Wasatch Front Waste & Recycling District

Midvale, Utah

Comprehensive Annual Financial Report
For The Fiscal Period Ended December 31, 2020

Wasatch Front Waste & Recycling District, Midvale Utah

Comprehensive Annual Financial Report

For the Fiscal Period Ended December 31, 2020

Prepared by the Finance Team

Introductory Section

April 21, 2021

Dear Honorable Board,

As you know, state law requires that within six months of the close of each fiscal year all general-purpose local governments publish a complete set of financial statements. These statements must be presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of licensed certified public accountants.

Pursuant to that requirement, we are presenting the Comprehensive Annual Financial Report of the Wasatch Front Waste & Recycling District (WFWRD) for the fiscal year ended December 31, 2020. This report consists of management's representations concerning the finances of WFRWD. We, as management, accept full responsibility for the completeness and reliability of all the information presented in this report.

WFWRD's financial statements have been audited by Gilbert & Stewart, Certified Public Accountants, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of WFWRD for the fiscal year ended December 31, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

Based upon the audit, Gilbert & Stewart concluded that there was a reasonable basis for rendering an unmodified opinion that WFWRD's financial statements for the fiscal year ended December 31, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to balance the MD&A and should be read in conjunction with it. WFWRD's MD&A can be found immediately following the report of the independent auditors.

Management staff have established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of WFWRD's financial statements in conformity with GAAP.

Our comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Profile of the Government

The District was originally established in 1977, by the Salt Lake County Commission under their authority from Utah State Statues related to Special Service Districts. The creating resolution empowered the District to impose a service fee to each property owner within its boundaries that receives services. The District relies on user fees that are assessed to each property owner to support the operations of the organization since it does not levy a tax.

The District's original charter was to provide waste collections for the residents in the Unincorporated Salt Lake County. It is located in the Central region of Salt Lake County, Utah. The WFWRD organization was formerly a division of Salt Lake County, and on January 1, 2013, WFWRD was established as a separate entity and remained a special service district with ties to Salt Lake County. However, all governing authority allowable under Utah State Statutes was turned over to the board.

WFWRD operates under a governing board comprised of 14 elected officials representing each municipality within the District's boundaries. Each board member is appointed through the individual municipalities within the District boundaries, and the Salt Lake County Council reserves the option to appoint up to two board members. Under State Statute, the board members serve four-year terms, and each appointed member does so to the best of their ability.

All policy making is vested in the board members. The governing board is responsible for passing resolutions, adopting the budget, appointing committees, and providing "advice, direction, and consent" for the General Manager's appointments.

The District offices are located approximately 12 miles from Salt Lake City, the capital of Utah. The District boundaries cover an area of approximately 300 square miles. The U.S. Census Bureau estimated the 2019 population of Salt Lake County, the area in which the District operates, to be 1,160,437 residents. The customer base is approximately 85,800 residences, and WFWRD staff generally travel over 1,200,000 miles each year to provide the needed collection services.

The General Manager serves as the Chief Executive Officer and Administrative Officer. The General Manager's responsibilities include carrying out the policies of the governing board and developing standard operating procedures that will guide management in the best practices for administrative functions and the day-to-day operations of the District.

Our mission statement for the District states: "To provide sustainable integrated waste and recycling collection services for the health and safety of our community…because not everything fits in the can." WFWRD provides a full range of services to meet the demands of its residents, weekly garbage and recycling collections, annual area cleanup, emergency disaster aid, leaf bag collection, curbside Christmas tree collections, bulky waste and green waste trailer rental, centralized glass collections and non-residential collections for government facilities.

The General Manager may make transfers between operating functions if needed. Transfers of appropriations from capital purchases and increases in the over-all annual budget require the approval of the governing board.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which WFWRD operates.

Local economy: Utah's unemployment rate increased in 2020, which seems directly related to the pandemic, but the State remained below the National Unemployment Average. The Salt Lake County area, where WFWRD is located, has an employed labor force of approximately 619,000, and average wages of approximately $1,152 per week, according to the United States Bureau of Labor Statistics.

WFWRD has an employed labor force of approximately 92 full-time employees and approximately 28 part-time, primarily seasonal, positions. Although 2020 had significant impacts on some businesses, the waste and recycling industry was not negatively impacted.

In fact, WFWRD experienced a significant increase in the refuse tonnages that we collected from our residents who were working from home. Management's main focus was to keep our employees safe and working to meet the service demands.

WFWRD did receive financial reimbursements through CARES (Coronavirus Aid, Relief, and Economic Security) Act funding provided through each municipality in the District. Reimbursements met the requirements for such things as paid leave for COVID-related illness or issues, and COVID-related purchases.

Long-term financial planning: The District Board views the continued operation and the continued financial solvency as its primary subject. Some of the key areas for the future include the unpredictable recycling markets, keeping up with competing workforce markets for commercial driver's license (CDL) drivers, and the salary market adjustments needed for recruitment and retention. Management strives to tackle these challenges as we work to keep user fees as low as possible to remain viable in a competitive business environment.

Challenges the District operates under include: Landfill dumping fees, recycling fees, personnel turnover, and achieving efficiencies in the distances between customers and disposal locations. Vehicle replacement is important to providing services. The cost of one sideload truck is significant at approximately $320,000 in 2020. Fleet fuel and maintenance are significant operational costs.

Internal Control: The District's financial reporting systems are designed to emphasize the importance of strong internal controls, including the proper recording of revenues and expenditures and the oversight of budgetary control. These controls have been designed to offer reasonable assurance that assets are safeguarded against waste, fraud, and misuse; and that the District's systems and processes can be relied upon to produce financial statements in accordance with generally accepted accounting principles.

Risk Management: WFWRD has a risk management program in conjunction with the District's liability insurance provider, the Utah Local Governments Trust (ULGT, or the Trust). Training opportunities have been offered to District employees in areas of leadership, health maintenance, and safe work environment training. Service-specific training is provided to employees to prevent risk as per industry standards.

Significant Awards and Accomplishments

In regard to awards, 2020 was a productive year for WFWRD. Once again, Rhonda Kitchen, a veteran equipment operator for the District, was awarded for her outstanding efforts in safety by achieving the 12-year "Safety Hero Award" for remaining accident and incident free for 12 years. WFWRD also had multiple operators who achieved 3-, 4- and 5-year awards.

WFWRD achieved significant success with the new Team Appreciation and Recognition Program (TARP) through the ULGT. The Trust showcased WFWRD's success at the annual Utah League of Cities and Towns Conference and continues to use our organization as an example of how effective proper risk management can benefit organizational performance, and reduce costs and insurance premiums.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to WFWRD for its Comprehensive Annual Financial Report for the fiscal years ended December 31, 2016, 2017, 2018 and 2019. In order to be awarded a Certificate of Achievement, a Government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we will submit it to GFOA to determine its eligibility for another certificate.

Community Outreach: The District continues to provide community outreach for recycling education. We made the needed adjustments in 2020, and started remote classes using web-based systems to reach classrooms throughout 2020.

Looking Ahead

The District is working to reorganize from a special district to a local district. This will give the board total governing authority and separate the District completely from Salt Lake County. The board composition, operations and financial management will all remain the same. WFWRD will also continue to operate as an enterprise fund under Utah State Statutes and assess fees for the services provided to the residents served.

WFWRD management has successfully negotiated with Salt Lake County and amended the agreement for landfill and transfer station services. One of the main changes that benefitted WFWRD was to move from a percentage of tonnage per year commitment to an actual tonnage amount, which will help with efficiencies and allow more flexibility for operations.

Although recycling markets have improved, the fees for recyclables processing remains higher than landfilling the commodities. District residents and the board remain committed and support the recycling efforts and the need to fund the costs associated with processing the materials for reuse and recycling.

Management's challenge remains to keep up with the labor market demands for CDL drivers. WFWRD will need to, once again, make needed salary market adjustments specifically for these positions, which will require substantial financial commitments in order to carry out mandated services for our communities.

Acknowledgements

Management would like to express our appreciation to the dedicated staff of the budget and finance team, the Human Resource Manager and the Operations Manager who assisted and contributed to the preparation of this report. We also thank our auditors, Gilbert & Stewart, Certified Public Accountants, for their help and support of this report.

And of course, credit must be given to the Board for their ongoing support for maintaining the highest standards of professionalism in the management of the WFWRD finances.

Respectfully submitted,

Pam Roberts
General Manager, Chief Executive Officer

Paul Korth

Paul Korth
Finance Director, Chief Financial Officer

Craig P. Adams
Controller, Treasurer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Wasatch Front Waste & Recycling District
Utah

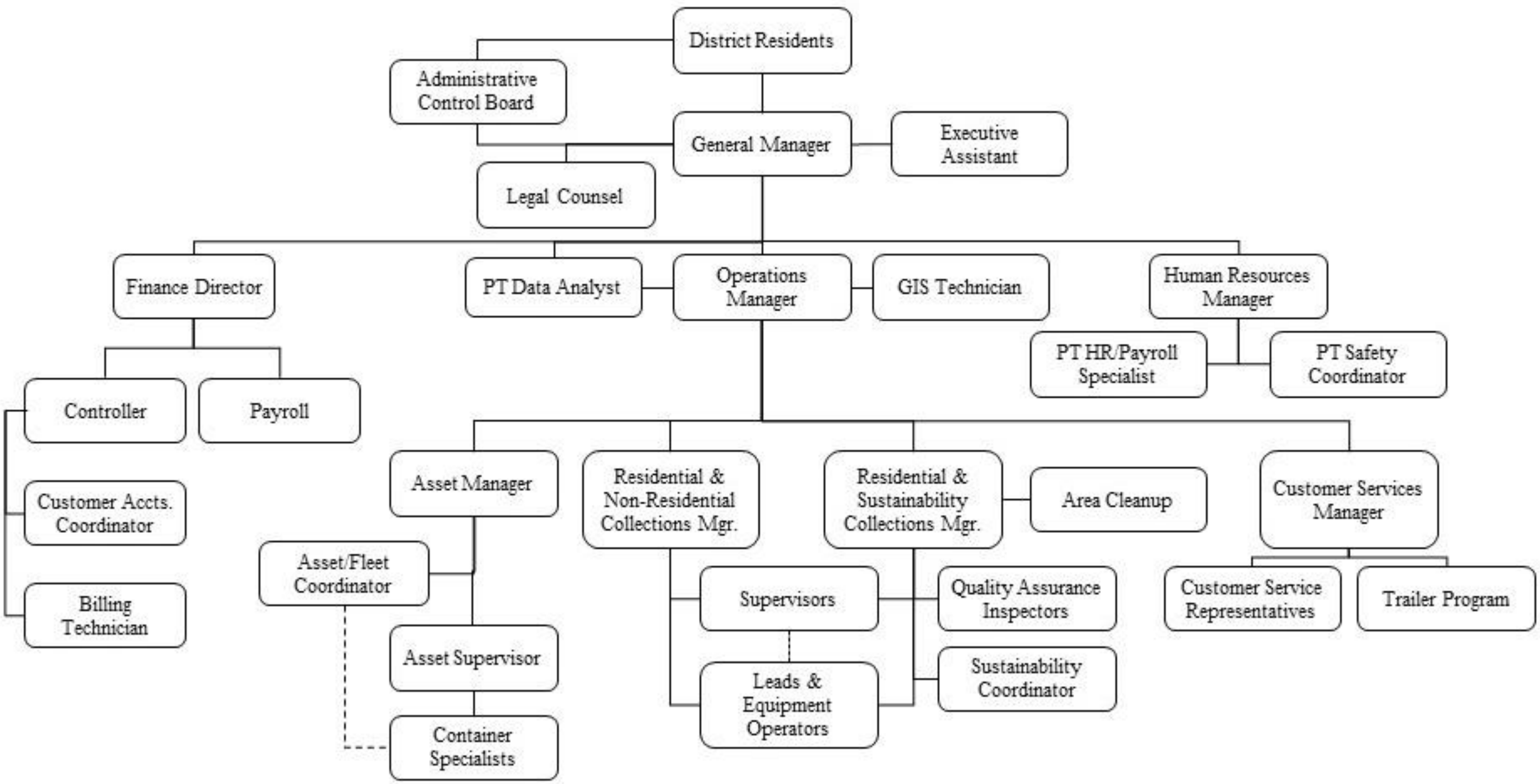
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

