

# ***Comprehensive Annual Financial Report of Davis County, Utah***

**FOR THE YEAR ENDED DECEMBER 31, 2005**



**Centerville Branch Library, Centerville, Utah**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF**

**DAVIS COUNTY, UTAH**

**For the Year Ended December 31, 2005**

Prepared by:

Davis County Clerk / Auditor's Office

**Steve S. Rawlings, CGFM**  
Clerk / Auditor

**Carl Allen, CPA, CGFM**  
Chief Deputy / Administration

**Jonathan Lee, CPA, CGFM**  
Chief Deputy / Finance

**DAVIS COUNTY, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Year Ended December 31, 2005

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**DAVIS COUNTY, UTAH**  
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# Davis County

COUNTY CLERK/AUDITOR  
Steve S. Rawlings, CGFM



June 15, 2006

To The Honorable Board of County Commissioners  
and Citizens of the County:

This letter introduces the Comprehensive Annual Financial Report (CAFR) of Davis County (the County) for the year ended December 31, 2005. The County's CAFR is prepared by the County Clerk/Auditor's Office. Technical assistance is provided by our independent auditors; Crane, Christensen & Ambrose P.C.

Publication of this report provides important information of a financial and non-financial nature. Management of the County is responsible for the accuracy, completeness, and fairness of the presentation and the inclusion of all pertinent disclosures.

We believe the information in this CAFR is accurate in all material respects and presents fairly the financial position and the results of operations of the County in accordance with generally accepted accounting principles (GAAP). We also believe that all disclosures necessary to enable the reader to gain a proper understanding of Davis County's financial affairs have been included.

This CAFR is organized into four main sections: Introductory, Financial, Statistical, and Single Audit. The *INTRODUCTORY SECTION* contains this letter of transmittal and organizational chart of the County. The *FINANCIAL SECTION* includes the independent auditor's report, basic financial statements, required supplemental information, combining and individual fund and account group statements, and supplemental information. The *STATISTICAL SECTION* presents data of an accounting and non-accounting nature to assist in obtaining an understanding of the County by highlighting financial status, trends, and socioeconomic information. The *SINGLE AUDIT SECTION* includes the additional financial statements, supplemental schedules, independent auditors' report, and supplemental reports as required by the Single Audit Act of 1984 and by the U.S. Office of Management and Budget Circular A-133.

**Management's Discussion and Analysis (MD&A).** The discussion and analysis beginning on page 19 provides an overview and analysis of the County's Basic Financial Statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

**Independent Auditors.** In compliance with state laws, an annual financial audit of the County is completed each year by independent certified public accountants who are selected by the Board of County Commissioners. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The independent auditor's report on the Basic Financial Statements is included in the Financial Section of this report.

Federal regulations also require the County to undergo an annual "Single Audit" in conformance with the Federal Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Government and Non-Profit Organizations*. Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the auditor's report, are contained in Section IV, Single Audit, beginning on page 131.

## PROFILE OF THE COUNTY

For those who may be unfamiliar with the County, we offer a brief introduction. Davis County is Utah's smallest county in land area. It is a narrow strip of land containing only 223 square miles. It is the third largest county in population. An estimated 281,000 residents live in the County's fifteen communities. Frequented by Shoshone Indians during historic times, the area was among the first settled by members of The Church of Jesus Christ of Latter-day Saints who arrived in the Great Salt Lake Valley in 1847. The lush lake-bottom pastures, fertile soils of the bench lands, and streams flowing out of the high Wasatch Mountains on the east attracted early settlers, who established small farms and close-knit communities. These early settlers established schools, built homes and churches, and created productive farms and shops.

Named after the early pioneer leader, Daniel C. Davis, the County was established as a territory in 1850. The territorial legislature created Davis County in 1852 and designated its County seat at Farmington, midway between boundaries at the Weber River on the north and the mouth of the Jordan River on the south. Westward, the County includes a portion of the Great Salt Lake and its largest island, on which Antelope Island State Park is now located.



During its first half-century, Davis County grew slowly. It supported a hardy pioneer people engaged in irrigation agriculture and livestock raising. The Utah Central Railroad (now the Union Pacific) crossed the County from Ogden on the north to Salt Lake City on the south in 1870 and offered welcome transportation links to bring in manufactured products. This was the beginning of a transition in the County's history that led to mechanized agriculture and a surge of commerce, banking, and local business, along with improved roads, new water systems, and the electrification of homes and businesses. After the turn of the century, the County's 8,000 residents joined in a chorus of boosterism that encouraged growth, but by 1940 the population was barely 16,000. The small family farms and local businesses could support no greater increase. Consequently, many of the younger generation left for new settlements in northern Utah and nearby Idaho and Wyoming.

As the age of the automobile and interurban railways created greater mobility, many County citizens looked to Ogden and Salt Lake City for employment and cultural enrichment. Market gardens, dairy farms, beef cattle, orchards, and fields of grain and sugar beets continued to sustain local farmers. World War II then introduced a new way of life in Davis County. The establishment of Hill Air Force Base in northern Davis County and other defense installations nearby created a surge of civilian employment. Hill AFB quickly became and remains the state's largest employer.

Diversification brought rapid post-war growth. The County doubled in population between 1940 and 1950, and doubled again in the next decade. Between 1960 and 1980, the population more than doubled again, from 65,000 to 147,000. By 1990 the population had reached 188,000 and the 2000 census recorded 238,994. Being the fastest growing of the four major urban communities along the Wasatch Front, Davis County is projected to build out with a population near 400,000 by the year 2030.

Accompanying this growth has been a diversification of population and a new prosperity. Davis County now enjoys a wide mix of people representing many ethnic, cultural, and religious backgrounds. The County has moved from its traditional agricultural dependency to an interlocking network of suburban communities around a core of original towns with a closeness in proximity to downtown Salt Lake City. The communications age has tied Davis County to the world. Its citizens today are part of an economic and social pattern that reaches far beyond the County's tiny geographical limits.

Today, many nationally known commercial, industrial, recreational, and service companies provide diversified employment opportunities for residents of Northern Utah. The Freeport Center is the largest distribution center in the United States with more than nine million square feet of covered storage and five million square feet of open storage occupied by more than 125 renowned companies employing some 6,500 employees.

A three-member elected Board of Commissioners is the governing body of Davis County. All Commissioners serve four-year terms, to enhance continuity for the governing board. The County organizational chart following this letter outlines each Commissioner's major areas of responsibility. Department Heads reporting to the Commissioners serve as exempt (appointed) non-merit employees. The Commissioners are responsible for all County services and operations. Commissioners approve, adopt, and amend the budget; they also serve as the legislative body, the property tax Board of Equalization, and regulate business licensing in the unincorporated areas of the County.

Administrative Officers reporting to the Commissioners serve as exempt (appointed) non-merit employees. These individuals are responsible for the daily management of the various services and programs provided by the County.

In addition to the elected and appointed offices just mentioned, seven other elected officials, shown on the organizational chart, all serve four-year terms and are eligible for re-election. Chief Deputies serving each of the other elected officials are also exempt (appointed) non-merit employees.

The Clerk/Auditor serves as the chief financial and budget officer of the County. The County Treasurer is responsible for the collection and investing of all County funds. The County Commission, Clerk/Auditor, and Treasurer together administer the County financial system and the receipt and disbursement of funds as required by the Utah Fiscal Procedures Act.

The County provides a diversified range of county-wide services as well as certain municipal type services which are provided only in the unincorporated areas of the County. Examples of county-wide services include the following: General government services such as property tax assessing and collecting, auditing, budgeting, elections, marriage licenses, passports, real estate records, surveying, criminal justice services, and ordinance enactment and enforcement. Educational Services (such as libraries and agricultural extension), Social Service (such as senior programs), Recreation and tourism services (such as golf courses, tourism and travel facilities, County Fair activities), County support services (such as human resources, information systems, finance, purchasing and facilities management), Public Safety services (such as correctional facilities, emergency 911, police protection, paramedic, emergency medical, and animal control), Public Health services (such as mental health and substance abuse, clinical, nursing, dental health, vehicle inspection and maintenance, environmental health, and also health education and promotion), Public Works services (such as flood control and noxious weeds).

Municipal type services include fire protection, public works (road construction and maintenance), building inspection, and business licenses. These services are funded by property and sales taxes and user fees generated by the citizens of the unincorporated area of the County. They are accounted for in the Special Service Area Fund.

## **ECONOMIC CONDITION AND OUTLOOK**

### **BUSINESS AND INDUSTRY**

The slowdown of the economy throughout the world early this decade has taken a toll on funding of Davis County services. Davis County continues to show measurable signs of improvement. Even though the county unemployment rate has risen from 3.2 at the beginning of the decade to 3.7 percent in 2005, this is still favorable with the State rate of 4.3 percent and favorable to the National rate of 5.1 percent. The County and the State continue to have one of the best labor and business climates in the western United States. The work force is young and well educated and, overall, wages are competitive. Employment in

Davis County is distributed among many industries. The County is unique, primarily because of its proportion of total jobs made up by the government. One of Utah's largest employers, Hill Air Force Base, is in the county. This skews the County's class of workers classification with 27 percent of all non-farm jobs being in the government sector, and Hill AFB as the dominant employer employs nearly one-half of all government workers in the County (along with state and local government, mainly schools). In the Spring of 2005, the Base Realignment and Closure (BRAC) Committee recommended a preliminary list of military bases for closure. Hill AFB is one of 425 military installations that are being scrutinized as part of next year's BRAC round. The preliminary list was finalized and released in late 2005/early 2006, and fortunately, Hill AFB was a receiving base with positive job growth expectations and more workload from other facilities will be transferred to Hill; thus benefiting the local economy. This round of the BRAC's base closure list will be finalized in 2006 and future evaluations will occur every six years.

Other larger industry sectors include manufacturing (12 percent) and retail and wholesale trade (13 percent). As the economy improves, the County expects the unemployment rate to continue to decrease. In 2005, the employment picture for Davis County continued to improve. Job growth for Davis County was 3.5 percent or 3,000 new jobs in 2005 when compared to 2004. The Statewide average was also 3.5 percent. The increase in the rate of job growth, in line with of the state average, is very positive and evidence of a strong market.

Interest rates have stayed relatively low while the economy has gained momentum. Total permit-authorized construction in Davis County continues to remain very strong. Last year, the number of construction and manufacturing jobs in the County continued to increase, following state and national trends in those industries. In the improving economy, the value of total permit authorized construction in the County rose 14.5 percent in 2005 compared to 2004 figures. In the New Nonresidential construction category, growth was even more dramatic increasing 33.7 percent over the prior year. Total construction valuation increased approximately 13.7% in 2005, even after adjusting for higher building and material costs. With the improving economy and mortgage rates expected to remain between 6 to 7 percent, the single-family home sector should continue to buoy the construction industry well into 2006. Sales of existing homes this year also remain strong; up 10.8% over last year. The average home price gained slightly more than 10% over a year ago.

In 2005, the County's total sales taxes grew 10.3 percent. Davis County continues to experience steady growth in existing business expansion and new business growth, especially in commercial, restaurant, and retail.

The major employers in Davis County are:

<u>BUSINESS</u>	<u>EMPLOYEES</u>
Hill Air Force Base	23,500
Davis County School District	6,300
Lifetime Products	1,900
Davis County	900
Lagoon Inc	850
Smith's Distribution Services	1,150
Utility Trailer and Manufacturing	700 – 1,000
Albertson's	500 – 700
Amusement Services	500 – 700
Associates Commerce Solutions	500 – 700
Davis Hospital and Medical Center	500 – 700
Pioneer Adult Rehabilitation	500 – 700
Icon Health and Fitness	650
Lakeview Hospital	550



## **TRANSPORTATION AND ACCESSIBILITY**

Davis County has superb highway accessibility. Interstate 15 runs north and south through the County, providing easy access to Interstate 80 and other major highways throughout the state. Many major western cities are only a day's haul away by commercial carrier, while many others can be reached in a few days.

The Salt Lake International Airport is readily accessible to all of Davis County. The airport is anchored by Delta Airlines and Southwest Airlines and has a total of 15 airlines operating 972 scheduled daily departures. Almost 18 million passengers traveled through the airport in 2005 making it the 26th busiest airport in North America and 51st in the world. Several air cargo/express mail services have daily flights in and out of Salt Lake International Airport.

Amenities at the airport include vehicle rental, restaurants, a golf course, news shops, barber and beauty salons, a full service bank, fax machines, currency exchange, and translation services with ample parking.

In addition to the Salt Lake International Airport, private plane operators enjoy easy access and accommodations to Sky Park Airport, located in southern Davis County.

Rail services in Utah are provided by Southern Pacific and Union Pacific as well as Amtrak. Second-morning freight service is offered to 90 percent of the western market, and all west coast cities can be served directly by rail from Utah without backtracking. Amtrak provides daily passenger service both east and west. Interstate bus service is provided by Greyhound while the Utah Transit Authority (UTA) provides daily mass transit service in the County and along the Wasatch Front.

## **MAJOR INITIATIVES AND OTHER ACCOMPLISHMENTS**

### **TEAM MANAGEMENT**

The County strongly supports the development of the concept of team building. This concept creates a formal working group or team of individuals responsible for similar or related functions within the County. These individuals may report to several different Administrative Officers but have a need to interact with the other members of the team to efficiently and effectively manage their responsibilities.

The Administrative Officers, Information Services Team, Users Service Team, Risk Management Team, Property Tax Team, Facilities Management Team and the Financial Services Team continued to meet and accomplish their annual objectives. As individuals from different departments organize themselves into teams, communication flow is facilitated and issues are addressed and resolved in an atmosphere of unity and productivity.

### **DAVIS COUNTY JUSTICE COMPLEX**

Rapid growth within the County created a need for additional court and detention facilities. During the last decade, the State constructed court facilities. The County contracted with the federal marshals to construct a work release facility to house 120 work release inmates. Work release inmates are now housed in a less expensive minimum-security setting. Other inmates use the existing traditional security structure. The County's normal detention capacity is 496 inmates.

Current projections show the County will require almost double the inmate capacity within the next 15-20 years. Detention expansion is now in the construction stage to accommodate this projected need. During 2004, Citizens of the County approved a \$24.8 million General Obligation Bond to finance jail expansion construction costs. The construction on the 400-bed jail expansion began in the Spring of 2005 and is projected to be completed in late-2006, with a opening date scheduled for early 2007.

## **UTAH STATE UNIVERSITY (USU) EXTENSION PROGRAM**

USU Extension is a cooperative program between Davis County, Utah State University, and the U.S. Department of Agriculture. A satellite system was installed at the County and is being used as a communication link between USU and the County Extension. This greatly enhances the ability of County citizens to access the abundant resources of the Federal/State Land-Grant system. Classes are regularly scheduled on many topics of current interest. Extension services go beyond the simple transfer of knowledge to the idea of helping people identify their problems and find tools with which to solve them. Services offered to Davis County residents include County Agriculture, 4-H, Food & Nutrition Program, Horticulture, Home Economics, Life Span Learning, etc.

The County has partnered with USU in the development of the Utah Botanical Center. It replaces the historic Utah Botanical Gardens. The new development has been built on 94 acres of property in the center of the County. Its walking trails wander through a home and garden village, demonstration gardens, fishing ponds, a visitor's center, exhibit pavilion, and a demonstration home "The Utah House". The entire Center is an operating educational facility that demonstrates principles of sustainability that can significantly reduce our impact on the land and its resources. The fish ponds have been dredged and redesigned to better tell the story of the Gardens. Much earth work was accomplished on the grounds and trails of the Gardens with the material dredged from the ponds. The Utah House is now open and many visitors are enjoying it. The Botanical Center opened in April of 2004.

