operating,** | $ (601,321.64) | |

*There were more funds spent in 2025 than received, that's why the reserved amount is negative at the end of the year.*

The Tourism Tax Advisory Board for Iron County advised the county legislative body on the best use of tourism revenues on 10/23/24 and has been provided this report on the use of TRT/TRCCA funding.