WASATCH FRONT WASTE & RECYCLING DISTRICT
Organizational Chart



Wasatch Front Waste & Recycling District

List of Administrative Control Board and Appointed Officials

Administrative Control Board

Board Chair	Scott Bracken	Cottonwood Heights
Board Vice Chair	Sherrie Ohrn	Herriman City
Board Member	Keith Zuspan	Town of Brighton
Board Member	Tessa Stitzer	Copperton Metro Township
Board Member	Catherine Harris	Emigration Metro Township
Board Member	Daniel Gibbons	Holladay City
Board Member	Patrick Schaeffer	Kearns Metro Township
Board Member	Brint Peel	Magna Metro Township
Board Member	Dwight Marchant	Millcreek City
Board Member	Diane Turner	Murray City
Board Member	Kris Nicholl	Sandy City
Board Member	Anna Barbieri	Taylorsville City
Board Member	Kay Dickerson	White City Metro Township
Board Member	Jim Bradley	Salt Lake County

Appointed Officials

General Manager/Chief Executive Officer: Pam Roberts
Finance Director/Chief Financial Officer: Paul Korth
Controller/Treasurer: Craig Adams

Financial Section

INDEPENDENT AUDITOR'S REPORT

Administrative Control Board
Wasatch Front Waste and Recycling District
Midvale, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of Wasatch Front Waste and Recycling District ("the District") as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of Wasatch Front Waste and Recycling District as of December 31, 2020, and the change in financial position and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Sincerely,

Gilbert & Stewart

Gilbert & Stewart, CPA PC
Provo, Utah
April 21, 2021

Management's Discussion and Analysis

As management of the Wasatch Front Waste & Recycling District, we provide readers of the Wasatch Front Waste & Recycling District's financial statements this narrative, overview and analysis of the financial activities of the Wasatch Front Waste & Recycling District for the fiscal year ended December 31, 2020.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of Wasatch Front Waste & Recycling District activities exceeded the liabilities and deferred inflows of resources as of the close of the most recent year by $23,890,622 (net position) compared to $24,897,372 in the prior year. The unrestricted net position was $12,375,827 as of December 31, 2020 compared to $13,092,529 unrestricted net position in the prior year. The unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.
- The District expended $2,761,145 in 2020 compared to $1,807,043 in 2019 for capital assets (primarily vehicles).
- The District vehicles were driven 1,233,368 miles in 2020 compared to 1,241,548 miles in 2019 to provide services in the District.
- The cost of fuel for 2020 was $995,544 compared to $996,185 for 2019.
- Vehicle maintenance for 2020 was $3,448,266 compared to $3,017,149 for 2019.
- The District delivered 131,275 tons of refuse with a cost of $4,325,914 in 2020 to waste facilities compared to 125,302 tons of refuse, with a cost of $4,048,158 in 2019.
- The recycling fees for 2020 totaled $1,058,749 compared to $1,262,828 for 2019.
- The Diversion from standard disposal methods (recycling, glass, green) was 27,978 tons in 2020 compared to 27,186 tons in 2019.
- There were approximately 85,800 homes being served at the end 2020.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's financial statements included in this annual report are those of a special purpose government entity engaged only in a business-type activity.

The financial statements distinguish functions of the District that are principally supported by activities that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities.) The District has no governmental activities. The business-type activities of the District include Refuse and Recycling Collections, Area Clean-up, Glass Collections, Trailer Program and Green Collections.

The District's basic financial statements are presented using the accrual basis of accounting, which provides for revenue recognition in the period in which services are provided and expense recognition when goods and services are received.

Additionally, the District's basic financial statements utilize the flow of economic resources measurement focus, in which all assets and liabilities are reflected on the *Statement of Net Position* and the *Statement of Revenues, Expenses and Changes Net Position* includes all transactions, such as revenues and expenses that increase or decrease the net position.

The statements are comprised of two components: 1) Basic financial statements and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The following basic *financial statements* are included in this report:

The *Statement of Net Position* presents information on all the assets, deferred outflow of resources, liabilities and deferred inflow of resources of the District, with the difference reported as *net position* (see page 22).

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the District's net position changed during the most recent fiscal year.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave). The statement reports the District's operating and nonoperating revenue by source along with operating and nonoperating expenses and capital contributions (see page 24).

The *Statement of Cash Flows* reports the District's cash flows from operating activities, investing, capital and noncapital activities (see page 25).

NOTES TO THE FINANCIAL STATEMENTS. The *notes* provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes are part of the basic financial statements.

OTHER INFORMATION. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the District.

FINANCIAL ANALYSIS. Net position may serve over time as a useful indicator of a government's financial position. In the case of Wasatch Front Waste & Recycling District, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by $23,890,622 (net position) at the close of fiscal year 2020.

An additional portion of the District's net position (approximately 48%) represents resources that are classified as net investment in capital assets. The remaining balance of unrestricted net position of $12,375,827 may be used to meet the District's ongoing obligations to citizens and creditors.

As of December 31, 2020, the District had positive balances in the net position.

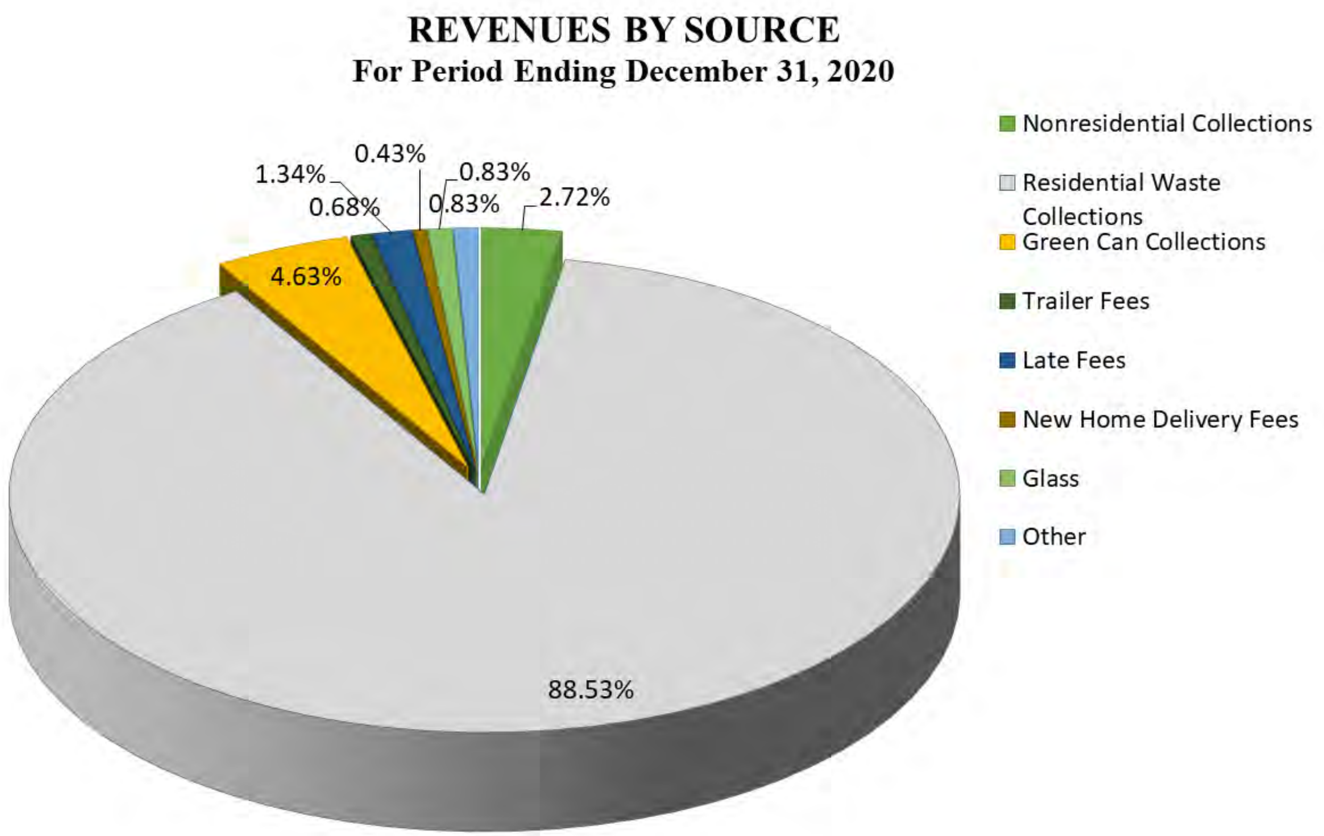
	December 31, 2020	December 31, 2019
Current and other assets	$ 16,113,584	$ 16,566,083
Capital assets (net)	11,514,795	11,804,843
Total Assets	27,628,379	28,370,926
Deferred outflow of resources	1,029,101	1,479,553
Current liabilities	1,326,997	1,022,960
Long term liabilities	2,801,244	3,810,282
Total Liabilities	4,128,241	4,833,242
Deferred inflow of resources	638,617	119,865
Net Position:		
Net investment in capital assets	11,514,795	11,804,843
Unrestricted net position	12,375,827	13,092,529
Total Net Position	$ 23,890,622	$ 24,897,372

OPERATIONAL ACTIVITIES. Operational activities decreased the District's net position by $864,849 in 2020 compared to a $649,353 increase in 2019. The decrease from the prior year was primarily due to increased personnel costs and maintenance costs in 2020.

For many of the operational expenses such as facility expense, vehicle repair and maintenance expense, fuel expense, landfill expense, and recycling expense the District has contractual arrangements.

The District exercised prudent management in the capital outlay expenses. Funding for capital assets was primarily for large vehicles. In 2020 the District expended $2,761,145 for capital assets. More information concerning the District's capital equipment can be found in the notes to the financial statements.