## **CONFERENCE CENTER**

The Conference Center finished its first full year of operations in 2005. For several years the County has been creating a master plan to construct a destination conference center in the County. In 1998, the County purchased one-half of a 12-acre property in the heart of the commercial area of northern Davis County. During 2000 the County purchased an adjoining 3 acres to complete the land area for the project. The County purchased the remaining one-half of the 12-acre property in 2001. During 2002, proposals were solicited, a developer was selected, and negotiations began. The entire project is being funded by tourism tax dollars with the issuance of \$9 million in sales tax revenue bonds to cover most of the project costs.

The Conference Center is designed to be an economic engine attracting convention and conference business, as well as, local business to Davis County. It is adjoined with the Hilton Garden Inn and is surrounded by several other hotels and shopping malls. Construction was completed on the 41,000 square foot facility in the Fall of 2004. The Conference Center opened for business on September 1, 2004.

As the Conference Center stimulates the local economy through increased tourism, sales, and restaurant taxes through its events and conferences, the future may include an expansion of the Conference Center to include an exhibit hall. A feasibility study is currently being conducted to evaluate the economic feasibility of supporting an exhibit hall addition.

## **LIBRARY EXPANSION**

During 2000, after several years of planning, the Davis County Commission approved a property tax increase for library expansion. The modest increase has already funded a major expansion of the South Branch Library during 2000. Facilities were expanded at the Central Branch in 2001 and 2002. Construction on the new branch library in Syracuse City was completed in August of 2003. The expansion also includes construction of a branch library in Centerville City that began in the Spring of 2005. The Centerville library is expected to be completed and open for patrons in early 2006. The tax increase is considered a permanent increase because the additional revenue will be needed to fund the ongoing operating costs of the expanded system.

In 2005, the County entered into a local government agreement with Kaysville City to operate the Kaysville City Library as part of the Davis County Library System. It is anticipated that the conversion of Kaysville

City Library equipment and processes to the County system will be completed by mid-2006.

## **PUBLIC WORKS EXPANSION**

The expansion of the public works facility in Fruit Heights is nearing completion. Old outdated buildings have been replaced with a new office structure, 5 bay mechanics repair shop, 5 bay garage, covered fuel station, paved parking lot, and salt storage shed. Still to be completed is a covered storage area between the mechanics repair shop and the 5 bay garage; and security for the entire public works facility including key card access to all building, outside camera observation, and mechanical gates. In 2006 and 2007, the access road to the public works facility and the animal control facility will be upgraded.

## **SHERIFF'S "CITIZEN'S ACADEMY"**

Under the direction of the Sheriff, a training program called "Citizen's Academy" continues to be funded. Leaders and citizens in the community are invited to participate. The training is being offered to achieve better community understanding of the functions of law enforcement.

Community Oriented Policing is about teamwork providing greater opportunities for all citizens, government agencies and officials, law enforcement professionals and private agencies working together to improve the quality of life in our communities. It is a well-known premise that better communication between citizens and those who provide law enforcement protection greatly enhances our communities.

The nine-week course taught one night a week for four hours each night is a "hands-on" course with instruction from highly qualified Sheriff's Department personnel. Participants actually perform the skills taught in the course. These are the same skills taught at the police academy and used daily by professional law enforcement officers. Included are hands-on training in firearms, arrest and control tactics, use of force, alcohol and drug enforcement, emergency vehicle operation, crimes in progress, routine traffic stops, and felony police tactics.

Due to the specialized service the Sheriff's office provides through its Paramedic program and Corrections Division, training is also offered to enhance the participants understanding of these special services. Participant's knowledge and use of medical skills is improved as a result of this training.

## **FINANCIAL INFORMATION**

### **FINANCIAL REPORTING AND ACCOUNTING STANDARDS**

Local government accounting principles are established and promulgated by the Governmental Accounting Standards Board (GASB). This report conforms to all current, relevant pronouncements of GASB, which, taken as a whole, are referred to as "Generally Accepted Accounting Principles" (GAAP).

### **THE REPORTING ENTITY**

This CAFR includes all funds of the County as follows:

<u>DESCRIPTION</u>	<u>FUND TYPE</u>
General Fund	General Government
Paramedic Fund	Special Revenue
Health Fund	Special Revenue
Tourism Board Fund	Special Revenue
Library Fund	Special Revenue
Flood Control Fund	Special Revenue

<u>DESCRIPTION</u>	<u>FUND TYPE</u>
Aging Services Fund	Special Revenue
Emergency 911 Fund	Special Revenue
Municipal Building Authority Fund	Special Revenue
Special Service Area Fund	Special Revenue
General Obligation Bond Fund	Debt Service
Conference Center Bond Fund	Debt Service
Municipal Building Authority Bond Fund	Debt Service
Jail Expansion Construction Fund	Capital Projects
Conference Center Construction Fund	Capital Projects
Capital Projects Fund	Capital Projects
Golf Courses Fund	Enterprise
Commissary Fund	Enterprise
Insurance Fund	Internal Service
Telephone Fund	Internal Service
Buildings and Grounds Fund	Internal Service
County Agency Fund	Agency
Treasurer's Tax Collection Fund	Agency
Employee Benefits Fund	Agency

The CAFR also reports consolidated information of Davis Behavioral Health and Wasatch Integrated Waste Management as related entities of Davis County. Davis Behavioral Health was created in 1983 by the County as a public non-profit organization to provide behavioral and also alcohol and drug services for the residents of Davis County. Wasatch Integrated Waste Management is a regional solid waste energy recovery district organized in 1982 by the County to process solid waste. The "burn plant" as it is commonly known, incinerates solid waste and produces steam that is sold to Hill Air Force Base.

### **ACCOUNTING SYSTEMS AND BUDGETARY CONTROLS**

The County operates an integrated budgetary and accounting system that incorporates the adoption of a formal legal budget for each department. The budget is adopted in December each year for the ensuing year.

State statutes define the legal level of budgetary control at the department level. Expenditures should not exceed appropriations at that level. Monthly financial reports are electronically distributed to each department head and/or elected official with a charge that obligations must be closely monitored. The budget is reopened as required (usually twice each year) to consider necessary adjustments.

A modified accrual basis of accounting is used for governmental funds with revenues recognized when measurable and available. Expenditures are recognized when a fund liability is incurred. These transactions are recorded using the fund accounting approach, where each fund is a distinct entity with a set of self-balancing records.

Automation and modernization of the accounting system have received the strong support of County officials. These efforts continue to move forward as new technology becomes available. As financial reporting requirements change we will be allowed to provide the most current and meaningful accounting information to all users in the 2005 report.

Safeguarding assets and providing reasonable assurance that financial transactions are properly recorded requires implementation of adequate internal controls. The County's internal controls are presently accomplishing this objective in all material respects. Further discussion of accounting and budgeting matters may be found in the "Notes to Financial Statements."

## CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the *Certificate of Achievement for Excellence in Financial Reporting* to Davis County for its Comprehensive Annual Financial Report for the calendar year ended December 31, 2004. This is the twelfth year in a row that Davis County has received this award.

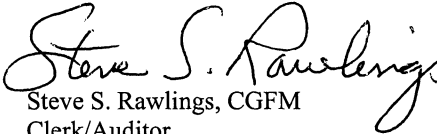
This prestigious award requires a governmental unit to publish an easily readable and efficiently organized comprehensive annual financial report that must conform to rigorous program standards. Qualifying reports must satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement program demands that all applicable requirements be met each year the award is given. We have made application for the award for the 2005 calendar year and believe this report continues to conform to the program requirements. Our highly qualified and professional staff is dedicated to making this certification possible

## CONCLUSION

This report has been prepared in an effort to provide meaningful data that will be useful in evaluating the financial activity of Davis County. The preparation of this report is a team effort by the County Clerk/Auditor staff in conjunction with department accounting personnel. Their dedicated efforts have made possible the continued improvement of both form and content. We extend our sincere appreciation for their ongoing commitment to excellence in financial reporting and for their continued effort in providing pleasant and efficient services to the citizens of Davis County. The efforts of the Board of County Commissioners, other elected officials, and the department heads and their staff make it possible for the County to continue to cooperatively demonstrate fiscal responsibility and to achieve the highest of standards.

Sincerely,

  
Steve S. Rawlings, CGFM  
Clerk/Auditor

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Davis County,  
Utah

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



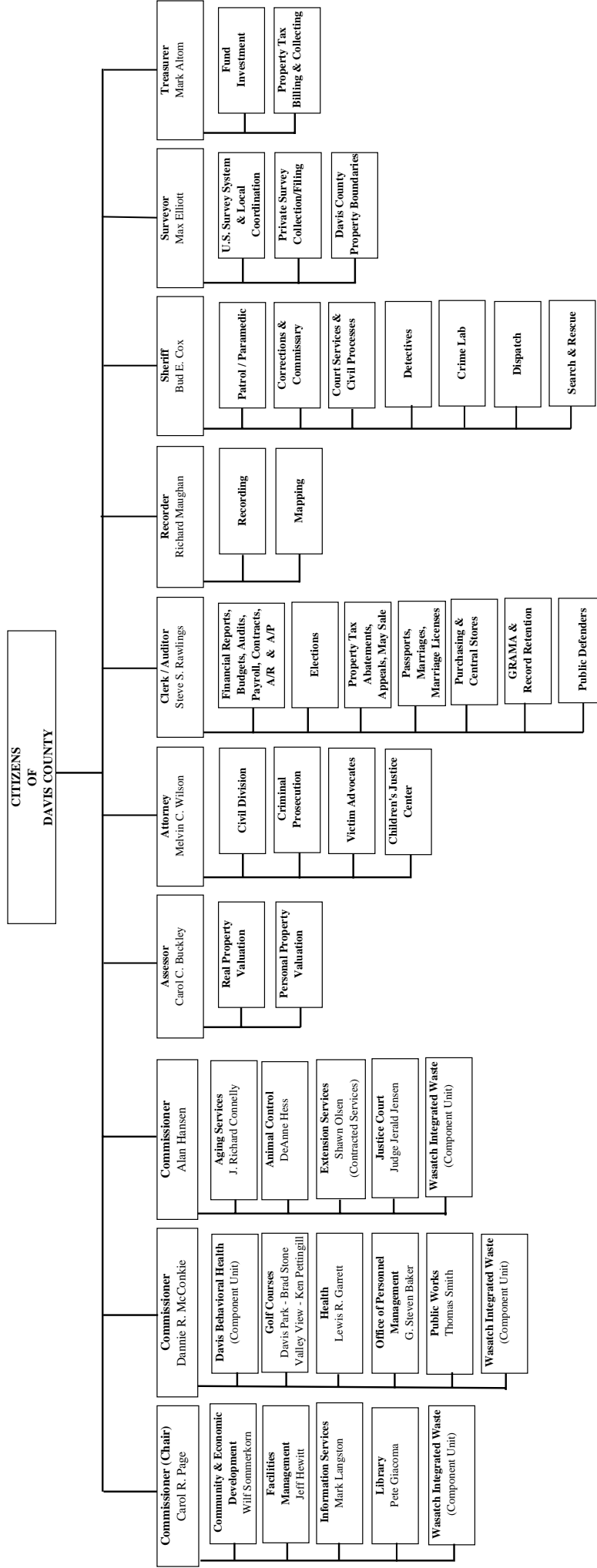
*Carla E. Perry*

President

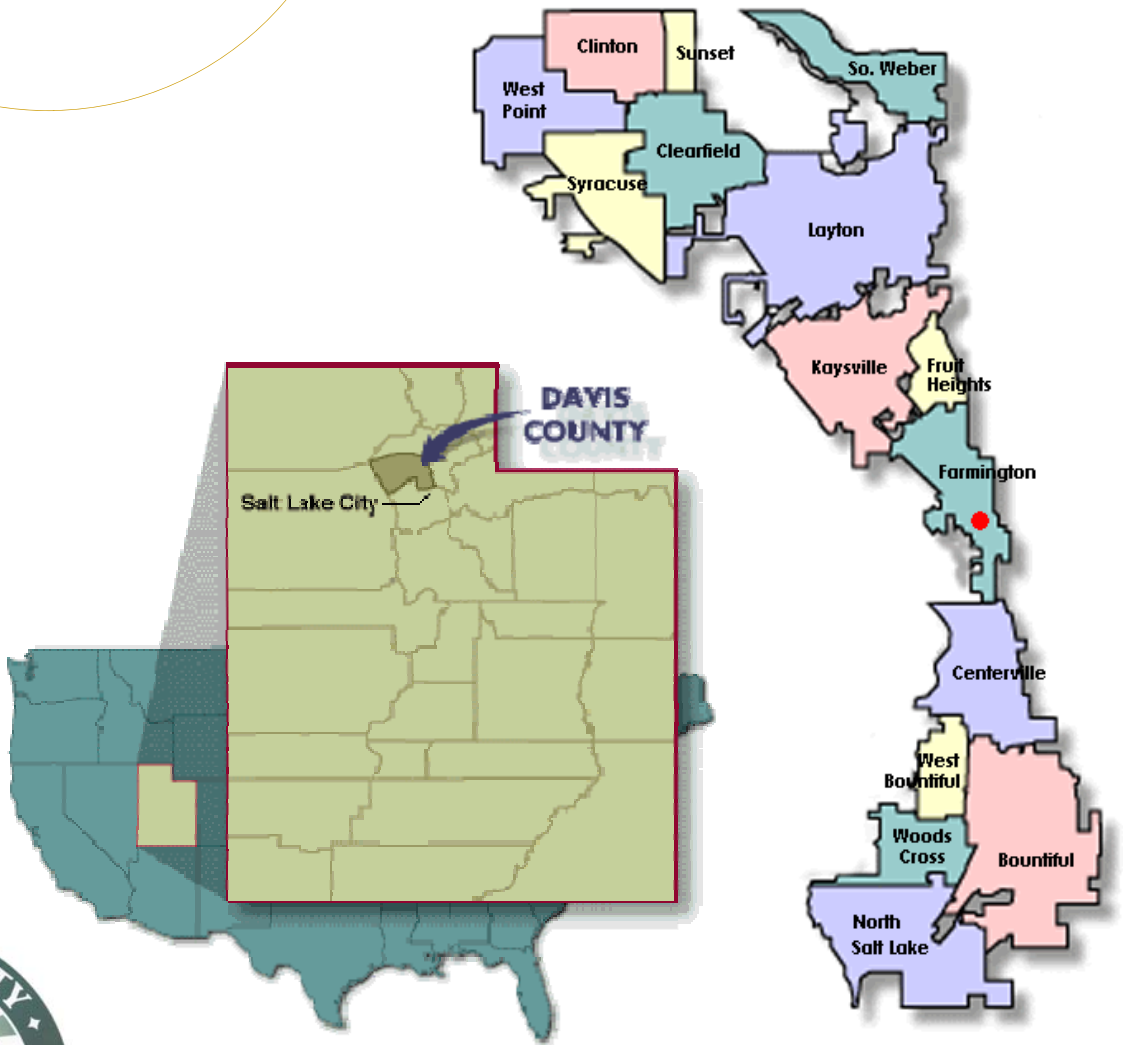
*Jeffrey R. Egan*

Executive Director

**DAVIS COUNTY ORGANIZATION CHART**  
For the Year Ended December 31, 2005



# II. FINANCIAL SECTION



WWW.DAIVSCOUNTYUTAH.GOV







Steven F. Crane, CPA  
Kent R. Christensen, CPA  
Jeffrey L. Ambrose, CPA  
Chuck Palmer, CPA

## INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners  
Davis County, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Davis County (the County), as of and for the year ended December 31, 2005, which collectively comprises the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of Davis Behavioral Health which is shown as a discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Davis Behavioral Health, is based solely on the reports of such other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2005, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with the *Government Auditing Standards*, we have also issued our report dated April 21, 2006 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the County. The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial

statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Crane, Christensen + Ambrose P.C.*

Ogden, Utah  
April 21, 2006

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

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**INTRODUCTION**

The following is a discussion and analysis of Davis County's financial performance and activities for the year ended December 31, 2005. When read in conjunction with the letter of transmittal and the notes to the financial statements, this section's financial highlights, overview and analysis should assist the reader to gain a more complete knowledge of the County's financial performance. This is the third year that the County implemented new reporting standards established by the Governmental Accounting Standards Board (GASB). Comparative analysis to previous year's results are provided.