A visual representation of the revenues for 2020 by source:



BUSINESS-TYPE ACTIVITIES. The net position of Business-Type Activities totals $23,890,622.

WASATCH FRONT WASTE AND RECYCLING DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For The Periods Ending December 31, 2020 and 2019

	Business-Type Activities	
	2020	2019
Revenues:		
Charges for services	$ 20,902,763	$ 20,419,562
General Revenues		
Interest	182,965	345,306
Gain/(Loss) on sale of assets	(324,866)	(578)
Other	701,234	728,017
Total Revenues	21,462,096	21,492,307
Expenses		
Refuse	9,734,183	9,121,969
Recycling	5,455,353	4,553,998
Area cleanup	1,297,229	1,531,969
Trailer program	508,320	458,590
Cart program	629,716	611,897
Green collections	536,174	473,276
Special services	693,318	540,562
Fleet services	303,963	308,545
Operational services	378,957	339,127
Administrative services	2,931,633	2,558,293
Total Expenses	22,468,846	20,498,226
Increase in net position	(1,006,750)	994,081
Net Position - beginning	24,897,372	23,903,291
Net Position - ending	$ 23,890,622	$ 24,897,372

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS. Because the District only uses an enterprise fund, all capital assets are included in this fund.

Major capital asset cash outflows consist primarily of new vehicle purchases.

A primary concern of the District is the maintenance and upkeep of the District vehicles and the financing of future capital assets.

A listing of the District's capital assets is as follows:

Wasatch Front Waste and Recycling District
Capital Assets
For Periods Ended December 31, 2020 and 2019

	2020	2019
Land	$ 1,904,800	$ 1,904,800
Land Improvements	216,835	216,835
Buildings	455,098	455,098
Equipment	616,900	727,337
Vehicles	19,608,638	18,745,173
Office Furniture/Equipment	160,038	160,038
Less Accumulated Depreciation	(11,447,514)	(10,404,438)
Total	$ 11,514,795	$ 11,804,843

Readers desiring more detailed information on capital asset activity can refer to note 6 of the financial statements.

LONG-TERM DEBT

At the end of the current year, the District had no debt outstanding.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The Wasatch Front Waste & Recycling District is located in Salt Lake County. The unemployment rate for Salt Lake County as of December 2020 was 3.4%. This rate is less than the reported U.S. unemployment rate as of December 2020 of 6.7% (unemployment rates obtained from Federal Reserve Economic Data).

- The District continues to exercise conservatism and prudence with regards to expenses, employee compensation, and capital assets. The District looks for savings opportunities in areas such as tracking/monitoring miles, fuel consumption, repairs and maintenance, employees' work time, risk management; monitoring vehicles for optimum re-sale potential; and seeks contracts that maximize the purchasing power of the District.

- One of the major fiscal and budget issues on the horizon for the District is possible increasing costs such as landfill costs, recycling costs, personnel costs, maintenance costs, and fuel costs. The District will continue to evaluate the effects of the increased costs and effectively manage the operations.

- The District sought and was approved for a service fee rate increase for fiscal 2018 to help cover increasing costs. Approval for the rate increase included approval of the majority of the District's participating entities.

REQUESTS FOR INFORMATION. The financial report is designed to provide a general overview of Wasatch Front Waste & Recycling District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Wasatch Front Waste & Recycling District, District Clerk, 604 West 6960 South, Midvale, Utah 84047.

Remainder of page intentionally left blank.

Basic Financial Statements

WASATCH FRONT WASTE & RECYCLING DISTRICT

Statement of Net Position

December 31, 2020

		Refuse and Recycling
ASSETS		
Current Assets		
Cash - checking	$	683,315
Cash - state treasurer's pool		2,317,755
Investments		7,091,032
Accounts Receivable - net of allowance		5,917,253
Prepaid Expenses		15,601
Inventory		88,628
Total Current Assets		16,113,584
Capital Assets, at cost		
Land		1,904,800
Imrovements		216,835
Buildings and Improvements		455,098
Machinery and equipment		20,385,576
Less: accumulated depreciation		(11,447,514)
Total Net Capital Assets		11,514,795
Total Assets		27,628,379
DEFERRED OUTFLOW OF RESOURCES		
Pension Related		1,029,101
Total Deferred Outflow of Resources	$	1,029,101

See accompanying notes to the financial statements.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Statement of Net Position (continued)
December 31, 2020

	Refuse and Recycling
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	$ 948,177
Accrued salaries and benefits payable	158,156
Other current liabilities	44,136
Compensated absences	176,528
Total Current Liabilities	1,326,997
Noncurrent Liabilities	
Compensated absences	256,481
Net OPEB liability	1,300,521
Net pension liability	1,100,056
Other noncurrent liabilities	144,186
Total Noncurrent Liabilites	2,801,244
Total Liabilities	4,128,241
DEFERRED INFLOW OF RESOURCES	
Pension related	638,617
Total Deferred Inflow of Resources	638,617
NET POSITION	
Net investment in capital assets	11,514,795
Unrestricted net position	12,375,827
Total Net Position	$ 23,890,622

See accompanying notes to the financial statements.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Proprietary Fund
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2020

	Refuse and Recycling
Operating revenues	
Collection services	$ 20,902,763
Other revenues	701,234
Total revenues	21,603,997
Operating expenses	
Salaries, wages and employee benefits	7,892,793
Utilities, telephone and building expenses	738,705
Professional	32,994
Vehicle Maintenance and Fuel	4,443,810
Landfill Disposal Fees	4,325,914
Recycling Fees	1,058,749
Can Purchases	436,338
Other	1,346,651
Depreciation	2,192,892
Total operating expenses	22,468,846
Operating Income	(864,849)
Non-operating income (expense)	
Interest income	162,758
Gain/(Loss) on sale/disposal of assets	(324,866)
Gain/(Loss) on investments	20,207
Total non-operating income (expense)	(141,901)
Income before contributions and transfers	(1,006,750)
Contributions and transfers	-
Change in net position	(1,006,750)
Net position - beginning	24,897,372
Net position - ending	$ 23,890,622

See accompanying notes to the financial statements.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Proprietary Fund
Statement of Cash Flows
For the Year Ended December 31, 2020

	Refuse and Recycling
Cash Flows From Operating Activities	
Receipts from customers	$ 21,664,759
Payment to suppliers	(12,203,708)
Payments to employees and employee benefits	(7,817,929)
Net Cash Provided By Operating Activities	1,643,122
Cash Flows From Financing Activities	
Acquisition of capital assets	(2,761,145)
Proceeds from the sale of capital assets	533,435
Net Cash (Used) By Financing Activities	(2,227,710)
Cash Flows From Investing Activities	
Interest and dividends received	162,758
Change in investments	(104,779)
Net Cash Provided By Investing Activities	57,979
Net increase in cash and cash equivalents	(526,609)
Cash and cash equivalents - beginning	3,527,679
Cash and cash equivalents - end	$ 3,001,070

See accompanying notes to the financial statements.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Proprietary Funds
Statement of Cash Flows (*Continued*)
For the Year Ended December 31, 2020

	Refuse and Recycling
Reconciliation of operating income to net cash provided by operating activities:	
Operating Loss	$ (864,849)
Adjustments to reconcile operating income to net cash provided/(used) by operating activities:	
Depreciation expense	2,192,892
(Increase)/decrease in accounts receivable	60,762
(Increase)/decrease in prepaid expenses	(3,929)
(Increase)/decrease in inventory	(5,957)
Increase/(decrease) in accounts payable	189,339
Increase/(decrease) in accrued salaries and benefits	50,061
Increase/(decrease) in compensated absences	72,193
Increase/(decrease) in workers compensation liability	(153,232)
Increase/(decrease) in net OPEB liability	212,734
Increase/(decrease) in pension liability	(106,892)
Total Adjustments	2,507,971
Net cash provided by operating activities	$ 1,643,122
Reconciliation of total cash and cash equivalents	
Cash checking	$ 683,315
Cash - state treasurer's pool	2,317,755
Total cash	$ 3,001,070

See accompanying notes to the financial statements.

Notes to the Financial Statements

The notes to the financial statements are included to provide information that is essential to the user's understanding of the basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Wasatch Front Waste & Recycling District, Utah (District) was established under what is now the governing code of Utah Code Annotated Title 17D, with some sections that pertain to the District in Utah Code Annotated 17-B.

The District operates under a Board - Chief Executive Officer form of government and provides the following broad range of services to its customers: Refuse and Recycling Collections, Area Clean-up, Trailer Program, Green and Glass collections.

Accounting and Reporting Policies
The accounting and reporting policies of the District relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

Basis of Presentation
All activities for the District, are reported as business-type activities, which rely on fees and service charges for support.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The financial results are reflected in the *Statement of Net Position*, the *Statement of Revenues, Expenses, and Changes in Net Position*, and the *Statement of Cash Flows*. All assets and liabilities are included in the *Statement of Net Position*.

Refuse and Recycling Fund
The Refuse and Recycling fund is the sole fund utilized by the District. It is used to account for refuse and recycling collection services provided to the residents of the District. Activities of the fund include administration, operations and maintenance of the District's capital assets (primarily vehicles), and billing and collection activities. All costs are financed through charges to utility customers.

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 or services in connection with a proprietary fund's principal ongoing operations. Operating expenses for the proprietary funds include the cost of personnel, contractual services, materials and supplies, and depreciation of capital assets. All revenue and expenses not meeting the definition are reported as non-operating revenues and expenses.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The economic resources measurement focus means that all assets and liabilities (whether current or non-current) are included on the *Statement of Net Position*; and the operating statements present increases (revenues) and decreases (expenses) in the total net position. Under the accrual basis of accounting revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Assets, Liabilities, and Fund Balance or Equity

Deposits and investments
The District considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents for reporting purposes in the *Statement of Cash Flows*.

Inventory
All inventories are valued at cost at fiscal year-end.

Restricted and Unrestricted Net position
The District currently has no "restricted net position." Restricted assets are comprised of cash restricted for future payments of principal and interest on debt services or for pension-related transactions. The District currently carries no outstanding debt. It is the policy of the District to use assets in the following order: Restricted and then unrestricted assets.

When both restricted and unrestricted resources are available for use for the same purposes, restricted resources are expended first, in order to meet statutory, budgetary, grant or revenue requirements. For instance, if the District receives grants, the District has maintained the policy that those funds for grant expenses will be expended prior to expending District allocated funds, in order to report to the State that all funds distributed for the grant have been properly expended.

Capital Assets
Capital assets, which include property, plant, and equipment, are reported in the *Statement of Net Position*. All current capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Capital Assets (continued)

Assets having an original cost of $5,000 or more are capitalized. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and improvements	10-40 years
Machinery and equipment	5-10 years

Compensated Absences

Compensated absences consist of vacation pay and some sick pay. The District accrues vacation pay when earned. Accrued vacation pay over 320 hours is forfeited on an annual basis.

The District has a policy which allows employees to redeem unused sick leave upon retirement in the Utah Retirement System (URS) at a rate of 25% of the earned sick leave.