**HIGHLIGHTS**

**Government-wide**

- The County's total net assets increased approximately \$2.9 million or about 3.3 percent over the prior year. The increase is primarily due to the increase in net assets of governmental activities. Net assets of business-type activities increased approximately \$51 thousand, which represents an increase of 1.2 percent.

**Fund Level**

- Fund balances in the County's governmental funds increased \$17.5 million, or 91.6 percent from the prior year to a total of \$36.6 million. The primary reason for the increase in fund balance was the remaining proceeds of \$16.9 million from the issuance of a \$24.8 million bond to fund the Jail Expansion project approved by the voters of the County in November, 2004, plus accrued interest. Without the funds held for Jail Expansion construction and its associated interest and premium revenues, governmental fund balances decreased approximately \$100 thousand. No tax increases were approved in 2005.
- Property tax revenues were 5.0 percent higher in 2005 than the prior year primarily due to growth of the property tax base throughout the County. The County's total sales taxes also grew 10.3 percent to \$12.9 million, a sign of continued growth and economic recovery.

**Long-term Debt**

- In January 2005, the County issued a \$24.8 million dollar bond to fund construction of the Jail Expansion project. This 20-year bond will not increase the taxes paid by Citizens of the County, rather, it will replace the Series 2001 General Obligation Bond when it becomes fully paid in 2006. Other long-term debt of the County decreased \$3.8 million to \$16.6 million in 2005.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is an introduction to the County's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report also contains the required supplementary information, as well as, additional supplementary information and fund data, including combining statements for non-major funds and a statistical section.

The government-wide view of the County's finances is a requirement under the GASB Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and became effective for the County for 2003. Fund financial statements have been reported in the past and are still presented in this CAFR.

**Government-wide Statements – Reporting the County as a Whole**

The Statement of Net Assets and the Statement of Activities beginning on page 29 comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the County's finances as a whole and are prepared using the *full-accrual* basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level.

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets measure whether the County's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the County's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of 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. The government-wide statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-*

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

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*type activities*). Davis County's governmental activities include general government, public safety, public works, judicial, and library services. The County has two business-type activities – 1) operation of the county's Golf Courses and 2) operation of the Jail Commissary.

The government-wide statements also include information about two *component units*, Davis Behavioral Health (DBH) and Wasatch Integrated Waste Management Inc. (WIWMD). A legally separate entity meets the criteria of a component unit if the County's governing body appoints a voting majority of the organization's governing body and either has the ability to impose the County's will on that organization or that organization may provide specific financial benefits or burden to the County. An organization may also be considered a component unit of the County if the organization is fiscally dependent upon the county or if its relationship is of a nature that it would be misleading to exclude it. The basic criterion to include Davis Behavioral Health's information into the financial statements is that the financial statement may be misleading if it were not included. The basic criterion to include WIWMD as a component unit is that WIWMD is fiscally dependent on the County.

**Fund Financial Statements – Reporting the County's Most Significant Funds**

The fund financial statements beginning on page 34, provide detailed information about individual major funds, not the County as a whole. A fund is a group of related accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the County's funds can be divided into three types: governmental funds, proprietary funds, and fiduciary funds.

*Governmental Funds* – Most of the County's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the *modified accrual* basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This *short-term* view of the County's financial position helps determine whether the County has sufficient resources to cover expenditures for its basic services in the near future.

*Proprietary Funds* – Proprietary funds are presented using the *full-accrual* basis of accounting. Davis County uses two different types of proprietary funds. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County has two enterprise funds - Golf Course Fund, and Jail Commissary Fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County maintains three internal service funds – Insurance Fund, Telephone Fund, and Building and Grounds Fund. Because those services predominantly benefit governmental rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

*Fiduciary Funds* – Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds use *full-accrual* accounting but are not included in the government-wide statements because the assets in those funds are not available to finance the County's own programs.

**Reconciliation between Government-wide and Fund Statements**

The financial statements include schedules on pages 37 and 40 that reconcile the amounts reported for governmental activities on the government-wide statements (full-accrual accounting, long-term focus) with amounts reported on the governmental fund statements (modified accrual accounting, short-term focus). Following are some of the major differences between the two statements:

- Capital assets and long-term debt are included on the government-wide statements but are not reported on the governmental fund statements.
- Capital outlays result in capital assets on the government-wide statements but are expenditures on the governmental fund statements.
- Bond proceeds result in liabilities on the government-wide statements but are other financing sources on the governmental fund statements.
- Certain tax revenues that are earned but not yet available are reported as revenue on the government-wide statements but are deferred revenue on the governmental fund statements.

**Notes to the Financial Statements**

The notes beginning on page 48 provide additional schedules and information that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the fund financial statement.

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

**Net Assets**

The largest component of the County's net assets, 62 percent, reflects investments in capital assets (land, buildings, equipment, roads, and other infrastructure) less all outstanding debt that was issued to buy or build those assets. As Capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

be provided from other sources. Increases in the County's 2005 capital assets are primarily due to the construction of the new Centerville branch library and the construction on the Jail Expansion project.

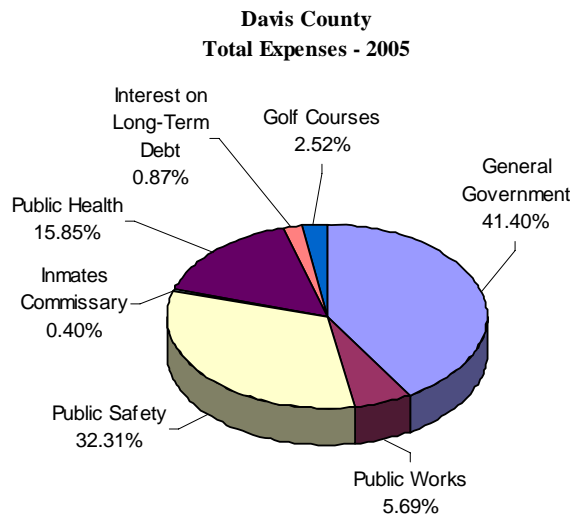
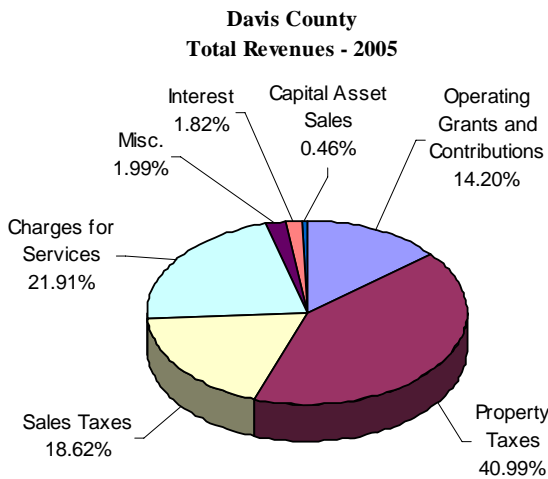
Restricted net assets comprised of \$30.8 million or 35.5 percent of total net assets and are subject to external restrictions on how they may be used. The remaining proceeds from the Jail Expansion Bond accounted for \$17.8 million of the total restrictions. B-Road and Special Revenues Activities accounted for \$11.1 million of the restriction, while Debt Service restrictions accounted for another \$3.5 million. Unrestricted net assets at December 31, 2005 is \$2.1 million for governmental activities, an improvement of \$2.4 million over 2004.

**Davis County**  
**Net Assets**  
**December 31,**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
Current and Other Assets	\$ 44,329,580	\$ 30,714,688	\$ (279,615)	\$ (285,813)	\$ 44,049,965	\$ 30,428,875
Capital Assets	88,613,012	80,677,958	4,665,474	4,673,378	93,278,486	85,351,336
<b>Total Assets</b>	<b>132,942,592</b>	<b>111,392,646</b>	<b>4,385,859</b>	<b>4,387,565</b>	<b>137,328,451</b>	<b>115,780,211</b>
Current and Other Liabilities	4,496,035	4,089,000	148,852	182,779	4,644,887	4,271,779
Long-term Liabilities	41,784,004	19,128,717	-	-	41,784,004	19,128,717
<b>Total Liabilities</b>	<b>46,280,039</b>	<b>23,217,717</b>	<b>148,852</b>	<b>182,779</b>	<b>46,428,891</b>	<b>23,400,496</b>
<b>Net Assets:</b>						
Invested in Capital Assets net of related debt	53,753,012	70,793,090	4,516,622	4,471,715	58,269,634	75,264,805
Restricted	30,827,499	13,233,017	-	-	30,827,499	13,233,017
Unrestricted	2,082,042	(231,550)	(279,615)	(285,813)	1,802,427	(517,363)
<b>Total Net Assets</b>	<b>\$ 86,662,553</b>	<b>\$83,794,557</b>	<b>\$ 4,237,007</b>	<b>\$4,185,902</b>	<b>\$ 90,899,560</b>	<b>\$87,980,459</b>

**Changes in Net Assets**

The County's combined net assets increased by approximately \$2.9 million or 3.3 percent from the prior year. The increase is primarily due to the increase in Net Assets of governmental activities. Net assets of business-type activities increased \$51 thousand which represents a 1.2 percent increase from its prior ending balances. Before transfer outs, the County's business-type activities, the Golf Course, and Jail Commissary, had an increase in net assets of \$340 thousand or 76.2 percent increase from prior year. Transfers out of \$288 thousand represented the transfer of the net income of the Commissary Fund and the administration charges for the Golf Fund to the General Fund. The following charts and schedules summarize the County's revenues and expenses relative to each other and to the prior year.



**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

**Governmental Activities**

Total tax revenues showed moderate increases during 2005. General sales taxes increased approximately \$1.2 million or about 10.3 percent. Property taxes increased approximately 5 percent due to continued development of residential and commercial real estate throughout the County. Land sales in 2005 accounted for the major reported in Other General Revenues in the chart below, 2005 land sales was significantly less than the \$3.3 million in 2004's. Steadily increasing interest rate applied to the County's fund balances accounted for the dramatic increase in interest revenues. There was no property tax increase in 2005. The table below shows the comparison of revenue and expenses of governmental activities and business type activities from 2005 compared to 2004.

<b>Davis County</b>					
<b>Changes in Net Assets</b>					
<b>For the Years Ended December 31,</b>					
	<b>Governmental</b>		<b>Business-type</b>		<b>Total Primary</b>
	<b>Activities</b>		<b>Activities</b>		<b>Government</b>
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>	<b>2005</b>
<b>Revenues</b>					
General Revenues:					
Taxes	\$ 41,289,374	\$ 38,730,102	\$ -	\$ -	\$ 41,289,374
Other General Revenues	1,698,452	5,017,739	-	-	1,698,452
Interest Revenue	1,259,880	284,699	4,302	10,517	1,264,182
Program Revenues:					
Charges for Services	15,178,746	14,854,299	2,343,807	2,309,951	17,522,553
Operating Grants	9,639,704	9,675,331	-	-	9,639,704
Capital Grants	197,572	1,379,475	-	-	197,572
<b>Total Revenues</b>	<b>69,263,728</b>	<b>69,941,645</b>	<b>2,348,109</b>	<b>2,320,468</b>	<b>71,611,837</b>
<b>Expenses</b>					
General Government	28,437,339	28,338,607	-	-	28,437,339
Public Safety	22,191,785	21,682,995	-	-	22,191,785
Public Health	10,887,342	10,679,084	-	-	10,887,342
Public Works	3,907,168	4,843,119	-	-	3,907,168
Interest on Long-term Debt	1,261,046	593,825	-	-	1,261,046
Golf Courses	-	-	1,732,388	1,669,724	1,732,388
Commissary	-	-	275,669	457,960	275,669
<b>Total Expenses</b>	<b>66,684,680</b>	<b>66,137,630</b>	<b>2,008,057</b>	<b>2,127,684</b>	<b>68,692,737</b>
<b>Changes in Net Assets before Transfer</b>					
Transfer In (Out)	2,579,048	3,804,015	340,052	192,784	2,919,100
	288,947	193,867	(288,947)	(193,867)	-
<b>Changes in Net Assets</b>	<b>2,867,995</b>	<b>3,997,882</b>	<b>51,105</b>	<b>(1,083)</b>	<b>2,919,100</b>
Net Assets - Beginning	83,794,558	79,796,676	4,185,902	4,186,985	87,980,460
<b>Net Assets - Ending</b>	<b>\$ 86,662,553</b>	<b>\$ 83,794,558</b>	<b>\$ 4,237,007</b>	<b>\$ 4,185,902</b>	<b>\$ 90,899,560</b>

The table on the next page shows to what extent the County's governmental activities relied on taxes and other general revenues to cover all of their costs. For 2005 these programs generated \$25.0 million or 37.5 percent of their total expenses through charges for services and grants. This amount decreased \$900 thousand or 3.4 percent from 2004. The primary reason for the decrease was that in 2004, the County received an very generous amount of over \$1.3 million in Homeland Security grants from the Federal and State government. The taxes and other general revenues covered the remaining 62.5 percent of expenses.

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

**Davis County**  
**Net Cost of Government Activities**  
**For the Year Ended December 31,**

Activities	Total Program Expenses	Less Program Revenues	Net Program Costs		Program Revenue as a Percentage of Total Expenses	
			2005	2004	2005	2004
General Government	\$ 28,437,339	\$ (6,527,425)	\$ 21,909,914	\$ 22,211,458	23.0%	21.6%
Public Safety	22,191,785	(6,444,354)	15,747,431	14,081,058	29.0%	35.1%
Public Health	10,887,342	(10,803,250)	84,092	(431,639)	99.2%	104.0%
Public Works	3,907,168	(1,240,994)	2,666,174	3,773,823	31.8%	22.1%
Interest on Long-term Debt	1,261,046	-	1,261,046	593,825	0.0%	0.0%
<b>Total Government Activities</b>	<b>\$ 66,684,680</b>	<b>\$ (25,016,023)</b>	<b>\$ 41,668,657</b>	<b>\$ 40,228,525</b>	<b>37.5%</b>	<b>39.2%</b>

**Business-type Activities**

In 2005, Davis County's Golf Courses created an operating income of \$85,105. In addition, there was a \$34,000 transfer out to the General Fund for administrative expenses related to the golf courses. Revenue was higher than the prior year by \$98,889 partially due to increase in the greens fee that went into effect in 2005. Expenses were \$62,664 lower than the prior year due fiscally responsible management.

The Jail Commissary continues to generate sufficient revenues to cover its operating costs. Net income for 2005 was approximately \$255 thousand, an increase of 59 percent over last year's net income of \$160 thousand. This amount was transferred to the General Fund to help cover Jail operations. Commissary revenue decreased by \$89 thousand while expenses decreased by \$182 thousand. The main reason for the decreases in revenue and expenses was that in 2005, the County transferred the operation of the Jail Commissary and inmate food services to Canteen Food Services, a private corporation. Under the arrangements with Canteen, the County receives 33 percent of applicable profits.

**CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION**

**Capital Assets**

Davis County added approximately \$11.3 million in new capital assets during 2005, of which approximately \$7.8 million was related to the construction of the Jail Expansion project which is projected to be completed in late 2006. Another \$1.5 million was related to the new Centerville Library which opened in Spring 2006. Other general capital purchases for buildings, equipment, and improvements comprised the remaining \$1.5 million. Additional information can be found in Note 6 of the Notes to the Financial Statement beginning on page 58.

**Long-term Debt**

During 2005, Davis County issued \$24.8 million in General Obligation bonds for the Jail Expansion project. Normally, under generally accepted accounting principles, if material, the premium on the bonds and issuance costs would be capitalized and amortized over the life of the bonds. However, due to favorable lending conditions, these costs were deemed immaterial. At December 31, 2005, Davis County had the following long-term debt outstanding in governmental activities. There was no long-term debt associated with business type activities. Additional information can be found in Note 8 of the Notes to the Financial Statement beginning on page 59.

**Davis County**  
**Long-term Liabilities**  
**December 31,**

	Governmental Activities	
	2005	2004
General Obligation Bonds, net of premiums/discounts	\$ 26,535,000	\$ 3,380,000
Revenue Bonds	8,325,000	8,655,000
Municipal Building Authority Bonds	1,363,000	1,497,000
Lease Purchase Line of Credit	2,949,726	3,239,637
Compensated Absences	2,231,859	2,163,361
<b>Total</b>	<b>\$ 41,404,585</b>	<b>\$ 18,934,998</b>

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

**Fund Balances**

At December 31, 2005, Davis County's governmental funds reported combined fund balances of approximately \$36.6 million. Of this amount, approximately \$2.3 million is reserved for B-Roads. The following chart presents the County's 2005 ending fund balances.

**Davis County**  
**Governmental Fund Balances**  
**For the Year Ended December 31,**

	2005 Reserved	2005 Unreserved	2005 Total	2004 Total	% Change from prior year
General Fund	\$ -	\$ 5,807,312	\$ 5,807,312	\$ 5,763,743	0.8%
Health Fund	-	907,311	907,311	1,005,247	-9.7%
Tourism Fund	-	2,654,273	2,654,273	2,903,234	-8.6%
Library Fund	-	424,530	424,530	1,420,757	-70.1%
Aging Services Fund	-	100,747	100,747	122,459	-17.7%
Special Service Area Fund	2,297,202	-	2,297,202	2,450,461	-6.3%
G/O Debt Fund	-	3,412,797	3,412,797	3,478,588	-1.9%
Capital Proj. Jail Ctr. Fund	-	17,789,170	17,789,170	-	N/A
NonMajor Fund	-	3,241,469	3,241,469	1,974,730	64.1%
Total	<u>\$ 2,297,202</u>	<u>\$ 34,337,609</u>	<u>\$ 36,634,811</u>	<u>19,119,219</u>	<u>91.6%</u>

**General Fund**

During 2005, the fund balance in the General Fund increased \$44 thousand or 0.7 percent. As the national and local economy continued to improve in 2005, General Fund sales taxes increased by \$514 thousand or 6.1 percent to a total of \$9.2 million; as compared to \$650 thousand or a 8.4 percent increase in 2004. Property tax revenues for the County increased \$1.4 million or 5.0 percent. Overall, the total General Fund revenues decreased \$1.5 million or 3.4 percent. The primary reason was a more normal level of federal grants and revenue for emergency services in 2005. The County received approximately \$200 thousand in homeland security and emergency services grants in 2005 which was dramatically less than the extremely generous amount \$1.3 million the County received in 2004. Continued interest rate increases were also the major driving force behind the slight decrease in Recorder's fees. Even with rising interest rates, however, recording fees for 2005 totaled over \$1.8 million, a decrease of \$12 thousand from the prior year

Total General Fund expenditures decreased \$207 thousand or 0.6 percent from 2004 due mainly to the following factors:

- In September 2005, the County Commission approved a reduction to various departmental budgets as a cost cutting measure and to better match revenues with expenditures. The estimated \$1.3 million savings, of which the General Fund accounted for \$482 thousand.
- Information Systems' 2005 budget decreased approximately \$900 thousand from 2004 to a more normal \$2.9 million amount. In 2004, the County had approximately \$1.6 million of acquisition, implementation, and support costs associated with Spillman dispatch system for the Sheriff's department.
- Assessor's Office expenditures decreased approximately \$280 thousand or 14.9 percent due to changes in County accounting classification. State DMV registration form printing charges and personal property tax audit charges from the State are now accounted for in the County's non-departmental budget.
- Capital Outlay expenditures, other than the Centerville Branch library and the Jail Expansion project continued to be funded at adequate levels. These expenditures remained at a more regular level of \$1.5 million during 2005.
- Most county employees received a 2 percent cost-of-living increase, as approved in the 2005 budget.

General fund transfers changed dramatically from the previous year. Year end 2005 transfers in were \$609 thousand, a decrease of \$37 thousand or 5.7 percent from the 2004 level. 2005 transfers in were again generous due to excellent management of the Jail Commissary and the profit sharing arrangement with Canteen Food Services and transfer back of excess revenues from the E911 Dispatch fund.

Transfers out from the General Fund increased in 2005. The Commission authorized a total of approximately \$9.6 million in transfers to support County operations in Aging Services, Health Services, Flood Control, and Dispatch. This is an increase of approximately \$2.1 million over 2004 due primarily to the new inter-local agreement between the County and the South Davis Metro Fire Agency and the Layton Fire Department which went into effect in 2005. 2005 begins the first year that the County transferred the \$2.0 million to the Paramedic



**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

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Fund for services provided by each of the eight paramedic units operating in the County. A complete list of transfer activity can be found in Footnote 5 of the Notes to the Financial Statements.

***General Fund Budgetary Highlights***

Davis County prepares its budget according to state statutes, as described more fully in Note 1.G. The most significant budgeted fund is the General Fund. The County amended the General Fund budget during the year to meet the needs of the departments as issues arose. Significant changes to the original adopted budget included the following:

- The General Fund's tax revenues budget was reduced overall by approximately \$238 thousand to better match the revenues projected through the certified tax rate process.
- In September 2005, the County Commission approved an ordinance reducing departmental budgets in various funds, including the general fund. The General Fund's portion of the savings was approximately \$482 thousand.
- The County accelerated Information Services Department's buildings and grounds improvements and associated computer hardware, software, and operating supplies of \$125 thousand.
- The Clerk/Auditor's department's electrical upgrade at the Farmington library basement for the new election equipment's storage of \$70 thousand.
- Increased expenses for the Children Justice Center's (CJC's) parking lot for \$18 thousand that was funded through a grant.
- Various other minor budget changes, from normal day to day activities to meet the needs of the departments, makes up the remainder of changes from original to final budgets.

Actual General Fund revenues were \$42.6 million or approximately 1.1 percent below the original and 0.7 percent below the final budgets. Actual expenditures were \$35.6 million or, \$2.4 million (6.6 percent) and \$2.5 million (6.5 percent) below the original and final budgets, respectively. The County was not required to draw upon existing fund balance in the General Fund this year to cover its expenditures

**Other Major Funds**

During 2005, the Health Fund was allowed to retain a fund balance of approximately \$907 thousand. This is a decrease of approximately \$97 thousand from the ending 2004 fund balance. Health Fund total revenues increased by \$294 thousand while expenditures increased by \$1.1 million from the 2004 level. The additional expenditure is partially due to the availability of more vaccine in 2005 as compared to 2004 when there were vaccine shortages and also increased WIC (Women, Infant, Children) expenditures. Health department expenditures were also budgeted more liberally in 2005 to meet the projected needs of the County's citizens.

The fund balance in the Tourism Fund increased \$677 thousand to \$2.7 million even after expending the budgeted \$350 thousand for the operations of the Davis County Conference Center. The continued growth in the County sales and tourism related taxes is the primary reason behind the increase in fund balance. It is expected that the Davis Conference Center will be an economic engine that will further stimulate the local economy and the County will reap benefits from its investment through increased tourism, transient room tax, and sales tax revenues. Strong economic growth contributed to the County's tourism related taxes which totaled \$3.1 million in 2005, an increase of \$346 thousand or 12.5 percent over the prior year.

The balance in the Library Fund decreased by \$321 thousand, to \$425 thousand. This is due to accelerated construction of the Centerville Branch library in 2005; will begin full operation in early 2006.

The proceeds of the \$24.8 million General Obligation bond are deposited in the Capital Projects / Jail Expansion Fund. The construction of the facility is underway. It is expected that the facility will be completed in late 2006. In 2005, approximately \$7.8 million was spent and is accounted for in construction-in-progress. At the end of 2005, the Capital Projects / Jail Expansion Fund had a \$17.8 million fund balance which is expected to be expended in 2006 as the project is completed. Inmate occupancy in the expanded facility is scheduled for early 2007. However, because of certification requirements, hiring and training of additional correctional officers will start in late 2006.

**Nonmajor Funds**

Davis County's nonmajor funds had a combined fund balance of \$3.2 million. The County's non-major funds include the Flood Fund, E911 Dispatch Fund, Paramedic Fund, Municipal Building Authority and its associated Debt Service Fund, Conference Center Capital Project and its Debt Service Fund, and the Capital Project Fund. The Capital Project Fund also remained fairly consistent as transfers in of \$1.2 million was used to offset \$1.2 million in expenditures. The Fund balance for this fund at the end of the year was approximately \$1.9 million. In addition, the Paramedic Fund, a new fund set up for 2005, accumulated \$1 million fund balance which is expected to be used in 2006 to fund the County's four paramedic units.

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
Year Ended December 31, 2005

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**OTHER MATTERS**

The 2005 County CAFR includes two additional funds, the Paramedic Fund (Fund 14) and the Capital Project / Jail Expansion Fund (Fund 42). These funds administer the monies put aside for the joint venture with the South Davis Metro Fire Department and Layton City, and for the Jail Expansion Construction project, respectively.

During the 2005 General Sessions of the Utah State Legislature, lawmakers made changes to the Utah Code that will impact Davis County's future financial position. Highlights of some of the changes are as follows:

- Legislation was enacted which changed the property tax treatment of personal property. The legislature also reduced the uniform statewide fee on motor homes to 2.25%, effective January 1, 2006, and downward, to 1%, effective January 1, 2008. Tax on tangible personal property, such as recreation vehicles, personal watercrafts, and snowmobiles were changed to an aged-based fee system.
- The Property Tax Valuation Agency Fund Assessing and Collecting maximum levy was reduced statewide from .0003 to .0002. The maximum County levy was increased statewide from .0002 to .0003 and provides that a county must levy an A&C levy of at least .0003 before receiving any additional state A&C revenues. Since the County is rates were not at the maximum, the County expects little impact from this legislation.
- The Veteran Abatement's ceiling was significantly increased to \$200,000 of taxable value for personal and primary residence. This amount will continue to be adjusted in the future by the consumer price index (CPI) of the preceding year. Property tax relief for veteran abatements countywide and statewide increased significantly.
- Legislation was enacted which prohibits a Redevelopment District Authority (RDA) from adopting a project area plan for retail growth redevelopment projects. This created a moratorium for retail sales purposes for a one year period from July 1, 2005 to June 30, 2006.

In addition, legislation passed during the 2006 Legislative session that may impact the County includes the following:

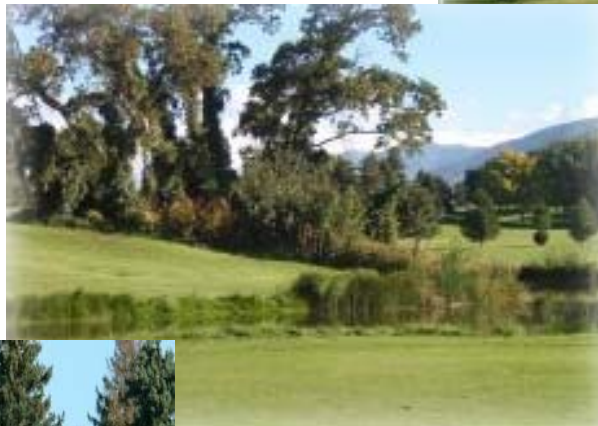
- Sales tax reduction for unprepared food was introduced in the 2006 legislative session. If implemented, taxes for unprepared food will be reduced 2 percent.
- Legislation passed to increase the maximum tax rate of the allowed County Transient Room Tax (TRT) for counties from a maximum of 3 percent to 4.25 percent. County officials are considering implementing this additional 1 ¼ percent to use for the Davis Conference Center expansion.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Davis County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information in this report or any other matters related to the County's finances should be addressed to:

Davis County Clerk/Auditor  
P.O. Box 618  
Farmington, Utah 84025

# BASIC FINANCIAL STATEMENTS



## DAVIS PARK GOLF COURSE

DAVIS PARK G.C.  
1074 E. NICHOLS DRIVE  
FRUIT HEIGHTS, UTAH 84037

(801) 544-0401

[www.co.davis.ut.us/golf\\_course/davis\\_park](http://www.co.davis.ut.us/golf_course/davis_park)

	Front Nine					Back Nine				
Hole	1	2	3	4	5	6	7	8	9	Out
HCP	14	10	16	6	4	12	2	18	8	
Par	4	3	5	4	4	4	3	5	4	36
Back	367	180	513	367	386	402	231	514	417	3377
Middle	350	146	495	357	338	349	188	458	356	3037
Front	338	128	419	331	318	323	140	401	285	2683
WPar	4	3	5	4	4	4	3	5	4	36
WHCP	12	14	16	10	2	4	8	18	6	

DAVIS COUNTY

EXHIBIT A

STATEMENT OF NET ASSETS  
DECEMBER 31, 2005

	Primary Government			Component Units (as of June 30, 2005)	
	Governmental	Business-type	Total	Davis	Wasatch
	Activities	Activities		Behavioral Health	Integrated Waste
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 30,897,946	\$ 21,950	\$ 30,919,896	\$ 3,329,392	\$ 478,335
Investments	-	-	-	156,617	19,980,587
Accounts Receivable	5,347,383	33,464	5,380,847	2,734,390	1,675,576
Taxes Receivable	5,059,469	-	5,059,469	-	-
Inventories and other assets	2,689,753	-	2,689,753	203,919	1,558,444
Internal Balances	335,029	(335,029)	-	-	-
Capital Assets:					
Land and Related Non-depreciable Assets	28,353,507	3,303,250	31,656,757	484,106	14,574,689
Construction in process	9,386,237	-	9,386,237	-	1,381,572
Depreciable Infrastructure	17,728,271	-	17,728,271	-	-
Buildings, Equipmt., & Other Depreciable Assets	66,635,423	3,393,049	70,028,472	7,175,338	55,408,813
Less Accumulated Depreciation	(33,490,426)	(2,030,825)	(35,521,251)	(3,667,374)	(38,677,632)
Total Capital Assets	<u>88,613,012</u>	<u>4,665,474</u>	<u>93,278,486</u>	<u>3,992,070</u>	<u>32,687,442</u>
<b>TOTAL ASSETS</b>	<u>132,942,592</u>	<u>4,385,859</u>	<u>137,328,451</u>	<u>10,416,388</u>	<u>56,380,384</u>
<b>LIABILITIES</b>					
Accounts Payable and Accrued Liabilities	3,470,324	148,852	3,619,176	3,202,658	4,656,069
Amounts Due to Other Governmental Entities	-	-	-	-	-
Deferred Revenue	1,025,711	-	1,025,711	429,875	-
Long-term Debt	-	-	-	-	-
Due Within One Year	2,919,476	-	2,919,476	6,247	4,830,000
Due in More Than One Year	<u>38,864,528</u>	<u>-</u>	<u>38,864,528</u>	<u>504,243</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>46,280,039</u>	<u>148,852</u>	<u>46,428,891</u>	<u>4,143,023</u>	<u>9,486,069</u>
<b>NET ASSETS</b>					
Invested in Capital Assets, Net of Related Debt	53,753,012	4,516,622	58,269,634	3,481,580	27,857,442
Restricted for:					
B-Roads and Special Revenue Activities	7,579,043	-	7,579,043	2,791,785	16,382,383
Debt Service	3,555,213	-	3,555,213	-	-
Capital Projects	19,693,243	-	19,693,243	-	-
Golf Courses	-	-	-	-	-
Unrestricted	<u>2,082,042</u>	<u>(279,615)</u>	<u>1,802,427</u>	<u>-</u>	<u>2,654,490</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 86,662,553</u>	<u>\$ 4,237,007</u>	<u>\$ 90,899,560</u>	<u>\$ 6,273,365</u>	<u>\$ 46,894,315</u>

The Notes to the Financial Statements are an integral part of this statement.