Because of the management of compensated absences, the majority of vacation and sick pay earned is considered long-term see "Changes in other long-term obligations" schedule for more information on compensated absences.

Taxes

The District does not hold taxing authority. However, UCA Title 17B Chapter 1, part 9, section 902 Allows Salt Lake County to "certify" outstanding amounts due to the District as of October of the current year.

The certification amount is added to the property taxes assessed to the property owner (customer). Property taxes attach an enforceable lien on property as of January 1st. Taxes are levied and tax notices are sent on November 1st. All unpaid taxes are due and become delinquent on November 30th.

Certified amounts are billed and collected by Salt Lake County on behalf of the District and remitted to the District monthly. At December 31, 2020, the outstanding portion of certifications total $465,153.

Deferred Outflows/Inflows of Resources

Beginning in 2013, the District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,* and Statement No. *65, Items Previously Reported as Assets and Liabilities.* These Statements provide financial reporting guidance to standardize the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. They also establish accounting standards and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities, and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at December 31, 2020 and revenues and expenses during the year then ended. The actual results could differ from those estimates.

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

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

NOTE 2 – BUDGET AND BUDGETARY ACCOUNTING

Budgets are adopted on a basis consistent with generally accepted accounting principles. The District maintains legally adopted budgets.

The District Board approves by resolution the total budget appropriation. The District Budget Officer is authorized to transfer budget amounts within departments of a fund. Any revisions that alter the total appropriations of any fund must be approved by the District Board.

Unused appropriations for all of the annually budgeted funds lapse at the end of the year.

Budgetary control is maintained primarily at the program level.

NOTE 3 – DEPOSITS AND INVESTMENTS

The District follows the requirements of the Utah Money Management Act (*Utah Code* Annotated 1953, Section 51, Chapter 7) and the rules of the Utah Money Management Board (the Board). Following are discussions of the District's exposure to various risks related to its cash management activities.

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

The District's carrying value (bank balances) in the District's bank accounts as of December 31, 2020 was $756,501. All amounts not covered by federal depository insurance on December 31, 2020 totaled $506,501. No deposits are collateralized, nor is that required by State statute.

Custodial Credit risk
Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure the District's deposits may not be recovered. The District's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the District to be in a *qualified depositary*, defined as any financial institution whose deposits are insured up to a mandatory limit by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Board. As of December 31, 2020, the deposits (general ledger balances) were as follows:

Depository Account	Custodial Credit Risk	Balance December 31, 2020
Checking Account	Insured *	$ 644,307
Xpress Bill Pay	Insured *	38,608
Total Deposits		$ 682,915

* Insured up to $250,000 of the bank balance.

Investments. Custodial credit risk for investments is the risk that in the event of failure of the counterparty, the District will not be able to recover the value of its investments that are in the possession of an outside party. As with Deposits, the District's policy for managing custodial credit risk of investments is to adhere to the Money Management Act.

Credit Risk
Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The District's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investments securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper that is classified as "first-tier", at time of purchase, by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poor's; bankers' acceptances; obligations of the U.S. treasury and U.S government-sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher, at the time of purchase, by two nationally recognized statistical rating organizations defined in the Act.

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

The District is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Board requirements.

The PTIF is not registered with the SEC (Securities and Exchange Commission) as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The deposits in PTIF were unrated as of December 31, 2020. 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 participants' average daily balances.

The fair value of the PTIF balance approximates the cost; the difference is considered immaterial. The fair value of the District's position in the PTIF is the same as the value of the pool shares.

The District also invests fund with Zions Capital Advisors, a Certified Investment Adviser approved by the Utah Money Management Council.

The following are the District's investments as of December 31, 2020:

		Fair Value Measurements		
Investments by fair value level	12/31/2020	Level 1	Level 2	Level 3
Zions Bank Investment Fund				
MM Fund	$ 3,074,687	$ -	$ 3,074,687	$ -
Marketable CDs	-	-	-	-
Agency Funds	-	-	-	-
Corporate Bonds	2,914,598	-	2,914,598	-
Corporate Floating Rate	1,101,747	-	1,101,747	-
Total Zions Bank Investment Fund	7,091,032	-	7,091,032	-
Utah Public Treasurer's Investment Fund (PTIF)	2,317,755	-	2,317,755	-
Total investments at fair value	$ 9,408,787	$ -	$ 9,408,787	$ -

The Standard & Poor's quality ratings as of December 31, 2020 for the Zions Bank Investment Fund were:

		Quality Ratings							
	Fair Value	Unrated	AA	AA-	A+	A	A-	BBB+	BBB-
Zions Bank Inv. Fund									
MM Fund	$3,074,687	$3,074,687	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Marketable CDs	-	-	-	-	-	-	-	-	-
Agency Funds	-	-	-	-	-	-	-	-	-
Corporate Bonds	2,914,598	-	300,263	553,332	302,594	603,567	200,903	953,939	-
Corporate Floating Rate	1,101,747		-	-	-	-	802,486	-	299,261
Total Zions Bank Inv. Fund	$7,091,032	$3,074,687	$ 300,263	$ 553,332	$ 302,594	$ 603,567	$1,003,389	$ 953,939	$ 299,261

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Fair Value of Investments

The District measures and records its investments using fair value measurement guidelines established by Generally Accepted Accounting Principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Valuations based on quoted prices in active markets for identical assets or liabilities that the District has the ability access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these does not entail any significant degree of judgement. Securities classified as Level 1 inputs include U.S. Government securities and certain other U.S. Agency and sovereign government obligations.
- Level 2: valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Securities classified as Level 2 include: corporate and municipal bonds, and "brokered" or securitized certificates of deposit.
- Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

For securities that generally have market prices from multiple sources, it can be difficult to select the best individual price, and the best source one day may not be the best source on the following day. The solution is to report a "consensus price" or a or a weighted average price for each security. Zions Capital Advisors DBA Contango Capital receives market prices for these securities from a variety of industrial standard data providers (e.g. Bloomberg), security master files from large financial institutions, and other third-party sources. Zions Capital Advisors DBA Contango Capital uses these multiple prices as inputs into a distribution-curve based algorithm to determine the daily market value.

Debt and equity securities classified in Level 1 are valued using the following approaches. Some securities have a structure that implies a standard expected market price. Examples include a floating-rate note with frequent resets that make it reasonable to expect the price to stay at par or an open-ended money market fund expected to maintain a Net Asset Value of $1 per share. These securities are priced at the expected market price.

- Corporate and Municipal Bonds and Commercial Paper: quoted prices for similar securities in active markets.
- Repurchase Agreements, Negotiable Certificates of Deposit and Collateralized Debt Obligations; matrix pricing based on the securities' relationship to benchmark quoted prices.
- Money Market, Bond and Equity Mutual Funds: published fair value per share (unit) for each fund.

NOTE 3 – DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The District manages its exposure to declines in fair value by investing in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed-rate negotiable deposits and corporate obligations to 365 days or less.

NOTE 4 –RECEIVABLES

Receivables as of December 31, 2020 for the District's individual funds, are as follows:

	Refuse and Recycling
Receivables:	
Accounts	$ 5,322,049
Tax Certifications	465,153
Other	130,051
	$ 5,917,253

Please note, because of the tax certification process described in Note 1, the allowance for uncollectable accounts receivable amounts is deemed "immaterial" and it is not listed.

NOTE 5 – Deferred Inflows

Deferred inflows (formerly referred to as deferred revenue) in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of *deferred inflows* and *unearned revenue* reported in the governmental funds consisted of pension-related inflows.

Remainder of page intentionally left blank.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

Business-type activities:	Beginning Balance	Increases	Transfers	Decreases	Ending Balance
Capital assets not being depreciated:					
Land	$ 1,904,800	$ -	$ -	$ -	$ 1,904,800
Total capital assets not being depreciated	1,904,800	-	-	-	1,904,800
Capital assets being depreciated:					
Buildings and improvements	671,933	-	-	-	671,933
Machinery and equipment	19,632,548	2,761,145	-	(2,008,117)	20,385,576
Total capital assets being depreciated	20,304,481	2,761,145	-	(2,008,117)	21,057,509
Less accumulated depreciation for:					
Buildings and improvements	(482,277)	(17,580)	-	-	(499,857)
Machinery and equipment	(9,922,161)	(2,175,312)	-	1,149,816	(10,947,657)
Total accumulated depreciation	(10,404,438)	(2,192,892)	-	1,149,816	(11,447,514)
Total capital assets, being depreciated, net	11,804,843	568,253	-	(858,301)	11,514,795
Business-type activities capital assets, net	$ 11,804,843	$ 568,253	$ -	$ (858,301)	$ 11,514,795

Remainder of page intentionally left blank.

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability

Plan Description

Employees hired prior to January 1, 2013 and retired on or before July 1, 2019 are eligible for lifetime retiree health benefits, provided by a single-employer OPEB plan, once they meet the Utah Retirement Systems Public Employees and Public Safety Retirement Systems eligibility requirements for pension benefits as outlined below. Employees hired prior to January 1, 2013 and retire after July 1, 2019 are not eligible for retiree health benefits.

1. Tier 1 General Employees (hired prior to 7/1/2011)-earlier of:
    a. Age 65 with 4 years of service
    b. Age 62 with 10 years of service
    c. Age 60 with 20 years of service
    d. Any age with 25 years of service (with full actuarial age reduction)
    e. Any age with 30 years of service.

2. Tier 2 General Employees (hired on/after 7/1/2011)-earlier of
    a. Age 65 with 4 years of service
    b. Age 62 with 10 years of service
    c. Age 60 with 20 years of service
    d. Any age with 35 years of service

Spouse Benefit. Surviving spouse can continue coverage after the death of the retiree until Medicare eligibility as long as they pay the full cost of coverage.

Retiree Cost Sharing. Retirees contribute the portion of premium rates not covered by the District's explicitly subsidy. Pre-Medicare retirees' premium rates are 102% of active premium rates during COBRA period (18 months), increasing to 130% of active premium rates at the end of COBRA period.

If retirees elect spousal coverage, they are required to pay the full incremental cost of spousal coverage.

Medical Benefit. The same benefit options are available to retirees as active employees. All pre-Medicare health plans are self-insured while the Medicare plans are all fully insured and community-rated. The monthly active and pre-Medicare retirees' premiums by plan are shown below.

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability (continued)

	Pre-Medicare Plans	Active Premiums		Retiree Premiums during COBRA period		Retiree Premiums after COBRA period	
		Retiree	Ret+1	Retiree	Ret+1	Retiree	Ret+1
Eff.	PEHP PPO*	$ 590.50	$ 1,222.34	$ 602.31	$ 1,246.79	$ 767.65	$ 1,589.04
1/1/2020	PEHP HDHP**	$ 449.14	$ 929.72	$ 458.12	$ 948.31	$ 583.88	$ 1,208.64
Eff.	PEHP PPO*	$ 625.94	$ 1,295.68	$ 638.46	$ 1,321.59	$ 813.72	$ 1,684.38
1/1/2021	PEHP HDHP**	$ 476.08	$ 985.50	$ 485.60	$ 1,005.21	$ 618.90	$ 1,281.15

*Applicable to both Advantage and Summit plans.