DAVIS COUNTY

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005

Activities	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental:				
General Government	\$ 28,437,339	\$ 5,697,334	\$ 830,091	\$ -
Public Safety	22,191,785	5,962,719	408,769	72,865
Public Health	10,887,342	3,448,422	7,354,828	-
Public Works	3,907,168	70,271	1,046,016	124,707
Interest and Other Charges on Long-term Debt	1,261,046	-	-	-
Total Governmental Activities	66,684,680	15,178,746	9,639,704	197,572
Business-type:				
Golf Courses	1,732,388	1,817,493	-	-
Inmates Commissary	275,669	526,314	-	-
Total Business-type Activities	2,008,057	2,343,807	-	-
Total Primary Government	68,692,737	17,522,553	9,639,704	197,572
<b>Component Units:</b>				
Davis Behavioral Health	14,170,420	2,230,313	11,892,300	-
Wasatch Integrated Waste	14,955,164	15,917,808	-	-
Total Component Units	\$ 29,125,584	\$ 18,148,121	\$ 11,892,300	\$ -

**General Revenues:**

Property Tax  
Sales Tax  
Total Taxes  
Unrestricted Interest Earned  
Gain on Sale of Capital Assets  
Total General Revenues

**Miscellaneous Revenues**

**Transfers - Internal Activities**

Total General Revenues, Special Items, and Transfers  
Change in Net Assets  
Net Assets-Beginning  
Net Assets-Ending

See notes to financial statements.

EXHIBIT B

<u>Net (Expense) Revenue and Changes in Net Assets</u>				
<u>Primary Government</u>			<u>Component Units</u>	
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Davis Behavior Health</u>	<u>Wasatch Integrated Waste</u>
\$ (21,909,914)	\$ -	\$ (21,909,914)	\$ -	\$ -
(15,747,431)	-	(15,747,431)	-	-
(84,092)	-	(84,092)	-	-
(2,666,174)	-	(2,666,174)	-	-
(1,261,046)	-	(1,261,046)	-	-
<u>(41,668,657)</u>	<u>-</u>	<u>(41,668,657)</u>	<u>-</u>	<u>-</u>
-	85,105	85,105	-	-
-	250,645	250,645	-	-
-	335,750	335,750	-	-
<u>(41,668,657)</u>	<u>335,750</u>	<u>(41,332,907)</u>	<u>-</u>	<u>-</u>
-	-	-	(47,807)	-
-	-	-	-	962,644
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,807)</u>	<u>\$ 962,644</u>
28,392,647	-	28,392,647	-	-
12,896,727	-	12,896,727	-	-
41,289,374	-	41,289,374	-	-
1,259,879	4,302	1,264,181	-	-
319,116	-	319,116	-	-
42,868,369	4,302	42,872,671	-	-
1,379,336	-	1,379,336	-	562,312
288,947	(288,947)	-	-	-
44,536,652	(284,645)	44,252,007	-	562,312
2,867,995	51,105	2,919,100	(47,807)	1,524,956
83,794,558	4,185,902	87,980,460	6,321,172	45,369,359
<u>\$ 86,662,553</u>	<u>\$ 4,237,007</u>	<u>\$ 90,899,560</u>	<u>\$ 6,273,365</u>	<u>\$ 46,894,315</u>

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## **Governmental Fund Financial Statements**

### **General Fund**

This fund is the principal operating fund of the County. It accounts for all financial resources of the government except those required to be accounted for in another fund.

### **Health Fund**

This fund accounts for taxes levied, grants, and other revenues and expenditures by the County to provide health services.

### **Tourism Fund**

This fund accounts for transient room tax, restaurant tax, and other revenues and expenditures of the County related to the promotion and development of tourism within the County.

### **Library Fund**

This special revenue fund accounts for the operation of the County's main library and its four branches. The Library Fund's principal revenue source is property taxes.

### **Aging Services Fund**

This fund accounts for all activities of the Aging Services Department. It includes services provided for senior citizens and also for the Tri-County Weatherization projects managed by the County.

### **Special Services Area Fund**

This fund accounts for revenues and expenses related to providing municipal type services in the unincorporated areas of Davis County. In addition, it includes the County's B-Roads and the Vehicle Service Department.

### **General Obligation Debt Fund**

This fund accounts for the accumulation of property taxes for the payment of principal, interest, and related costs of the County's general obligation bonds.

### **Capital Projects / Jail Construction Fund**

This fund accounts for the cost of construction of the Davis County Jail Expansion.

### **Nonmajor Governmental Funds**

Nonmajor governmental funds are presented individually beginning on page 79.



**DAVIS COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2005**

	<b>General Fund</b>	<b>Health Fund</b>	<b>Tourism Fund</b>	<b>Library Fund</b>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 277,009	\$ 315,454	\$ 1,843,080	\$ 1,335
Accounts Receivable	2,953,443	592,727	509,569	173,866
Taxes Receivable	3,671,335	-	-	851,358
Due from other funds	269,602	-	263,943	-
Inventories and other assets	179,174	115,803	147,461	-
<b>TOTAL ASSETS</b>	<b>\$ 7,350,563</b>	<b>\$ 1,023,984</b>	<b>\$ 2,764,053</b>	<b>\$ 1,026,559</b>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	776,637	116,673	109,780	223,670
Due to other funds	-	-	-	203,993
Amount Due to Other Governmental Entities	-	-	-	-
Deferred Revenue	766,614	-	-	174,366
<b>TOTAL LIABILITIES</b>	<b>1,543,251</b>	<b>116,673</b>	<b>109,780</b>	<b>602,029</b>
<b>FUND BALANCES</b>				
Reserved for "B" Roads	-	-	-	-
Unreserved, reported in:				
General Fund	5,807,312	-	-	-
Special Revenue Funds	-	907,311	2,654,273	424,530
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>5,807,312</b>	<b>907,311</b>	<b>2,654,273</b>	<b>424,530</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 7,350,563</b>	<b>\$ 1,023,984</b>	<b>\$ 2,764,053</b>	<b>\$ 1,026,559</b>

See notes to financial statements.

EXHIBIT C

<u>Aging Services Fund</u>	<u>Special Services Area Fund</u>	<u>G/O Debt Fund</u>	<u>Capital Project Jail Expansion Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,000	\$ 2,126,107	\$ 3,029,563	\$ 18,590,241	\$ 3,079,890	\$ 29,263,679
315,765	519,409	-	-	263,192	5,327,971
-	76,701	460,075	-	-	5,059,469
-	-	-	-	-	533,545
150,008	272,266	-	-	-	864,712
<u>\$ 466,773</u>	<u>\$ 2,994,483</u>	<u>\$ 3,489,638</u>	<u>\$ 18,590,241</u>	<u>\$ 3,343,082</u>	<u>\$ 41,049,376</u>
96,424	689,390	-	801,072	41,663	2,855,309
269,602	-	-	-	59,950	533,545
-	-	-	-	-	-
-	7,890	76,841	-	-	1,025,711
<u>366,026</u>	<u>697,280</u>	<u>76,841</u>	<u>801,072</u>	<u>101,613</u>	<u>4,414,565</u>
-	2,297,203	-	-	-	2,297,203
-	-	-	-	-	5,807,312
100,747	-	-	-	1,194,979	5,281,840
-	-	3,412,797	-	142,416	3,555,213
-	-	-	17,789,169	1,904,074	19,693,243
<u>100,747</u>	<u>2,297,203</u>	<u>3,412,797</u>	<u>17,789,169</u>	<u>3,241,469</u>	<u>36,634,811</u>
<u>\$ 466,773</u>	<u>\$ 2,994,483</u>	<u>\$ 3,489,638</u>	<u>\$ 18,590,241</u>	<u>\$ 3,343,082</u>	<u>\$ 41,049,376</u>

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**RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENT FUNDS  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2005**

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Total fund balance -- governmental funds \$ 36,634,811

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

Capital Assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. These assets consist of:

Land and related non-depreciable assets	28,353,507	
Construction in progress	9,386,237	
Depreciable Infrastructure	17,728,271	
Buildings, equipment, and other depreciable assets	65,949,312	
Accumulated Depreciation	<u>(32,834,287)</u>	
Total Capital Assets		88,583,040

Deferred Charges - MBA payments 1,363,000

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of those internal service funds that primarily benefit governmental entities are included with governmental activities in the statement of net assets. 1,851,003

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds and Line of Credit	(39,172,726)	
Accrued Interest	(364,716)	
Compensated absences	<u>(2,231,859)</u>	
Total Long-Term Debt		<u>(41,769,301)</u>

Total net assets --- governmental activities \$ 86,662,553

See notes to financial statements.

**DAVIS COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>General Fund</b>	<b>Health Fund</b>	<b>Tourism Fund</b>	<b>Library Fund</b>
<b>REVENUES:</b>				
Taxes	\$ 30,411,750	\$ -	\$ 3,124,348	\$ 4,781,484
Licenses and permits	231,330	-	-	-
Intergovernmental revenues	1,226,801	5,474,727	2,174	82,749
Charges for services	7,934,601	3,163,872	459,786	2,702
Fines and forfeitures	1,708,472	-	-	165,885
Interest	116,279	16,005	82,460	-
Miscellaneous	1,019,238	1,887	29,000	41,220
Total	<u>42,648,471</u>	<u>8,656,491</u>	<u>3,697,768</u>	<u>5,074,040</u>
<b>EXPENDITURES:</b>				
Current:				
General government	15,576,453	-	2,965,209	4,598,989
Public safety	18,653,675	-	-	-
Public health	1,950	10,770,239	-	-
Public works	284,086	-	-	-
Debt service:				
Principal retirement	289,911	-	-	-
Interest and other	99,627	-	-	-
Capital outlay	703,986	24,500	81,419	1,471,278
Total	<u>35,609,688</u>	<u>10,794,739</u>	<u>3,046,628</u>	<u>6,070,267</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>7,038,783</u>	<u>(2,138,248)</u>	<u>651,140</u>	<u>(996,227)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	608,991	2,040,312	-	-
Transfers out	(7,604,205)	-	(900,101)	-
Issuance of Debt - Jail Expansion Bond	-	-	-	-
Total	<u>(6,995,214)</u>	<u>2,040,312</u>	<u>(900,101)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	43,569	(97,936)	(248,961)	(996,227)
FUND BALANCES, BEGINNING OF YEAR	<u>5,763,743</u>	<u>1,005,247</u>	<u>2,903,234</u>	<u>1,420,757</u>
FUND BALANCES, END OF YEAR	<u>\$ 5,807,312</u>	<u>\$ 907,311</u>	<u>\$ 2,654,273</u>	<u>\$ 424,530</u>

See notes to financial statements.

**EXHIBIT E**

<b>Aging Services Fund</b>	<b>Special Services Area Fund</b>	<b>G/O Debt Fund</b>	<b>Capital Project Jail Expansion Fund</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 854,254	\$ 2,117,538	\$ -	\$ -	\$ 41,289,374
-	-	-	-	-	231,330
1,880,103	1,054,645	-	-	116,077	9,837,276
322,031	70,271	-	-	1,119,796	13,073,059
-	-	-	-	-	1,874,357
-	72,947	56,741	871,917	43,530	1,259,879
113,184	133,327	-	-	360,597	1,698,453
<u>2,315,318</u>	<u>2,185,444</u>	<u>2,174,279</u>	<u>871,917</u>	<u>1,640,000</u>	<u>69,263,728</u>
2,806,187	343,428	-	-	1,043,848	27,334,114
-	-	-	-	2,328,683	20,982,358
-	-	-	-	-	10,772,189
-	1,643,675	-	-	883,518	2,811,279
-	-	1,645,000	-	464,000	2,398,911
-	-	595,070	116,966	449,383	1,261,046
61,543	491,383	-	7,765,782	677,295	11,277,186
<u>2,867,730</u>	<u>2,478,486</u>	<u>2,240,070</u>	<u>7,882,748</u>	<u>5,846,727</u>	<u>76,837,083</u>
(552,412)	(293,042)	(65,791)	(7,010,831)	(4,206,727)	(7,573,355)
617,232	238,829	-	-	6,057,852	9,563,216
(86,532)	(99,045)	-	-	(584,386)	(9,274,269)
-	-	-	24,800,000	-	24,800,000
<u>530,700</u>	<u>139,784</u>	<u>-</u>	<u>24,800,000</u>	<u>5,473,466</u>	<u>25,088,947</u>
(21,712)	(153,258)	(65,791)	17,789,169	1,266,739	17,515,592
122,459	2,450,461	3,478,588	-	1,974,730	19,119,219
<u>\$ 100,747</u>	<u>\$ 2,297,203</u>	<u>\$ 3,412,797</u>	<u>\$ 17,789,169</u>	<u>\$ 3,241,469</u>	<u>\$ 36,634,811</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES --  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2005**

---

Net change in fund balance -- total governmental funds \$ 17,515,592

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Capital purchases (\$11,277,186) exceeded depreciation (\$3,320,305) during the current period. 7,956,881

Accrued interest on long term debt is not reported as an expenditure for the current period in the fund statement but is recorded as an expense in the statement of activities. This represents the current year's change in the amount of accrued interest. (186,219)

The long-term portion of the liability for compensated absences is not recorded in the fund level, but is reported in the statement of net assets. This is the current year change in the liability, reported as an expense in the statement of activities (68,498)

Repayment of debt is reported in the statement of revenues, expenses, and changes in fund balances but not reported as an expense in the statement of activities. 2,264,911

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities. 185,328

Issuance of debt - Jail Expansion Bonds. Government fund statements account for this transaction as other financing sources while they are accounted for as liabilities on the entity wide financial statements. (24,800,000)

Changes in net assets of governmental activities \$ 2,867,995

See notes to financial statements.

## **Proprietary Fund Financial Statements**

### **Golf Course Fund**

This fund accounts for the operation and financial resources of the two county-owned golf courses - Davis Park and Valley View Golf Course. Revenues come from green fees and other charges to users of the facilities.

### **Jail Commissary Fund**

This fund accounts for the commissary activities related to the operation of the County Jail inmates.

### **Governmental Activities – Internal Service Funds**

These funds account for certain activities that are charged to the other departments on a cost-reimbursement basis. The County maintains internal service funds for Insurance, Telephone, and Buildings and Grounds.



**STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2005**

	<b>Major Enterprise Golf Courses</b>	<b>Nonmajor Enterprise Commissary</b>	<b>Total Enterprise Funds</b>	<b>Internal Service Funds</b>
<b>ASSETS</b>				
Current Assets:				
Cash and investments	\$ 700	\$ 21,250	\$ 21,950	\$ 1,435,752
Accounts receivable	33,281	183	33,464	19,412
Inventories and other assets	-	-	-	462,040
Total Current Assets	<u>33,981</u>	<u>21,433</u>	<u>55,414</u>	<u>1,917,204</u>
Capital Assets:				
Land	754,258	-	754,258	-
Buildings	1,443,426	-	1,443,426	-
Improvements other than buildings	2,548,992	-	2,548,992	-
Furnishings, fixtures, and equipment	1,949,623	-	1,949,623	686,111
Less accumulated depreciation	(2,030,825)	-	(2,030,825)	(656,139)
Total Capital Assets	<u>4,665,474</u>	<u>-</u>	<u>4,665,474</u>	<u>29,972</u>
<b>TOTAL ASSETS</b>	<u>4,699,455</u>	<u>21,433</u>	<u>4,720,888</u>	<u>1,947,176</u>
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	14,264	21,433	35,697	81,470
Due to other funds	335,029	-	335,029	-
Compensated absences	113,155	-	113,155	14,703
<b>TOTAL LIABILITIES</b>	<u>462,448</u>	<u>21,433</u>	<u>483,881</u>	<u>96,173</u>
<b>NET ASSETS</b>				
Invested in capital assets	3,885,902	-	3,885,902	180,837
Unrestricted	351,105	-	351,105	1,670,166
<b>TOTAL NET ASSETS</b>	<u>\$ 4,237,007</u>	<u>\$ -</u>	<u>\$ 4,237,007</u>	<u>\$ 1,851,003</u>

See notes to financial statements.

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
 PROPRIETARY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2005**

	Major Enterprise Golf Courses	Nonmajor Enterprise Fund Commissary	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES:				
Commissary sales	\$ -	\$ 526,314	\$ 526,314	\$ -
Golf Course green fees	1,625,109	-	1,625,109	-
Rent	46,982	-	46,982	-
Charges to other funds	-	-	-	2,662,448
Other	145,402	-	145,402	-
Total	<u>1,817,493</u>	<u>526,314</u>	<u>2,343,807</u>	<u>2,662,448</u>
EXPENSES:				
Salaries, wages, and benefits	1,096,611	59,203	1,155,814	931,020
Cost of goods sold	-	106,437	106,437	987,140
Operations	486,089	110,029	596,118	590,128
Depreciation	149,688	-	149,688	21,828
Total	<u>1,732,388</u>	<u>275,669</u>	<u>2,008,057</u>	<u>2,530,116</u>
OPERATING INCOME	85,105	250,645	335,750	132,332
NONOPERATING REVENUE:				
Interest revenue	-	4,302	4,302	52,996
NET INCOME BEFORE TRANSFERS	85,105	254,947	340,052	185,328
TRANSFERS IN	-	-	-	-
TRANSFERS OUT	(34,000)	(254,947)	(288,947)	-
NET CHANGE IN ASSETS	<u>51,105</u>	<u>-</u>	<u>51,105</u>	<u>185,328</u>
NET ASSETS, BEGINNING OF YEAR	<u>4,185,902</u>	<u>-</u>	<u>4,185,902</u>	<u>1,665,675</u>
NET ASSETS, END OF YEAR	<u>\$ 4,237,007</u>	<u>\$ -</u>	<u>\$ 4,237,007</u>	<u>\$ 1,851,003</u>

See notes to financial statements.

DAVIS COUNTY

EXHIBIT I

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Major Proprietary Golf Courses</b>	<b>Nonmajor Proprietary Fund Commissary</b>	<b>Proprietary Funds Total</b>	<b>Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 1,625,109	\$ 526,314	\$ 2,151,423	\$ 2,645,293
Cash received from other activities	192,384	-	192,384	17,154
Cash payments for payroll and benefits	(1,094,961)	(59,203)	(1,154,164)	(928,565)
Cash payments for goods and services	(522,489)	(246,840)	(769,329)	(1,944,972)
Net cash provided (used in) by operating activities	<u>200,043</u>	<u>220,271</u>	<u>420,314</u>	<u>(211,090)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest earned on cash deposits	-	4,302	4,302	52,996
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Cash received from other funds	335,029	-	-	-
Transfers in	-	-	-	-
Transfers out	(34,000)	(254,947)	(288,947)	-
Net cash provided by (used in) noncapital financing activities	<u>301,029</u>	<u>(254,947)</u>	<u>46,082</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES:</b>				
Cash received for property and equipment sales	-	-	-	-
Cash payments for property and equipment purchases	(141,783)	-	(141,783)	-
Net cash provided by (used in) noncapital financing activities	<u>(141,783)</u>	<u>-</u>	<u>(141,783)</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>359,289</b>	<b>(30,374)</b>	<b>328,915</b>	<b>(158,094)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<b>(358,589)</b>	<b>51,624</b>	<b>(306,965)</b>	<b>1,593,846</b>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 700</b>	<b>\$ 21,250</b>	<b>\$ 21,950</b>	<b>\$ 1,435,752</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating income	\$ 85,105	\$ 250,645	\$ 335,750	\$ 132,332
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	149,688	-	149,688	21,828
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(28,552)	73	(28,479)	4,960
(Increase) decrease in inventories and other assets	-	16,166	16,166	(376,169)
Increase (decrease) in accounts payable and accrued liabilities	(15,066)	(46,613)	(61,679)	6,478
Increase (decrease) in compensated absences	8,868	-	8,868	(519)
Total adjustments	<u>114,938</u>	<u>(30,374)</u>	<u>84,564</u>	<u>(343,422)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 200,043</b>	<b>\$ 220,271</b>	<b>\$ 420,314</b>	<b>\$ (211,090)</b>

See notes to financial statements.

## **Fiduciary Fund Financial Statements**

### **Agency Funds**

These fund accounts for assets held by the County as an agent for other governments or organizations . These funds are custodial in nature and do not involve measuring the results of operations. Individual agency funds are presented in Supplemental Schedule 14 beginning on page 98.

**STATEMENT OF FIDUCIARY NET ASSETS  
AS OF DECEMBER 31, 2005**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
CASH AND INVESTMENTS	\$ 7,373,186
RESTRICTED ASSETS - Cash and investments	28,334,224
ACCOUNTS RECEIVABLE	<u>1,523,861</u>
TOTAL ASSETS	<u>\$ 37,231,271</u>
<b>LIABILITIES</b>	
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 5,405,630
DUE TO GOVERNMENTAL ENTITIES	<u>31,825,641</u>
TOTAL LIABILITIES	<u>\$ 37,231,271</u>

See notes to financial statements.

Under paragraph 110 of GASB34, agency funds should not be reported in the statement of changes in fiduciary net assets. Davis County only has agency funds in the Statement of Fiduciary Net Assets. Thus, no Statement of Changes in Fiduciary Net Assets is required.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Davis County (the County) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. As discussed in Note 2, the County implemented significant new financial reporting standards for the year ended December 31, 2003, which affects this report's comparability with prior years' reports.

The following is a summary of the County's significant accounting policies.

**A. Reporting Entity**

The County is incorporated under the constitutional provisions of the State of Utah. The County operates under a Commission form of government where the three-member elected Commission has budgetary authority over all county departments and is accountable for all fiscal matters. County property taxes and sales taxes fund a significant portion of the costs of providing services to citizens including public safety, public health, judicial services, public works, social services, tourism promotion, libraries, assessing and collecting property taxes, and general administrative services.

The Comprehensive Annual Financial Report (CAFR) of the County includes the financial statements for all activities of the County based on the criteria set forth in GASB Statement 14. The primary criteria for including a board or agency in the CAFR is financial accountability, meaning the County appoints a majority of an organization's governing body *and* either 1) the County can impose its will on the organization, or 2) the organization has the potential to provide specific financial benefits to, or impose specific financial burdens on the County. Other criteria include whether a board or agency is fiscally dependent on the County or whether the relationship with the organization is such that it would be misleading to exclude it from the County's financial statements.

Blended component units, although legally separate entities, are in substance part of the government's operations. They are reported as part of the primary government and blended with the appropriate funds. Discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the County.

***Blended Component Units***

The Municipal Building Authority of Davis County is governed by a three-member board comprised of the County Commissioners. Its sole purpose is to finance public facilities. Activities for the Municipal Building Authority are blended with the County's special revenue funds and debt service funds. Separate financial statements are not issued or required for the Authority.

The Municipal Building Authority is considered to be a blended component units because the governing body is the same as the governing body of Davis County.

***Discretely Presented Component Units***

**Davis Behavioral Health (DBH)** - Although the County is named as the legal behavioral health authority by State law, the County has contracted with DBH to deliver these services. DBH provides complete evaluation and treatment for behavioral health and substance abuse. The County provides significant support to these behavioral health services. Payments during 2005 were \$750,000 and pass through grants were \$4,789,210. Related party items at December 31, 2005 consisted of \$480,617 accounts payable from the County to DBH.

DBH has been determined to be a discretely presented component unit of the County. DBH is a nonprofit corporation exempt from federal tax under Section 501(c)(3) of the Internal Revenue Code. The basic criterion for including DBH as a component unit is the financial statements may be misleading if Davis Behavioral Health were not included. Separate financial statements for DBH may be obtained from Davis Behavioral Health, 291 South 200 West, Farmington, Utah 84025.

**Wasatch Integrated Waste Management District (WIWMD)** - Wasatch Integrated Waste Management District (WIWMD) is a regional refuse incinerator. It services the entire area of Davis County except Bountiful City and also all of Morgan County. Energy created from the refuse incineration is sold to Hill Air Force Base in the form of steam. WIWMD is a special service district created by the County to construct and operate the waste to energy incinerator plant.

WIWMD has been determined to be a discretely presented component unit of the County. The County has a minority position in the management of WIWMD. Only three of the nineteen trustee positions are held by the County Commission. The basic criterion for including WIWMD as a component unit is that WIWMD is fiscally dependent on the County. The County Commission created WIWMD and has the authority to dissolve the entity. Separate financial statements for WIWMD may be obtained from Wasatch Integrated Waste Management District, 650 East Highway 193, Layton, Utah 84041.

The presentations for Davis Behavioral Health and also Wasatch Integrated Waste Management District are as of their fiscal year-ends, June 30, 2005.

The County Commissioners are also responsible for appointing or approving the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments.



**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**B. Government-wide And Fund Financial Statements**

The County's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the County as a whole, while the fund statements focus on individual funds.

***Government-wide Financial Statements***

The government-wide statements present information on all non-fiduciary activities of the primary government and its component units. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effects of interfund activity have been eliminated from the government-wide statements except for the residual amounts due between governmental and business-type activities.

The *Statement of Net Assets* presents the County's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are restricted when constraints placed upon them are either externally imposed or are imposed by constitutional provisions or enabling legislation. The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The County does not allocate general government (indirect) expenses to other functions. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

***Fund Financial Statements***

The financial transactions of the County are recorded in individual funds. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for *governmental*, *proprietary*, and *fiduciary funds*. For governmental and proprietary funds, the emphasis is on *major funds*, with each displayed in a separate column.

The County reports the following major governmental funds:

- **General Fund** – This fund is the principal operating fund of the County. It is used to account for all financial resources not required to be accounted for in another fund.
- **Health Fund** – This special revenue fund accounts for all activities of the County Health Department.
- **Tourism Fund** – This special revenue fund accounts for operations funded by the County levied tourism taxes
- **Library Fund** – This special revenue fund accounts for the operations of the County's main library and three branches.
- **Aging Services Fund** – This special revenue fund accounts for all activities of the Aging Services Department. It includes services provided for senior citizens and also for the Tri-County weatherization projects managed by the County.
- **Special Service Area Fund** – This special revenue fund accounts for municipal type services that the County provide in unincorporated Davis County.
- **General Obligation Debt Service Fund** – This fund accounts for the accumulation of property taxes for the payment of principal, interest, and related costs on the County's general obligation bonds.
- **Capital Projects Fund / Jail Expansion Construction Fund** – This fund accounts for the construction of the Davis County Jail Expansion project which was funded by a \$24,800,000 general obligation bond issued in 2005.

Davis County's nonmajor governmental funds accounts for specific revenue sources that are legally restricted to expenditures for specific purposes. Funds included are Flood Control, E-911 Dispatch, Paramedic, Municipal Building Authority Operations, Municipal Building Authority Debt Service, Capital Projects/Conference Center Construction, Conference Center Debt Service, and Capital Projects / Revolving funds. The nonmajor funds are grouped together in a single column in the basic financial statements, and they are displayed individually in the combining statements.

The County reports the following proprietary funds:

- **Golf Courses Fund** – This fund accounts for the operations of the County owned golf courses.
- **Commissary Fund** – This fund accounts for the sale of items available to inmates in the jail.
- **Internal Service Funds** – These funds account for the financing of services provided by one department or agency to other departments or agencies of the County on a cost-reimbursement basis. The County maintains internal service funds for risk management (insurance), telephone systems, and buildings and grounds operations. Internal service funds are reported in a single

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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column on the proprietary fund statements and are combined with governmental activities on the government-wide statements. They are also displayed individually in the combining statements.

The County reports the following fiduciary funds:

- **County Agency Fund** – This fund accounts for the receipt and disbursement of monies passed through the County to other entities.
- **Treasurer's Tax Collection Agency Fund** – This fund accounts for the collection and disbursement of property taxes for all taxing entities in Davis County.
- **Employee Benefits Agency Fund** – This fund accounts for monies held by the County in the payroll process until paid out for taxes, insurances, bonds, etc.

**C. Measurement Focus And Basis Of Accounting**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other taxes and fees are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary and fiduciary fund statements are also prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating items, such as interest expense and investment earnings, result from non-exchange transactions or ancillary activities.

For business-type activities and enterprise funds, the County follows all GASB pronouncements and all Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989 unless those standards conflict with a GASB pronouncement.

The governmental fund financial statements are prepared and reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred.

**D. Assets, Liabilities, And Fund Balances/ Net Assets**

Following are the County's significant policies regarding recognition and reporting of certain assets, liabilities, and equity.

***Cash and Investments***

Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments include non-pooled investments and certificates of deposit with original maturities greater than three months. All cash equivalents and investments are stated at fair value.

***Accounts Receivable***

Receivables from other governments are reasonably assured; accordingly, no allowance for uncollectible accounts has been established.

***Taxes Receivable***

Taxes receivable include accrued amounts for sales taxes and delinquent property taxes. Property taxes attach as an enforceable lien on property on January 1<sup>st</sup> of each year. Taxes are levied on property owners in July and are payable by November 30<sup>th</sup>. The County bills and collects property taxes for all taxing entities within the county through the Treasurer's Tax Collection Agency Fund. Collections are periodically distributed to the taxing entities, with final settlement due March 31<sup>st</sup> of the subsequent year. The County records a receivable and deferred revenue for delinquent taxes, but no allowance for doubtful accounts is made as uncollected taxes are deemed to be substantially collectible or recoverable through foreclosure.