The same dental benefit options are available to retirees as active employees. Monthly dental premiums by plan effective are shown below:

	Active Premiums		Retiree Premiums during COBRA period		Retiree Premiums after COBRA period	
	Retiree	Ret+1	Retiree	Ret+1	Retiree	Ret+1
Effective 1/1/2020						
Dental	$ 52.80	$ 67.90	$ 53.86	$ 69.29	$ 53.86	$ 69.29
Effective 1/1/2021						
Dental	$ 49.60	$ 63.80	$ 50.59	$ 65.08	$ 50.59	$ 65.08

District Subsidy

The District subsidizes retiree health benefits for the retiree only according to the following table:

	Effective 1/1/2020		Effective 1/1/2021		Effective 1/1/2020 thru 1/1/2021	
	Pre-65 Retirees		Pre-65 Retirees			65+ Retirees
YOS@ Ret	PPO	HDHP	PPO	HDHP	YOS@ Ret	Subsidy (as % of Premium)
20+	$ 472.40	$ 366.50	$ 510.77	$ 388.50	20+	80%
18 - 19	$ 421.62	$ 320.68	$ 446.92	$ 339.93	18 - 19	70%
16 - 17	$ 361.39	$ 274.87	$ 383.08	$ 291.37	16 - 17	60%
14 - 15	$ 301.16	$ 229.06	$ 319.23	$ 242.81	14 - 15	50%
12 - 13	$ 241.00	$ 183.25	$ 255.38	$ 194.25	12 - 13	40%
10 - 11	$ 180.69	$ 137.44	$ 191.54	$ 145.69	10 - 11	30%
7 - 9	$ 120.46	$ 91.62	$ 127.69	$ 97.12	7 - 9	20%
4 - 6	$ 60.23	$ 45.80	$ 63.85	$ 48.56	4 - 6	10%
< 4	$ 0.00	$ 0.00	$ 0.00	$ 0.00	< 4	0%

*Preferred Provider Organization (PPO)
**High Deductible Health Plan (HDHP)

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability (continued)

Funding Policy

The District currently pays for postemployment benefits on a "pay-as-you-go" basis. These financial statements assume that "pay-as-you-go" funding will continue.

Employees Covered by Benefit Terms

As of December 31, 2020, the following employees were covered by the benefit terms:

Employees Covered by Benefits Terms	
Active employees	0
Inactive employee (retired participants)	17
Total	17

OPEB Expense

The following presents the OPEB plan expenses for the fiscal year ended December 31, 2020:

Service cost	$ 7,890
Interest	43,304
Subtotal	51,194
Current period recognition of deferred outlfows/inflows of resources	
Differences between expected and actual experience	108,828
Changes in assumptions	137,680
Total current period recognition	246,508
Total OPEB Expense	$ 297,702
Discount rate December 31, 2019	4.11%
Discount rate December 31, 2020	3.26%

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability (continued)

Deferred Outflows and Inflows of Resources Related to OPEB

The fiscal year 2020 OPEB expense reflects the full recognition of deferred outflows/(inflows) of resources from the current year. This is based off the expected future service of eligible active employees, which is less than one year.

Schedule of Changes in Net OPEB Liability

Net OPEB Liability - beginning of year	$ 1,087,787
Service cost	7,890
Interest	43,304
Change of benefit terms	-
Changes in assumptions	137,680
Differences between expected and actual experience	108,828
Benefit payments	(84,968)
Net change in total OPEB liability	212,734
Net OPEB Liability - end of year	$ 1,300,521

Remainder of page intentionally left blank.

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability (continued)

Sensitivity of the Net OPEB Liability to Changes in Discount Rate

The following presents the District's Net OPEB Liability using the discount rate of 3.26% as well as what the District's Net OPEB Liability would be if it were calculated using a discount rate that is 1% lower (2.26%) or 1% higher (4.26%) than the current discount rate.

	1% Decrease 2.26%	Discount Rate 3.26%	1% Increase 4.26%
Net OPEB Liability	$ 1,472,745	$ 1,300,521	$ 1,160,369

Sensitivity of the Net OPEB Liability to Changes in Health Care Cost Trend Rates

The following presents the District's Net OPEB Liability using the health care cost trend rate of 8.00% decreasing to an ultimate rate of 4.50% as well as what the District's Net OPEB Liability would be if it were calculated using a rate that is 1% lower (7.00% decreasing to an ultimate rate of 3.50%) or 1% higher (9.00% decreasing to an ultimate rate of 5.50%).

	1% Decrease 7.00% decreasing to 3.50%	Health Care Cost Trend Rates 8.00% decreasing to 4.50%	1% Increase 9.00% decreasing to 5.50%
Net OPEB Liability	$ 1,166,559	$ 1,300,521	$ 1,461,387

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Net OPEB Liability in the December 31, 2020 actuarial valuation was determined by using the following actuarial assumptions and other methods applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50%
Discount rate	3.26%
Health care cost trend rates	Initial rate of 8.00% decreasing to an ultimate rate of 4.50%

NOTE 7 – Net OPEB (Other Post-Employment Benefits) Liability (continued)

The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

The mortality table has been updated from SOA RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 as follows, causing a slight increase to liabilities:

a. General Employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019.
b. Surviving Spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2020 actuarial valuation, entry age normal level percentage of salary cost method was used. The actuarial assumptions included a 3.26% unfunded discount rate and an annual health care cost trend rate of 8.00% initially, reduced by decrements to an ultimate rate of 4.50%. The actuarial value of assets was not determined as the District has not advance funded its obligations. The unfunded actuarial liability is being amortized as a level percentage of payroll over an open thirty-year period.

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS

State Retirement

The Wasatch Front Waste & Recycling District contributes to the Local Governmental Noncontributory Retirement System. This retirement system is a cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). The Systems provide retirement benefits, annual cost of living allowances, death benefits, and refunds to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

General Information about the Pension Plan

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

Defined Benefit Plans

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

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

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

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

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E. 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org.

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS (continued)

Summary of Benefits by System

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

System	Final Average Salary	Years of service required and/or age eligible for benefit	Benefit percent per year of service	COLA**
Noncontributory System	Highest 3 years	30 years, any age; 25 years, any age*; 20 years, age 60*; 10 years, age 62*; 4 years, age 65	2.0% per year all years	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years, any age; 20 years, age 60*; 10 years, age 62*; 4 years, age 65	1.5% per year, all years	Up to 2.5%

** Actuarial reductions are applied.*
*** All post-retirement cost-of-living adjustments are non-compounding and are based on the original 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.*

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

Contribution rates as of December 31, 2020, are as follows:

Utah Retirement Systems

	Employee Paid	Paid by Employer for Employee	Employer contribution Rates 401(k)
Contributory System			
111-Local Governmental Division Tier 2	N/A	15.80%	0.89%
Noncontributory System			
15-Local Governmental Division Tier 1	N/A	18.47%	N/A
Tier 2 DC Only	N/A	6.69%	10.00%

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

Note 8 - PENSION PLANS (continued)

For fiscal year ended December 31, 2020, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	$ 384,773	N/A
Tier 2 Public Employees System	362,949	-
Tier 2 DC Only System	29,045	N/A
Total Contributions	$ 776,768	$ -

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

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

At December 31, 2020, we reported a net pension asset of $0 and a net pension liability of $1,100,056.

	(Measurement Date): December 31, 2019				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2018	Change (Decrease)
Noncontributory System	$ -	$ 1,071,299	0.2842495 %	0.2875468 %	(0.0032973)%
Tier 2 Public Employees System	$ -	$ 28,757	0.1278630 %	0.1371472 %	(0.0092842)%
	$ -	$ 1,100,056			

The net pension asset and liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2019 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, 2020, we recognized pension expense of $669,996.

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS (continued)

At December 31, 2020, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	$	105,492	$	25,257
Changes in assumptions	$	125,742	$	826
Net difference between projected and actual earnings on pension plan investments	$	-	$	563,871
Changes in proportion and differences between contributions and proportionate share of contributions	$	21,099	$	48,663
Contributions subsequent to the measurement date	$	776,768	$	-
	$	1,029,101	$	638,617

$776,768 was 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, 2019.

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 resourced related to pensions, will be recognized in pension expense as follows:

Year ended December 31,		Net Deferred Outflows (Inflows) of Resources
2020	$	(69,379)
2021	$	(136,836)
2022	$	14,777
2023	$	(212,098)
2024	$	2,715
Thereafter	$	14,536

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS (continued)

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended December 31, 2020, we recognized pension expense of $508,506.

At December 31, 2020, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Differences between expected and actual experience	$	97,447	$	15,388
Changes in assumptions	$	113,463	$	-
Net difference between projected and actual earnings on pension plan investments	$	-	$	541,765
Changes in proportion and differences between contributions and proportionate share of contributions	$	2,616	$	48,663
Contributions subsequent to the measurement date	$	384,773	$	-
	$	598,299	$	605,816

$384,773 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, 2019.

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,	Net Deferred Outflows (Inflows) of Resources	
2020	$	(66,128)
2021	$	(134,015)
2022	$	13,821
2023	$	(205,969)
2024	$	-
Thereafter	$	-

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS (continued)

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended December 31, 2020, we recognized pension expense of $161,490.

At December 31, 2020, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 8,045	$ 9,869
Changes in assumptions	$ 12,279	$ 826
Net difference between projected and actual earnings on pension plan investments	$ -	$ 22,106
Changes in proportion and differences between contributions and proportionate share of contributions	$ 18,484	$ -
Contributions subsequent to the measurement date	$ 391,994	$ -
	$ 430,802	$ 32,801

$391,994 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, 2019.

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,	Net Deferred Outflows (Inflows) of Resources
2020	$ (3,251)
2021	$ (2,821)
2022	$ 956
2023	$ (6,129)
2024	$ 2,715
Thereafter	$ 14,536

Remainder of page intentionally left blank.

Note 8 - PENSION PLANS (continued)

Actuarial assumptions

The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary Increases	3.25 – 9.75 percent, average, including inflation
Investment Rate of Return	6.95 percent, net of pension plan investment expense, including inflation.

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

The actuarial assumptions used in the January 1, 2019, valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2016.

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

	Expected Return Arithmetic Basis		
Asset Class	Target Asset Allocation	Real Return Arithmetic Basis	Long Term Expected Portfolio Real Rate of Return
Equity securities	40.00 %	6.15 %	2.46 %
Debt securities	20.00 %	0.40 %	0.08 %
Real assets	15.00 %	5.75 %	0.86 %
Private equity	9.00 %	9.95 %	0.89 %
Absolute return	16.00 %	2.85 %	0.46 %
Cash and cash equivalents	0.00 %	0.00 %	0.00 %
Totals	100.00 %		4.75 %
Inflation			2.50 %
Expected arithmetic nominal return			7.25 %

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

Note 8 - PENSION PLANS (continued)

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

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.95 percent) or 1 percentage-point higher (7.95 percent) than the current rate:

System	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	$ 3,346,040	$ 1,071,299	$ (825,811)
Tier 2 Public Employees System	$ 247,987	$ 28,757	$ (140,667)
Total	$ 3,594,027	$ 1,100,056	$ (966,478)

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

Remainder of page intentionally left blank.