***Inventories and other assets***

Inventories are valued at cost using the FIFO method and are accounted for under the consumption method. Inventories in governmental funds are offset by a fund balance reserve that indicates they do not constitute "available spendable resources," even though they are a component of net current assets.

Amounts paid to vendors for goods and services applicable to future accounting periods are recorded as other assets.

***Capital Assets***

The County defines capital assets as assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost where historical cost information is not available. Donated capital assets are recorded at estimated fair value on the date of donation.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

Capital assets purchased by governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Infrastructure improvements, buildings, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Infrastructure Improvements	30
Buildings	40
Equipment	5 - 10

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

***Compensated Absences and Post-employment Benefits***

County employees accrue vacation leave up to a maximum of 360 hours according to the following schedule:

<u>Years of Service</u>	<u>Hours Accrued Per Pay Period</u>
0 – 5 years	4.00 (13 days per year)
6 – 10 years	4.93 (16 days per year)
11 – 15 years	5.85 (19 days per year)
Over 15 years	6.77 (22 days per year)

Employees are allowed to carry up to 360 hours of unused vacation leave into the next calendar year, and all unused vacation leave is paid to employees upon termination. Employees may also earn compensatory time but only at the discretion of the employee's supervisor. The rate is one and one-half hours for each hour worked, with a maximum of 80 hours that can be accrued.

Vacation and compensatory leave are recorded as an expenditure when used in governmental funds and as an expense when earned in proprietary funds and in the government-wide statements. A liability for unused vacation and compensatory leave is recorded in the government-wide Statement of Net Assets.

Permanent full-time employees accrue sick leave at a rate of 3.7 hours for each two-week pay-period while part-time merit employees accrue sick leave at a pro-rated portion. There is no limit to the amount of sick leave accumulated. Once each year an eligible employee can convert 1/3 of that year's unused sick leave to vacation hours or pay. Sick leave is recorded as an expenditure/expense when used in all funds, and no liability is recorded for unused sick leave.

Upon retirement, the County may pay the employee up to 1/3 of unused accumulated sick leave hours. The employee may also use this amount to acquire health insurance. The County may also pay for premiums to maintain health and dental insurance coverage.

Expenditures for post-employment healthcare are recognized as premiums are paid. During 2005 Davis County incurred \$121,575 in such expenditures for 31 former employees, 25 of whom were still eligible for post-employment benefits as of December 31, 2005.

***Long-term Obligations***

In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. When material, bond premiums, discounts, and issuance costs are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

***Net Assets/Fund Balances***

The difference between assets and liabilities is *net assets* on the government-wide, proprietary fund, and fiduciary fund statements, and *fund balance* on the governmental fund statements.

In the governmental fund statements, fund balances are classified as reserved or unreserved. Reserves represent those portions of fund balance that are not appropriable for expenditure or are legally segregated for a specific future use. Unreserved fund balances are available for future appropriation, though some portions may be designated to represent management's tentative plans for specific future uses.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**E. Revenues and Expenditures**

Following are the County's significant policies related to recognition and reporting of certain revenues, expenditures.

***Revenue Availability***

Under the modified accrual basis of accounting, revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. Davis County considers property tax revenues to be "available" if they are collected by the Treasurer's Tax Collection Agency Fund before year-end. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues, including sales taxes, are considered to be available if they are collected within 60 days after year-end.

***Expenditure Recognition***

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures, and proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred. Proprietary funds distinguish operating expenses from nonoperating expenses. Operating expenses generally result from providing services in connection with the fund's principal operations. When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available, the County generally uses restricted resources first, then unrestricted resources.

**F. Interfund Activity and Balances**

***Government-wide Statements***

In general, eliminations have been made to minimize the double counting of internal activity, including internal service fund type activity. However, interfund services provided and used between different functional categories have not been eliminated in order to avoid distorting the direct costs and program revenues of the applicable functions. Interfund receivables and payables have been eliminated from the Statement of Net Assets, except for the residual amounts due between governmental and business-type activities, which are shown as "internal balances."

***Governmental Fund Statements***

Interfund transactions for goods and services provided and used are reported as revenues and expenditures/expenses in the funds involved. Cash transfers between funds of the County are reported as other financing sources and uses in the governmental fund statements.

**G. Budgeting and Budgetary Control**

Annual budgets are prepared and adopted before December 31 for the calendar year commencing the following January 1 in accordance with the Uniform Fiscal Procedures Act for Utah Counties. Once a budget has been adopted, it remains in effect until it has been formally revised. If any obligations are contracted for in excess of the adopted budget, they are not a valid or enforceable claim against the County. Budgets are adopted on a basis consistent with generally accepted accounting principles.

***Adopting the Annual Budget***

Each Fall the Clerk/Auditor submits a tentative operating budget to the County Commission for the calendar year commencing the following January 1st. The operating budget includes proposed expenditures and the means of financing them. The tentative operating budget is reviewed and tentatively adopted by the County Commission on or before November 1st.

Prior to December 31, the County Commission sets a date for a public hearing at which time the taxpayers' comments are heard. Copies of the proposed budget are made available for public inspection ten days prior to the budget hearing. After the budget hearing, the tentative budget, with any amendments is legally enacted through passage of a resolution. A copy of the budget is certified by the Clerk/Auditor and filed with the State Auditor within thirty days of adoption. A copy of the budget is available to the public after adoption.

Control of budgeted expenditures is exercised, under state law, at the department level. Administrative control is maintained through detailed line-item budgets for all departments. All appropriations lapse at the end of the calendar year.

Budgets for the General Fund, special revenue, debt service, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Budgets for proprietary funds are not legally required.

***Modifying the Adopted Budget***

Transfers of unexpended appropriations from one expenditure account to another in the same department can be made by consent of the department heads. Transfers of unexpended appropriations from one department to another department, as well as budget reductions for any department, may be made with consent of the Commission. Expenditure appropriations of the General Fund may be increased by resolution only after a public hearing. Any other fund appropriation may be increased after giving public notice that the County Commission will consider such a matter. Notice must be published seven days in advance of the meeting to consider the action. During 2005, the County modified various budgets using the above procedure.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**NOTE 2. ACCOUNTING CHANGES AND RESTATEMENTS**

**A. GASB Statement No. 40 -- Deposit and Investment Risk Disclosures**

Davis County has implemented GASB Statement 40, *Deposit and Investment Risk Disclosures – an amendment of GASB Statement No. 3*. As a result, the disclosure in Note 3 related to the County's deposit and investment risks have been changed.

**B. South Davis Recreation District**

This is the first year that information regarding the South Davis Recreation District is included in the County's CAFR. The District has taxing authority and receives its funding from an annual property tax assessment paid by the citizens in the District. The assessment began in the 2005 calendar year and is reflected in the Treasurer's Schedule of Taxes Charged, Collected, and Distributed which will include the District's activities for this year.

In 2004, the voters of Bountiful City, Centerville City, City of North Salt Lake, West Bountiful City, Woods Cross City, and unincorporated areas of southern Davis County approved a Bond to replace the Bountiful City Swimming Pool and Ice Rink ("the Bubble") with a new recreational facility. The South Davis Recreation District was created through an inter-local governmental agreement among various municipalities in southern Davis County. The District exists to provide administration and other services to those entities involved in the agreement for the project. The District is governed by a 7-member board consisting of representatives from each of the cities and two representatives from the County. The Board is responsible for directing all activities of the District including approving an annual budget.

**C. Benchland Irrigation District**

On December 8, 2005, the Board of Trustees of the Farmington Area Pressurized Irrigation District formally changed its name to Benchland Water District. This change is reflected in the CAFR. The name change was done to more equitably reflect the service area of the District. The District retained the same address and telephone numbers as previous to the name change. Further information regarding the District can be obtained by contacting the District at 485 E. Shepard Lane, Kaysville, UT 84037

**D. Paramedic Fund**

This is the first year that the Paramedic Fund is included in the County's CAFR. In 2004, Davis County entered into an inter-local agreement with Layton City and the South Davis Metro Fire District to fund, beginning in 2005, an additional 4 paramedic units for services to parts of the County. Under the terms of the agreement the 8 paramedic units, which include the County's 4 units, will be initially funded \$250,000 each from property tax collections. The amount of future funding will be adjusted by the tax increment generated by new growth calculations each year. The county forwards the amount due to Layton City and the South Davis Metro Fire Agency at the end of the year after property taxes are collected.

**E. Capital Project / Jail Expansion Fund**

On January 10, 2005, the County issued a General Obligation Bond in the amount of \$24.8 million for the expansion of the Davis County Jail ("Jail Expansion Bond"). The Construction of Jail Expansion project began in the Spring of 2005 and is expected to be completed around October, 2006. The Construction is tracked using the Jail Expansion Project Construction Fund. Debt Service for the new Jail Expansion Bond will be tracked through the existing – G.O. Debt Service Fund.

**NOTE 3. DEPOSITS AND INVESTMENTS**

Deposits and investments for Davis County are regulated by the Utah Money Management Act (*Utah Code Annotated*, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council ("the Council"). Following are discussions of the County's exposure to various risks related to its cash and investments activities.

**A. Custodial Credit Risk**

*Deposits.* Custodial credit risk for deposits is the risk in the event of a bank failure, the County's deposits may not be recovered. The County's policy for managing custodial credit risk is to comply to the Money Management Act. The Act requires all deposits of County funds to be in a *qualified depository*, as defined as a financial institution whose deposits are insured by an agency of the federal government and which is certified by the Utah State Commissioner of Financial Institutions as meeting the requirements of the Act and complying to rules of the Utah Money Management Council.

**DAVIS COUNTY, UTAH**  
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The County's deposits in financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) or National Credit Union Association (NCUA) are uninsured and are not collateralized, nor are they required to be collateralized by state statutes. The County's deposits on December 31, 2005 were \$31,948,170, of which \$31,748,170 were uninsured and uncollateralized.

*Investments.* Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County does not have a formal policy specific to custodial credit risk of investments. However, general risk is addressed in the adopted Investment Policy. Even though the County has held investments other than those in the Public Treasurers' Investment Pool (PTIF) (investment pool managed by the Utah State Treasurer), such as commercial paper and medium-term notes, no investments outside the PTIF were held by the County during the calendar year 2005.

**B. Credit Risk**

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The County's policy for limiting credit risk of investments is to comply with the Money Management Act. The Act requires investments transactions to be done only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of qualified depositories; repurchase agreements; commercial paper classified as "first-tier" by two nationally recognized statistical rating organizations, one of which must be Moody's Investor Services or Standard & Poors; bankers acceptances; obligations of the U.S. Treasurer 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 by two nationally recognized statistical rating organizations; and shares in money market fund as defines by the Act.

The County is also authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the elected Utah State Treasurer and staff. It is also subject to the Utah Money Management Act and Utah Money Management Council rules. The PTIF is restricted to public funds of public entities within the state of Utah. The PTIF is not registered with the Securities and Exchange Commission as an investment company, and deposits in the PTIF are not insured or guaranteed by the State of Utah. 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 on the participants' average daily balances. The value of the PTIF is approximately equal to the value of the pool shares. Following are the County's investments as of December 31, 2005:

<u>Investment Type</u>	<u>Value</u>	<u>Maturity</u>	<u>Quality/Rating</u>
PTIF (General County)	\$10,740,439	59 days*	not rated
PTIF (Jail bond proceeds)	<u>\$18,590,241</u>	59 days*	not rated
Total	<u>\$29,330,680</u>		

\* Weighted-average maturity, as reported by the PTIF

**C. Interest Rate Risk**

Interest rate risk is the risk that the value of an investment will be adversely affected by changes in market investment rates. The County manages exposure to declining value by investing primarily in the PTIF and by complying with the Act. The Act requires the remaining term to maturity of investments may not exceed the period of the availability of the funds to be invested. The Act further limits the remaining time to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 265 days or less. Maturities of the County's investments are noted in the previous table.

**D. Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County manages this type of risk by compliance with the Act and rules of the Utah Money Management Council. Rule 2 of the Council limits investment in certain endowments and funds. Rule 17 of the Council limits investment with a single issuer of commercial paper and corporate obligations to between 5 and 10 percent, depending upon the total dollar amount held in a government's portfolio at the time of the purchase.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**NOTE 4. INTERFUND BALANCES AND LOANS**

Interfund balances result from time lags between the dates that property taxes are collected in the Treasurer's Tax Collection Agency Fund and the date of distributing those taxes to the individual County funds. Interfund balances also arise as the pooled-cash balance of a specific fund becomes negative, thus technically drawing on the pooled-cash of other funds. Interfund balances and loans at December 31, 2005 consisted of the amounts on the following page:

Major Funds:	
General Fund	\$ 4,812,756
Tourism	263,943
Total Due From Other Funds	<u>\$ 5,076,699</u>
Major Funds	
Aging Services	269,602
Library	203,993
Nonmajor Funds:	
Flood Control Fund	59,950
Treasurer's Tax Collection Agency Fund	4,208,125
Enterprise - Golf Course	335,029
Total due to other funds	<u>\$ 5,076,699</u>

The amount owed from the Enterprise - Golf Course Fund to the Tourism Fund is shown as an internal balance in the entity wide Statement of Net Assets (Exhibit A).

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

**NOTE 5. INTERFUND TRANSFERS**

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. For Davis County, transfers from the General Fund are made as the County's general taxing commitment to state and federal Aging Services and Health programs and also to county dispatch and flood control programs. The transfers from the Golf Courses Fund to the Capital Projects / Revolving Fund are made to repay the monies used in 2002 for the Golf Course to expand the clubhouse at Davis Park. Interfund transfers for the year ended December 31, 2005 are shown in the following table.

	Transfer In		Transfer Out	
<b>Major Funds:</b>				
General Fund .....	\$ 608,991	a, e, g, k	\$ 7,604,205	b
Health Fund .....	2,040,312	b		
Tourism Fund .....			900,101	c
Aging Services Fund .....	617,232	b	86,532	k
Special Service Area Fund .....	89,441	h	9,604	i
Golf Course Fund .....			34,000	e
Commissary Fund .....			254,947	a
<b>Nonmajor Funds:</b>				
Flood Control Fund .....	1,141,369	b	139,784	d, k
B-Road Fund .....	149,388	d, i	89,441	h
E911 Dispatch Fund .....	605,292	b	233,512	g
MBA Operating Fund .....			211,090	f
Conf. Ctr. Capital Project Fund .....	197,808	c		
Conf. Ctr. Debt Service Fund .....	702,293	j		
Special Service Area Fund .....	76,605	j, k		
MBA Debt Service Fund .....	211,090	f		
Capital Projects / Revolving Fund .....	1,200,000	b		
Paramedic Fund .....	2,000,000	b		
<b>Total Transfers In and Transfers Out .....</b>	<b>\$ 9,563,216</b>		<b>\$ 9,563,216</b>	

- a) The General Fund received the net revenues of the Commissary fund to support the general jail operations.
- b) The General Fund transferred general tax monies of the County to support Aging Services, Health programs, Flood Control, Aging Services, Paramedic, and Dispatch. The General Fund also transferred \$1,200,000 to the Capital Projects / Revolving Fund for future capital project needs.
- c) The Tourism Fund transferred \$197,808 to the Capital Project Conference Center Fund to cover final/residual construction costs.
- d) The Flood Control Fund transferred \$139,784 to the B-Road Fund to rent heavy equipment used in road projects.
- e) The Golf Courses Fund transferred \$34,000 to the General Fund to pay for administrative expenses.
- f) The MBA Operating Fund transferred \$211,090 to the MBA Debt Service Fund to make the 2005 debt service payments.
- g) The E911 Dispatch Fund transferred its net revenues back to the General Fund at year end.
- h) The B-Road Fund transferred \$89,441 to the Special Service Area Fund to rent heavy equipment used in flood projects
- i) The Special Service Area Fund transferred \$9,604 to the B-Road Fund to rent heavy equipment used in public work projects.
- j) The Tourism Fund transferred \$702,293 to the Conference Center Bond for debt service payments.
- k) The Aging Services Fund transferred the 2004's net revenue of \$86,532 to the General Fund.