Note 9 – CAFETERIA/DEFERRED COMPENSATION PLANS

The District offers a cafeteria plan to all full-time employees to fund a variety of employee benefit programs including life insurance, disability insurance, health insurance, and other benefits.

The District has established a voluntary deferred compensation program pursuant to Section 457 of the Internal Revenue Code. In accordance with Governmental Accounting Standards Board Statement 32 (GASB No. 32), the assets and income of the 457 Plan are held in trust for the exclusive benefit of the participants or their beneficiaries. 6.2% of employee wages are put into this account for their benefit.

The District also offers employees the opportunity to participate in a Roth IRA, with after-tax employee contributions, managed by the Utah State Retirement System (URS.)

On July 2, 1991, Social Security and Medicare coverage became mandatory for State and Local governments employees who are not members of a public retirement system and who are not covered under a Section 218 Agreement. The Districted chose not to opt into the Federal Social Security program. Instead, the District and the employee each contributes 6.2% of earned wages to a third-party administrator (ICMA-International City Managers Association) on behalf of the employee, as a deferred compensation plan.

In addition to the District's contribution to the employee's deferred compensation plan, the District contributes 1% of earned wages to a Utah State Retirement System 401(k) on behalf of the employee.

Remainder of page intentionally left blank.

NOTE 10 – DEFINED CONTRIBUTION SAVINGS PLANS

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

Wasatch Front Waste & Recycling District participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

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

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended December 31, 2020 were as follows:

	2020	2019	2018
401(k) Plan			
Employer Contributions	$ 113,702	$ 95,194	$ 96,409
Employee Contributions	$ 56,297	$ 45,553	$ 59,651
457 Plan			
Employer Contributions	$ -	$ -	$ -
Employee Contributions	$ 11,286	$ 9,570	$ 10,144
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 1,820	$ 1,760	$ 6,665
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	$ 450	$ -	$ -

Remainder of page intentionally left blank.

NOTE 11– OTHER LONG-TERM OBLIGATIONS

Changes in other long-term obligations during the year ended December 31, 2020 are summarized as follows:

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020	Due Within One Year	Due in More than one Year
Sick Leave	$ 92,654	$ 205,607	$ (203,513)	$ 94,749	$ -	$ 94,749
Vacation	268,162	267,516	(197,417)	338,261	176,528	161,733
Compensated Absences Payable	$ 360,816	$ 473,123	$ (400,930)	$ 433,009	$ 176,528	$ 256,481
Workers Compensation Liability	$ 341,554	$ -	$ (153,232)	$ 188,322	$ 44,136	$ 144,186
Net OPEB Liability	1,087,787	297,702	(84,968)	1,300,521	-	1,300,521
Net Pension Liability	2,176,152	-	(1,076,096)	1,100,056	-	1,100,056
Subtotal	$ 3,605,493	$ 297,702	$(1,314,296)	$ 2,588,899	$ 44,136	$ 2,544,763
Total Liabilities	$ 3,966,309	$ 770,825	$(1,715,226)	$ 3,021,908	$ 220,664	$ 2,801,244

The District records a liability for worker's compensation claims when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Structured settlements (contractual obligations to make agreed-upon payments on fixed dates) are based on life expectancies and discounted rates for 20-year-high quality general obligation bonds.

Remainder of page intentionally left blank.

NOTE 12 – TRANSACTIONS WITH OTHER GOVERNMENTAL ENTITIES

The District has transactions with other governmental entities. Services provided by other governmental entities for the year ended December 31, 2020 are summarized as follows:

	2020
Salt Lake County Fleet	
Fleet-Truck Maintenance	$ 3,448,266
Fleet- Diesel/Fuel/CNG	995,544
Shared Building Costs	107,220
Salt Lake Valley Landfill	
Disposal Fees	3,690,766
Salt Lake County Public Works Operations	
Materials	11,195
Training	296
Shared Building	165,116
Hooklift	202,455
Salt Lake County Mayors Financial	
Telecommunications	38,294
Office/Facilities Cost	277,165
Information Systems	111,797
Other	3,962
Salt Lake County Recorder	
Recorder Website Search	495
Salt Lake County Health	
Permits	680
Salt Lake County Sheriff	
Radio	2,760
Trans Jordan Cities Landfill	
Disposal Fees	618,337
	$ 9,674,348

The District recorded $397,491 of revenue in 2020 for services provided to Salt Lake County.

NOTE 13 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. It is the policy of the District to purchase commercial insurance for these risks. Various policies are purchased through the Utah Local Governments Trust to cover liability, theft, damage, and other losses. A minimal deductible applies to these policies which the District pays in the event of any loss. There have been no significant reductions in the coverage from the prior year. Settled claims have not exceeded this commercial coverage in any of the three preceding years. The District also has purchased a workers' compensation policy.

NOTE 14 – CONTRACT/LEASE ARRANGEMENTS

Effective January 1, 2020 the District entered into a lease agreement with Salt Lake County for office/facility space. The lease agreement for the office/facility space is effective through December 31, 2028 and may be terminated by either party upon one years' written notice prior to the desired termination date. The District also leases hook-lift trucks from Salt Lake County. The lease payment for office/facility space was $277,165 in 2020 and the total lease payments for the hook-lift trucks were $202,455 in 2020.

NOTE 15– SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through April 21, 2021 the date the financial statements were available to be issued. Subsequent to December 31, 2020 the world economy continues to be significantly affected by a pandemic called COVID-19. The future economic and financial impact of the pandemic on the District is currently unknown.

NOTE 16 – LITIGATION

The District is a defendant in certain legal actions, pending actions, or in the process for miscellaneous claims. The ultimate liability which might result from the final resolution of the above matters is not presently determinable. District management is of the opinion the final outcome of the cases will not have an adverse effect on the District's financial statements.

Remainder of page intentionally left blank.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by GASB, but are not considered part of the basic financial statements. Such information includes:

Pension Disclosures
OPEB Disclosures

Schedule of Required Supplementary Information

Schedule of the Proportionate Share of the Net Pension Liability

WASATCH FRONT WASTE & RECYCLING DISTRICT

Measurement Date of December 31, 2019
December 31, 2020
Last 10 Fiscal Years*

	2020		2019		2018	
	Noncontributory Retirement System	Tier 2 Public Employees Retirement System	Noncontributory Retirement System	Tier 2 Public Employees Retirement System	Noncontributory Retirement System	Tier 2 Public Employees Retirement System
Proportion of the net pension liability/(asset)	0.2842495%	0.1278630%	0.2875486%	0.1371472%	0.3026723%	0.1485845%
Proportionate share of the net pension liability/(asset)	$1,071,299	$28,757	$2,117,412	$58,737	$1,326,098	$13,100
Covered payroll	$2,030,843	$1,777,667	$2,026,762	$1,601,766	$2,180,876	$1,454,937
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	52.75%	1.62%	104.47%	3.67%	60.81%	0.90%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	93.7%	96.5%	87.0%	90.8%	91.9%	97.4%

	2017		2016		2015	
	Noncontributory Retirement System	Tier 2 Public Employees Retirement System	Noncontributory Retirement System	Tier 2 Public Employees Retirement System	Noncontributory Retirement System	Tier 2 Public Employees Retirement System
Proportion of the net pension liability/(asset)	0.2987538%	0.1581720%	0.3037300%	0.1828029%	0.3106662%	0.1940461%
Proportionate share of the net pension liability/(asset)	$1,918,365	$17,644	$1,718,652	($399)	$1,348,986	($5,880)
Covered payroll	$221,722	$1,297,128	$2,274,528	$1,180,968	$2,453,151	$952,513
Proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	86.52%	1.36%	75.56%	-0.03%	55.00%	-0.60%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	87.30%	95.10%	87.80%	100.20%	90.20%	103.50%

* In accordance with paragraphs 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. The 10-year schedule will be built prospectively.

Schedule of Required Supplementary Information

Schedule of Contributions
WASATCH FRONT WASTE & RECYCLING DISTRICT
December 31, 2020

	As of fiscal year ended December 31		Actuarial Determined Contributions		Contributions in relation to the contractually required contribution		Contribution deficiency (excess)		Covered payroll	Contributions as a percentage of covered payroll
Noncontributory System	2014	$	427,924	$	427,924	$	-	$	2,464,085	17.37%
	2015	$	413.061	$	413.061		-	$	2,283,240	18.09%
	2016	$	403,738	$	403,738		-	$	2,259,080	17.87%
	2017	$	401,285	$	401,285		-	$	2,182,263	18.39%
	2018	$	372,132	$	372,132		-	$	2,087,178	17.83%
	2019	$	371,431	$	371,431		-	$	2,032,530	18.27%
	2020	$	384,773	$	384,773		-	$	2,092,184	18.39%
*Tier 2 Public Employees System**	2014	$	138,976	$	138,976	$	-	$	957,397	14.52%
	2015	$	178,572	$	178,572		-	$	1,176,857	15.17%
	2016	$	193,732	$	193,732		-	$	1,299,343	14.91%
	2017	$	218,652	$	218,652		-	$	1,468,467	14.89%
	2018	$	245,980	$	245,980		-	$	1,604,706	15.33%
	2019	$	277,270	$	277,270		-	$	1,777,452	15.60%
	2020	$	362,949	$	362,949		-	$	2,307,585	15.73%
*Tier 2 Public Employees DC Only System**	2014	$	1,693	$	1,693	$	-	$	26,830	6.31%
	2015	$	7,446	$	7,446		-	$	111,181	6.70%
	2016	$	20,399	$	20,399		-	$	305,043	6.69%
	2017	$	21,627	$	21,627		-	$	323,275	6.69%
	2018	$	25,290	$	25,290		-	$	378,028	6.69%
	2019	$	23,111	$	23,111		-	$	345,456	6.69%
	2020	$	29,045	$	29,045		-	$	434,162	6.69%

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

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

WASATCH FRONT WASTE & RECYCLING DISTRICT

Required Supplementary Information

Schedule of Change in Net OPEB Liability and Related Ratios

December 31, 2020

Last 10 Fiscal Years*

	2020	2019	2018
Net OPEB Liability			
Service cost	$ 7,890	$ 9,731	$ 9,713
Interest	43,304	43,258	45,772
Changes in assumptions	137,680	(87,900)	55,613
Differences between expected and actual experience	108,828	(89,603)	18,055
Benefit payments	(84,968)	(70,333)	(75,636)
Net change in total OPEB liability	212,734	(194,847)	53,517
Net OPEB Liability as of January 1	1,087,787	1,282,634	1,229,117
Net OPEB Liability as of December 31	$ 1,300,521	$ 1,087,787	$ 1,282,634
Plan Fiduciary Net Position			
Contributions - employer	84,968	70,333	75,636
Benefit payments	(84,968)	(70,333)	(75,636)
Net change in fiduciary net position	-	-	-
Plan fiduciary net position as of January 1	-	-	-
Plan fiduciary net position as of December 31	-	-	-
Net OPEB Liability as of December 31	$ 1,300,521	$ 1,087,787	$ 1,282,634
Plan fiduciary net position as a percentage of Net OPEB Liability	0.0%	0.0%	0.0%
Covered payroll	N/A	$ 271,720	$ 262,912
Net OPEB Liability as a percentage of covered employee payroll	N/A	400.3%	487.9%

* The amounts presented for each fiscal year were determined as of December 31.
In accordance with GASB 75, until a full 10-year trend is compiled, information
is presented for those years for which the information is available.

Notes to the Required Supplementary Information

The notes to the required supplementary information are included to provide information that is essential to the user's understanding of the required supplementary information.

Changes in Assumptions:

Pension related – Utah Retirement Systems (URS)

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

Other Postemployment Benefits (OPEB)

Wasatch Front Waste & Recycling District is required to disclose OPEB liabilities under GASB 75 for the current valuation.

The discount rate as of the Measurement Date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) tax-exempt, high quality 20-year municipal bonds. The discount rates used in this year's valuation for accounting disclosure purposes are 4.11% as of January 1, 2019 and 3.26% as of January 1, 2020. The change has caused an increase in the liabilities as of the end of the year. The discount rate will be updated annually to reflect market conditions as of the Measurement Date.

The mortality table has been updated from SOA RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 as follows, causing a slight increase to liabilities:

c. General Employees and retirees: SOA Pub-2010 General Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019.
d. Surviving Spouses: SOA Pub-2010 Contingent Survivor Total Dataset Headcount Weighted Mortality Table fully generational using Scale MP-2019.

The health care trend rates have been reset to an initial rate of 8.0%, decreasing by 0.5% annually to an ultimate rate of 4.5% for pre-65 retirees. Additionally, health care trend rates have been reset to an initial rate of 6.5% decreasing by 0.5% annually to an ultimate rate of 4.5% for post-65 retirees. This change caused an increase in liabilities.

Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by generally accepted accounting principles in the United States of America, but are presented for additional analysis.

Such statements and schedules include:

Budgetary Comparison Schedule

WASATCH FRONT WASTE & RECYCLING DISTRICT
Schedule of Revenues, Expenses and Changes in Net Position Budget to Actual
For Year Ended December 31, 2020

	Budget	Refuse and Recycling	Variance
Operating revenues			
Collection services	$ 20,524,400	$ 20,902,763	$ 378,363
Other revenues	423,000	701,234	278,234
Total revenues	20,947,400	21,603,997	656,597
Operating expenses			
Salaries, wages and employee benefits	8,570,600	7,892,793	677,807
Utilities, telephone and building expenses	665,200	738,705	(73,505)
Professional	44,200	32,994	11,206
Vehicle maintenance and fuel	4,598,200	4,443,810	154,390
Landfill disposal fees	4,214,200	4,325,914	(111,714)
Recycling fees	1,495,000	1,058,749	436,251
Can purchases	550,000	436,338	113,662
Other	1,594,700	1,346,651	248,049
Depreciation	2,204,800	2,192,892	11,908
Total operating expenses	23,936,900	22,468,846	1,468,054
Operating income	(2,989,500)	(864,849)	2,124,651
Non-operating income (expense)			
Interest income	182,000	162,758	(19,242)
Gain/(Loss) on sale/disposal of assets	(262,600)	(324,866)	(62,266)
Gain/(Loss) on investments	55,000	20,207	(34,793)
Total non-operating income (expense)	(25,600)	(141,901)	(116,301)
Income before contributions and transfers	(3,015,100)	(1,006,750)	2,008,350
Contributions and transfers			
Transfer from Fund Surplus	3,015,100	-	(3,015,100)
Total contributions and transfers	3,015,100	-	(3,015,100)
Change in net position	-	(1,006,750)	(1,006,750)
Net position - beginning	24,897,372	24,897,372	-
Net position - ending	$ 24,897,372	$ 23,890,622	$ (1,006,750)

Statistical Section

The statistical section of a government's comprehensive annual financial report is the principal source of information regarding a government's economic condition.

The statistical section of the comprehensive annual financial report is designed to meet these objectives: 1) provide information on financial trends, 2) provide information on revenue, 3) provide demographic and economic information, and 4) provide operating information. The purpose of these objectives is as follows:

> Financial Trends. This is intended to help understand and assess how a government's financial position has changed over time.
>
> Revenue Capacity Information. This is intended to help understand and assess the factor's affecting a government's ability to generate its own-source revenues by providing information about a government's most significant own-source revenue.
>
> Debt Capacity Information. This is not applicable to the District as the District carries no debt. The information would be intended to help understand and assess a government's debt burden and its ability to issue additional debt.
>
> Demographic and economic information. This information is intended to help understand the socioeconomic environment within which a government operates and to provide information that enables comparisons of financial statement information over time and among governments.
>
> Operating information. This information is intended to provide information about a government's operations and resources to assist in understanding a government's economic condition.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Net Position by Component

Ten Fiscal Years*

(Accrual basis of accounting)

	Fiscal Year							
	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities								
Net investment in capital assets	9,677,869	9,585,858	11,418,022	12,333,631	11,615,631	11,774,384	11,804,843	11,514,795
Unrestricted	14,185,673	22,894,456	12,162,840	11,413,314	10,979,915	12,128,907	13,092,529	12,375,827
Total business-type activities net position	23,863,542	32,480,314	23,580,862	23,746,945	22,595,546	23,903,291	24,897,372	23,890,622

* Information prior to the time listed is not available, due to the creation of the District in 2013.

** Numbers for 2017 reflect restatement for GASB 75 (note 8).

WASATCH FRONT WASTE & RECYCLING DISTRICT

Changes in Net Position

Ten Fiscal Years*

(Accrual basis of accounting)

	Fiscal Year							
	2013	2014	2015	2016	2017	2018	2019	2020
Expenses								
Business-type activities								
Salaries, wages and employee benefits	$ 5,704,405	$ 5,922,530	$ 6,003,479	$ 6,676,503	$ 6,771,801	$ 6,809,579	$ 6,925,082	$ 7,892,793
Utilities, telephone and building expenses	421,848	451,149	511,662	563,573	545,110	672,781	712,317	738,705
Professional and technical	1,535,583	1,688,364	1,271,772	225,333	270,557	39,076	39,924	32,994
Vehicle maintenance and fuel	3,642,998	3,703,260	3,564,264	3,501,185	3,577,873	3,926,954	4,013,334	4,443,810
Landfill and disposal fees	3,055,934	3,675,716	3,704,541	3,989,683	3,950,628	4,945,521	5,310,986	5,384,663
Cart purchases	242,655	384,846	385,879	247,241	430,250	460,841	422,222	436,338
Other	-	-	-	960,607	1,334,754	1,243,563	1,314,183	1,346,651
Depreciation	1,981,487	1,933,148	1,606,179	1,810,884	1,952,572	1,643,718	1,760,178	2,192,892
Total business-type activities program expenses	16,584,910	17,759,013	17,047,776	17,975,009	18,833,545	19,742,033	20,498,226	22,468,846
Total primary government expenses	$16,584,910	$17,759,013	$17,047,776	$17,975,009	$18,833,545	$ 19,742,033	$20,498,226	$22,468,846
Program Revenues								
Revenues								
Charges for services	15,492,407	17,362,885	17,452,544	17,270,480	17,272,981	20,020,766	20,419,562	20,902,763
Other revenue	21,666	8,923	20,409	434,588	578,984	798,682	728,017	701,234
Total business-type activities program revenues	15,514,073	17,371,808	17,472,953	17,705,068	17,851,965	20,819,448	21,147,579	21,603,997
Total primary government program revenues	$15,514,073	$17,371,808	$17,472,953	$17,705,068	$17,851,965	$ 20,819,448	$21,147,579	$21,603,997

* Information prior to the time listed is not available, due to the creation of the District in 2013.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Changes in Net Position (*Continued)*
Ten Fiscal Years*
(Accrual basis of accounting)

	Fiscal Year							
	2013	2014	2015	2016	2017	2018	2019	2020
Net (Expenses) Revenue								
Business-type activities	(1,070,837)	(387,205)	425,177	(269,941)	(981,580)	1,077,415	649,353	(864,849)
Total primary government net expenses	(1,070,837)	(387,205)	425,177	(269,941)	(981,580)	1,077,415	649,353	(864,849)
General Revenues and Other Changes in Net Position								
Business-type activities								
Interest income	98,637	81,640	109,307	112,687	152,975	200,330	345,306	182,965
Gain (loss) on disposal of capital assets	533,345	345,823	135,874	323,517	118,561	30,000	(578)	(324,866)
Grants	79,000	100,000	15,864	-	-	-	-	-
Total business-type activities	710,982	527,463	261,045	436,204	271,536	230,330	344,728	(141,901)
Total primary government	$ 710,982	$ 527,463	$ 261,045	$ 436,204	$ 271,536	$ 230,330	$ 344,728	$ (141,901)
Changes in Net Position								
Business -type activities	(359,855)	140,258	686,222	166,263	(710,044)	1,307,745	994,081	(1,006,750)
Total Primary government	$ (359,855)	$ 140,258	$ 686,222	$ 166,263	$ (710,044)	$ 1,307,745	$ 994,081	$ (1,006,750)

* Information prior to the time listed is not available, due to the creation of the District in 2013.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Charges for Services
Ten Fiscal Years*

	Fiscal Year 2013	2014	2015	2016	2017	2018	2019	2020
Neighborhood trailers	$ 70,133	$ 91,173	$ 119,461	$ 132,846	$ 134,917	$ 134,745	$ 120,682	$ 146,117
Nonresidential collections	543,851	510,533	524,186	483,129	562,082	594,655	592,667	583,823
Residential collections	14,461,370	15,831,126	15,810,166	16,045,907	15,851,416	18,434,278	18,722,201	19,000,635
Green collections	3,420	197,570	347,288	497,430	587,494	705,500	825,013	993,843
Recycling collections	421,586	427,648	110,418	319	-	-	-	-
Glass collections	-	-	14,040	110,849	137,072	151,588	158,999	178,346
Total	$ 15,500,360	$17,058,050	$16,925,559	$17,270,480	$17,272,981	$ 20,020,766	$ 20,419,562	$ 20,902,763

* Information prior to the time listed is not available, due to the creation of the District in 2013.

.

Remainder of page intentionally left blank.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Demographic and Economic Statistics-Salt Lake County

Ten Calendar Years

Calendar Year	Personal Income (Federal AGI)	Population	Per Capita Personal Income	Unemployment Rate (%)
2019	$ 33,383,722,237	1,160,437	$ 28,768	2.5
2018	$ 32,432,228,345	1,152,633	$ 28,138	2.8
2017	$ 30,557,087,576	1,137,820	$ 26,856	3.0
2016	$ 28,856,463,106	1,121,354	$ 25,734	2.9
2015	$ 27,942,287,965	1,107,314	$ 25,234	3.9
2014	$ 22,683,116,402	1,091,742	$ 20,777	3.1
2013	$ 24,195,811,652	1,080,866	$ 22,386	3.7
2012	$ 23,790,721,445	1,059,112	$ 22,463	4.6
2011	$ 22,082,819,789	1,045,829	$ 21,115	5.5
2010	$ 21,259,648,269	1,033,299	$ 20,575	7.1

https://tax.utah.gov/econstats/income/federal-returns
https://www.census.gov/quickfacts/fact/table/saltlakecountyutah, UT/PST045219
https://jobs.utah.gov/jsp/utalmis/#/laborforce

WASATCH FRONT WASTE & RECYCLING DISTRICT
Full-Time Equivalent (FTE) District Employees by Function/Program
Ten Fiscal Years*

	Fiscal Year							
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020
General government								
Administration	7.48	8.37	8.42	9.28	8.81	9.56	9.91	10.01
Operation and Internal Servc	6.68	6.21	5.52	6.18	5.77	5.25	5.84	5.54
Collection								
Curbside Collection	27.65	28.95	37.32	39.74	32.87	36.94	25.37	30.44
Recycling	22.68	24.72	16.44	14.20	25.37	24.54	28.19	31.69
Special Services								
Trailer Program	7.21	8.00	9.93	6.93	4.04	2.00	1.94	2.00
Area Cleanup	16.25	12.46	12.09	11.95	10.62	11.93	9.21	9.47
Special Services	5.00	4.60	4.00	4.85	6.90	5.20	7.86	7.86
Total	92.95	93.31	93.72	93.13	94.38	95.42	88.31	97.00

Note Changes in FTE may represent movement of employees from one program to another.
* Information prior to the time listed is not available, due to the creation of the District in 2013.

Remainder of page intentionally left blank.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Principal Employers of Salt Lake County
2019 and 2009

	2019		2009	
Employer	Employees *	Rank	Employees *	Rank
University of Utah	20,000+	1		
State of Utah	20,000+	2		
Intermountain Health Care	15,000-19,999	3		
United States Government	10,000-14,999	4		
Wal-Mart	7,000-9,999	5		
Granite School District	7,000-9,999	6		
LDS Church Religious Agencies	7,000-9,999	7		
Zions Bank	7,000-9,999	8		
Salt Lake County	5,000-6,999	9		
Jordan School District	5,000-6,999	10		
Canyons School District	4,000-4,999	11		
Delta Airlines	4,000-4,999	12		
University of Utah			15,000-19,999	1
Intermountain Health Care			15,000-19,999	2
State of Utah			10,000-14,999	3
Granite School District			7,000-9,999	4
Jordan School District			7,000-9,999	5
Salt Lake County			5,000-6,999	6
Federal Government			5,000-6,999	7
Wal-Mart			4,000-4,999	8
U.S. Post Office			3,000-3,999	9
Salt Lake City School District			3,000-3,999	10
Delta Airlines			3,000-3,999	11
Zions Bank			3,000-3,999	12

Source: https://jobs.utah.gov/wi/data/library/firm/majoremployers.html
Ranking of organizations follows ranking from Department of Workforce Services, no data available for 2020.
* Specific employee numbers are not available. A range of the number of employees are presented instead.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Operating Indicators by Function/Program

Ten Fiscal Years**

	Fiscal Year							
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020
CNG Fuel								
CNG Cost	$70,050	$276,514	$471,907	$770,930	$878,809	$857,677	$809,736	$870,440
CNG Gallons	38,126	145,114	246,258	389,472	490,816	497,291	505,037	532,780
CNG Miles Driven	74,247	268,463	462,715	706,041	827,672	805,434	811,429	847,454
Diesel Fuel								
Diesel Cost	$1,311,191	$1,022,461	$523,539	$284,025	$170,725	$215,061	$171,560	$110,494
Diesel Gallons	371,011	310,326	232,155	129,452	70,470	70,904	62,637	53,789
Diesel Miles Driven	1,292,771	1,021,242	342,710	647,040	469,364	436,455	367,535	312,748
Avg. Dollar per Gallon								
CNG	$1.84	$1.91	$1.92	$1.90	$1.79	$1.72	$1.60	$1.63
Diesel	$3.53	$3.29	$2.26	$2.07	$2.42	$3.03	$2.74	$2.05
Maintenance								
Vehicle Maintenance Costs	$2,179,210	$2,343,094	$2,536,135	$2,453,393	$2,536,781	$2,834,894	$3,017,149	$3,448,266
Safety Ratios								
Safe Days*	88.42%	82.25%	81.73%	84.75%	93.90%	82.00%	75.10%	76.80%
Landfill and Transfer Station								
Tons	141,780	142,443	145,124	117,056	110,026	121,319	125,302	131,275
Costs	$3,055,934	$3,646,866	$3,705,371	$3,732,977	$3,412,523	$4,052,152	$4,048,158	$4,325,914
Homes Served	81,319	81,320	81,800	80,161	80,753	83,253	84,794	85,615
Diversion (Tons)	26,567	26,710	28,268	29,922	28,322	27,497	27,186	27,978
Diversion (Percentage)	18.74%	18.75%	19.48%	20.31%	18.90%	18.48%	17.83%	17.57%

*Ratio of accidents free days: days worked

**Data prior to information for years listed, is not available

Remainder of page intentionally left blank.

WASATCH FRONT WASTE & RECYCLING DISTRICT

Capital Assets Cost by Function/Program

Ten Fiscal Years*

	Fiscal Year							
Function/Program	2013	2014	2015	2016	2017	2018	2019	2020
Administration								
Land	1,904,800	1,904,800	1,904,800	1,904,800	1,904,800	1,904,800	1,904,800	1,904,800
Equipment	145,888	145,888	145,888	145,888	145,888	152,603	152,603	152,603
Area Cleanup								
Equipment	34,485	34,485	-	-	-	-	-	-
Vehicles	703,899	703,899	703,899	703,899	216,535	216,535	216,535	216,535
Carts								
Vehicles	128,162	128,162	128,162	181,306	181,306	181,306	181,306	181,306
Curbside								
Building	558,830	558,830	558,830	558,830	671,933	671,933	671,933	671,933
Equipment	7,435	7,435	7,435	7,435	7,435	7,435	7,435	7,435
Vehicles	6,100,186	4,850,681	7,756,479	9,970,781	9,664,939	10,656,684	12,379,157	12,437,201
Green								
Vehicles	282,809	282,809	282,809	282,809	282,809	282,809	282,809	848,427
Recycle								
Vehicles	4,644,613	5,648,178	4,575,758	3,300,894	3,787,110	4,412,362	4,412,362	4,525,282
Special Services								
Equipment	24,524	24,524	24,524	15,835	35,395	35,395	35,395	35,395
Vehicles	555,171	555,171	768,611	643,404	623,844	623,844	666,335	666,335
Trailer								
Equipment	638,294	638,294	638,294	638,294	638,294	638,294	621,460	593,006
Vehicles	135,863	135,863	137,279	103,735	670,662	670,662	677,152	722,051

* Information prior to the time listed is not available, due to the creation of the District in 2013.

Remainder of page intentionally left blank.

WASATCH FRONT WASTE & RECYCLING DISTRICT
Schedule of Insurance
January 2020 through December 2020

Description	Company	Liability Limit		Effective Date
General Liability	Utah Local Governments Trust	$5,000,000		1/1/2020
Public Officials E&O Employment Practices Employee Benefits	Utah Local Governments Trust	$5,000,000		1/1/2020
Auto Liability	Utah Local Governments Trust	$5,000,000		1/1/2020
Property	Utah Local Governmnets Trust	$675,746		1/1/2020
Contents	Utah Local Governments Trust	$57,500		1/1/2020
Contractors equipment	Utah Local Governments Trust	$15,835		1/1/2020
EDP equipment	Utah Local Governments Trust	$44,987		1/1/2020
Equipment in the Open	Utah Local Governments Trust	$330,000		1/1/2020
Valuable Papers	Utah Local Governments Trust	$10,000		1/1/2020
Earthquake	Utah Local Governments Trust	$220,000,000	Shared	1/1/2020
Flood	Utah Local Governments Trust	$110,000,000	Shared	1/1/2020
Crime	Utah Local Governments Trust	$5,000,000		1/1/2020
Auto Physical Damage	Utah Local Governments Trust	Actual cash value		1/1/2020
Public Official Treasurer Bond	N/A	Now Included in Crime Coverage		1/1/2020

Remainder of page intentionally left blank.

Wiley GAAP for Governments 2018: Narrative of five categories of information for statistical tables. https://books.google.com/books. April 2, 2018.

Additional Auditors' Reports

These additional reports are required by *Governmental Auditing Standards* and the Utah State Auditor's Office, respectively.

Additional Auditor's Reports

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.

Report on Compliance and Report on Internal Control over Compliance as Required by the Utah State Compliance Audit Guide.

GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDEL A HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

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*

Administrative Control Board
Wasatch Front Waste and Recycling District
Midvale, Utah

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 business-type activities, each major fund, and the aggregate remaining fund information of the Wasatch Front Waste and Recycling District (the District), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 21, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wasatch Front Waste and Recycling District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 which might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatements, 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

AMERICAN FORK OFFICE
85 NORTH CENTER STREET
AMERICAN FORK, UT 84003
(801) 756-9666
FAX (801) 756-9667

PROVO OFFICE
190 WEST 800 NORTH #100
PROVO, UT 84601
(801) 377-5300
FAX (801) 373-5622

HEBER OFFICE
2 SOUTH MAIN, SUITE 2A
HEBER, UT 84032
(435) 654-6477
FAX (801) 373-5622

WWW.GILBERTANDSTEWART.COM

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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
April 21, 2021

GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDEL A HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

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

Administrative Control Board
Wasatch Front Waste and Recycling District
Midvale, Utah

Report On Compliance

We have audited Wasatch Front Waste and Recycling District's compliance with the applicable state compliance requirements described in the State Compliance Audit Guide, issued by the Office of the State Auditor, that could have a direct and material effect on the District for the year ended December 31, 2020.

State compliance requirements were tested for the year ended December 31, 2020 in the following areas:

Budgetary Compliance
Fund Balance
Fraud Risk Assessment
Open and Public Meetings Act
Public Treasurer's Bond

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Compliance

In our opinion, Wasatch Front Waste and Recycling District complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2020.

AMERICAN FORK OFFICE
85 NORTH CENTER STREET
AMERICAN FORK, UT 84003
(801) 756-9666
FAX (801) 756-9667

PROVO OFFICE
190 WEST 800 NORTH #100
PROVO, UT 84601
(801) 377-5300
FAX (801) 373-5622

HEBER OFFICE
2 SOUTH MAIN, SUITE 2A
HEBER, UT 84032
(435) 654-6477
FAX (801) 373-5622

WWW.GILBERTANDSTEWART.COM

Report On Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Gilbert & Stewart

GILBERT & STEWART, CPA PC
Provo, Utah
April 21, 2021

WASATCH FRONT
Waste & Recycling District

Thank you, from the Administration and Staff of Wasatch Front Waste & Recycling District, for your interest in our organization.