**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2005 was as follows:

	Capital Assets			
	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 8,427,733	\$ 93,798	\$ -	\$ 8,521,531
Land under infrastructure	19,676,044	155,932	-	19,831,976
Construction in Process	1,590,978	7,795,259	-	9,386,237
Total	<u>29,694,755</u>	<u>8,044,989</u>	<u>-</u>	<u>37,739,744</u>
Capital assets being depreciated:				
Buildings and Improvements	\$ 53,819,281	\$ 1,732,242	\$ -	\$ 55,551,523
Equipment	9,973,673	1,175,821	(751,705)	10,397,789
Infrastructure	17,404,137	324,134	-	17,728,271
Total	<u>81,197,091</u>	<u>3,232,197</u>	<u>(751,705)</u>	<u>83,677,583</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 14,704,381	\$ 1,375,189	\$ -	\$ 16,079,570
Equipment	7,514,714	1,119,398	(751,705)	7,882,407
Infrastructure	8,046,592	825,718	-	8,872,310
Total	<u>30,265,687</u>	<u>3,320,305</u>	<u>(751,705)</u>	<u>32,834,287</u>
Capital assets being depreciated, net	50,931,404	(88,108)	-	50,843,296
Governmental Activity Capital Assets, Net	<u>\$ 80,626,159</u>	<u>\$ 7,956,881</u>	<u>-</u>	<u>\$ 88,583,040</u> ***
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 3,279,667	\$ 23,582	\$ -	\$ 3,303,249
Capital assets being depreciated:				
Buildings and Improvements	\$ 1,442,687	\$ 738	\$ -	\$ 1,443,425
Equipment	1,912,220	117,463	(80,060)	1,949,623
Total	<u>3,354,907</u>	<u>118,201</u>	<u>(80,060)</u>	<u>3,393,048</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 659,308	\$ 41,108	\$ -	\$ 700,416
Equipment	1,301,889	108,581	(80,060)	1,330,410
Total	<u>1,961,197</u>	<u>149,689</u>	<u>(80,060)</u>	<u>2,030,826</u>
Capital assets being depreciated, net	1,393,710	(31,488)	-	1,362,222
Business-type Activities Capital Assets, Net	<u>\$ 4,673,377</u>	<u>\$ (7,906)</u>	<u>\$ -</u>	<u>\$ 4,665,471</u>

\*\*\* Capital assets in the Statement of Net Assets also includes the buildings, equipment, and other depreciable assets, net of accumulated depreciation, for the Internal Service Funds of \$29,972.

Depreciation expense of governmental activities was charged to functions as follows:

General Government .....	\$ 899,836
Public Safety .....	1,209,427
Public Health and Welfare .....	115,153
Public Works .....	1,095,889
Total .....	<u>\$ 3,320,305</u>

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

**NOTE 7. SHORT-TERM DEBT**

On June 14, 2005, Davis County issued \$9 million of tax anticipation notes at 3.75 percent interest. This short-term borrowing was necessary to meet operating needs prior to collection of property taxes in November. Total interest on these notes was \$167,813, and total principal and interest on the notes was paid in full on December 29, 2005.

**NOTE 8. LONG-TERM LIABILITIES**

**A. Changes in Long-term Liabilities**

Changes in long-term liabilities for the year ended December 31, 2005 were as follows:

	<b>Long-term Liabilities</b>				
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year *</b>
<b>Governmental Activities:</b>					
General Obligation Bonds .....	\$ 3,380,000	\$ 24,800,000	\$ 1,645,000	\$ 26,535,000	\$ 1,925,000
Revenue Bonds .....	8,655,000	—	330,000	8,325,000	340,000
Municipal Building Revenue Bonds .....	1,497,000	—	134,000	1,363,000	146,000
Lease/Purchase line of credit .....	3,239,637	—	289,911	2,949,726	283,820
Compensated Absences .....	2,163,361	1,534,937	1,466,439	2,231,859	223,186
<b>Total Governmental Long-term Liabilities .....</b>	<b>\$ 18,934,998</b>	<b>\$ 26,334,937</b>	<b>\$ 3,865,350</b>	<b>\$41,404,585</b>	<b>\$ 2,918,006</b>

The compensated absence liability of governmental activities is liquidated in the General Fund, special revenue fund, or internal service fund where the related employing department operates.

\* The total Due Within One Year portion of the Long-term Debt differ from that reported in the Statement of Net Asset by the short-term portion of compensated absences for the Internal Service Fund of \$1,470.

**Business-type Activities:**

( There is no debt associated with the Business-type Activities of Davis County. )

Additional information related to these long-term liabilities is found in the following tables including debt service requirements to maturity

**B. General Obligation Bonds**

During 2001, the County issued \$6.645 million of Series 2001 general obligation bonds to refund a portion of the Series 1992 general obligation bonds. On January 10, 2005, the County issued a General Obligation Bond in the amount of \$24.8 million for the expansion of the Davis County Jail ("Jail Expansion Bond"). The Bonds were rated "Aaa" by Moody's Investors Services. The Bond principal and interest payments are due and payable semi-annually in February and August of each year. Principal payments on the 20-year bond will begin in February, 2006. The interest rates on the bond range from 3.00% in 2005 to 4.75% in 2025. The "True Interest Rate" of the Bond is 4.18% with the first interest payment due and payable on August 1, 2005. Due to favorable lending conditions, the premium on the Jail Expansion Bond and issuance costs were not deemed material. Normally under generally accepted accounting principles, if material, bond premiums and issuance costs would be capitalized and amortized over the life of the bonds. General Obligation Bonds Payable at December 31, 2005 consists of the following:

<b>General Obligation Bonds Payable</b>					
	<b>Issue Date</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Original Amount</b>	<b>Balance December 31, 2005</b>
2001 Refunding Bonds.....	12/01/01	12/01/06	3.60%	\$ 6,645,000	\$ 1,735,000
2005 Jail Expansion Bonds	1/11/05	2/1/25	3.00% - 4.75%	\$24,800,000	24,800,000
<b>Total General Obligation Bonds Payable, net .....</b>					<b>\$ 26,535,000</b>

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

**General Obligation Bonds – Debt Service Requirement to Maturity**

	Series 2001		Series 2005		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006 .....	1,735,000	31,230	190,000	1,000,150	1,925,000	1,031,380
2007 .....	—	—	865,000	984,325	865,000	984,325
2008 .....	—	—	940,000	957,250	940,000	957,250
2009 .....	—	—	970,000	928,600	970,000	928,600
2010 .....	—	—	1,000,000	899,050	1,000,000	899,050
2011 – 2015 ...	—	—	5,580,000	3,907,644	5,580,000	3,907,644
2016 – 2020 ...	—	—	6,810,000	2,669,016	6,810,000	2,669,016
2021 – 2023 ...	—	—	8,455,000	1,036,046	8,455,000	1,036,046
Total .....	<u>\$ 1,735,000</u>	<u>\$ 31,230</u>	<u>\$ 24,800,000</u>	<u>\$ 12,382,081</u>	<u>\$ 26,535,000</u>	<u>\$ 12,413,311</u>

**C. Sales Tax Revenue Bonds**

During 2003, the County issued \$9,000,000 in revenue bonds to finance the construction of the Davis Conference Center. Revenue Bonds Payable at December 31, 2005 consists of the following:

	Sales Tax Revenue Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2005
2003 Conference Center A (taxable) .....	10/23/03	10/23/06	2.00% to 2.80%	\$ 750,000	\$ 75,000
2003 Conference Center B (non-taxable)...	10/23/03	10/01/23	2.00% to 5.25%	8,250,000	8,250,000
Total Sales Tax Revenue Bonds Payable.....					<u>\$ 8,325,000</u>

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

**Sales Tax Revenue Bonds – Debt Service Requirement to Maturity**

	Series 2003A (taxable)		Series 2003B (non-taxable)		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006 .....	75,000	2,100	265,000	357,763	340,000	359,863
2007 .....	—	—	345,000	352,463	345,000	352,463
2008 .....	—	—	355,000	345,045	355,000	345,045
2009 .....	—	—	360,000	335,993	360,000	335,993
2010 .....	—	—	375,000	325,553	375,000	325,553
2011 – 2015 ...	—	—	2,075,000	1,418,741	2,075,000	1,418,741
2016 – 2020 ...	—	—	2,580,000	914,449	2,580,000	914,449
2021 – 2023 ...	—	—	1,895,000	202,389	1,895,000	202,389
Total .....	<u>\$ 75,000</u>	<u>\$ 2,100</u>	<u>\$ 8,250,000</u>	<u>\$ 4,252,396</u>	<u>\$ 8,325,000</u>	<u>\$ 4,254,496</u>

**D. Lease Revenue Bonds**

During 2005, the Municipal Building Authority did not issue any new lease revenue bonds. Lease Revenue Bonds Payable at December 31, 2005 consists of the following:

<b>Lease Revenue Bonds Payable</b>					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2005
1994 Head Start	6/15/94	06/15/09	2.00% to 2.08%	\$ 1,165,000	\$ 375,000
2001 Wasatch Front Regional Council	9/04/01	09/04/19	2.00% to 5.25%	1,153,000	988,000
Total Lease Revenue Bonds Payable.....					<u>\$ 1,363,000</u>

**Lease Revenue Bonds – Debt Service Requirement to Maturity**

	Series 1994 HD		Series 2001 WFRC		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2006 .....	100,000	21,680	46,000	47,771	146,000	69,451
2007 .....	105,000	15,605	48,000	45,510	153,000	61,115
2008 .....	110,000	8,966	50,000	43,127	160,000	52,093
2009 .....	60,000	1,905	53,000	40,621	113,000	42,526
2010 .....	—	—	55,000	37,939	55,000	37,939
2011 – 2015 .....	—	—	323,000	144,859	323,000	144,859
2016 – 2019 .....	—	—	413,000	54,006	413,000	54,006
Total .....	<u>\$ 375,000</u>	<u>\$ 48,156</u>	<u>\$ 988,000</u>	<u>\$ 413,833</u>	<u>\$ 1,363,000</u>	<u>\$ 461,992</u>

**E. Lease / Purchase line of credit**

On January 22, 2002 Davis County entered into a financing agreement with Zions First National Bank to provide a maximum of \$5,400,000 to pay for preliminary site improvements on a jail expansion and other small projects. The lease requires annual appropriations by the County Commission and is secured by the improvements that are being constructed. The interest rate is variable at 70 percent of the Prime Lending Rate of the Bank. Lease payments are made annually. The balance of the line of credit at 12/31/2005 is \$2,949,726.

**DAVIS COUNTY, UTAH**  
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Year Ended December 31, 2005

**NOTE 9. FUND BALANCES**

**Reserved**

Davis County's reserved fund balances represent amounts that are legally restricted for specific purposes by external contracts, bond agreements, or county ordinances. Fund balances are also reserved for encumbrances, inventories, and interfund loans as these amounts are not available for future appropriation or expenditure. The purposes for the reservations are noted on the face of the statements.

**NOTE 10. RETIREMENT PLANS**

**A. Pension Plans**

Davis County contributes to the Local Government Noncontributory Retirement System, and the Public Safety Retirement System, and the Public Service Contributory Retirement System, (collectively, the Systems), all of which are cost-sharing multiple-employer defined benefit pension plans. The Systems are administered by Utah Retirement Systems (URS) under the direction of the URS Board, which consists of the State Treasurer and six members appointed by the governor. URS is established under and governed by Title 49 of *Utah Code Annotated, 1953*, as amended (UCA). URS publishes an annual financial report that includes financial statements and required supplementary information for all retirement systems and deferred compensation plans administered by it. Copies of the report may be obtained by writing to Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102; by calling 1-800-365-8772; or by visiting [www.urs.org](http://www.urs.org).

Retirement benefits, as specified by UCA Title 49, cover substantially all employees of the State, public education, and other political subdivisions of the State. Only the State Legislature can modify benefits. The Systems provide pension, death, and disability benefits for employees who meet all eligibility requirements. Employees are eligible for retirement benefits upon attainment of the age specified for their employment classification or a combination of age plus years of service. A brief summary of eligibility, benefits, and contribution rates of the Systems is provided in the table below.

Expenditures or expenses for retirement costs are recorded in the County's funds as contributions are made to the Systems. Contributions made each year were equal to the contributions required by the County's contract with URS. Therefore, the County has no liability for pension obligations.

	<b>General Government</b>	<b>Public Safety System</b>	
	<b>Noncontributory System</b>	<b>Contributory System</b>	<b>Noncontributory System</b>
Highest Average Salary	Highest 3 Years	Highest 3 Years	
Years of Service and Age of Eligibility	30 years any age 25 years any age (a) 20 years age 60 (a) 10 years age 62 (a) 4 years age 65	20 years any age 10 years age 60 4 years age 65	
Benefit Percent per Year of Service	2.00% per year	2.50% per year up to 20 years 2.00% per year over 20 years Benefit cannot exceed 70% of final average salary.	
Annual Cost of Living Adjustment	up to 4.00%	up to 2.50%	
2005 Rates as Percent of Covered Payroll:			
Employer	11.09%		19.34%
Member	0.00%		0.90%
Actual County Contributions Made, by year:			
2005	\$ 1,953,318	\$ 46,861	\$ 1,353,364
2004	\$ 1,837,943	\$ 42,684	\$ 1,263,350
2003	\$ 1,476,172	\$ 40,121	\$ 995,261

(a) Requires full actuarial reductions

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
Year Ended December 31, 2005

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**B. Deferred Compensation Plans**

The County participates in a 401(k) Plan and a 457 Plan (collectively, the Plans), both of which are defined contribution plans administered by URS. The Plans are in addition to the retirement benefits outlined above. Voluntary contributions may be made to the Plans subject to URS and Internal Revenue Service limitations. The County contributes a matching amount up to 4.0 percent of eligible employees' salaries to the 401(k) Plan, and employees may contribute to both Plans up to maximum percentages allowed by IRS regulations.

Account balances of the Plans are fully vested to the participants at the time of deposit. All assets and income of the Plans are held by URS for the exclusive benefit of the participants or their beneficiaries. For the year ended December 31, 2005, Davis County contributed \$1,330,894 to employees' 401(k) Plans.

**NOTE 11. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County purchases commercial insurance through the Utah Counties Insurance Pool to mitigate the costs of these risks. The County's responsibility extends only to payment of premiums, and deductibles are \$500 for general liability claims and \$1,000 for auto physical damage. The amount of settlements has not exceeded insurance coverage since the inception of commercial insurance coverage in 1998. The County also purchases a \$10,000,000 excessive policy from States Insurance.

The County maintains the Risk Management Fund (an internal service fund) to account for the cost of commercial insurance and to finance its risk of losses not covered by insurance. All departments of the County make payments to the Risk Management Fund based on estimates of each department's insurable risks of loss and on amounts needed to pay prior and current-year uninsured claims.

**NOTE 12. LITIGATION AND CONTINGENCIES**

The County records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The County is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that potential claims against the County resulting from such litigation not covered by insurance do not pose a threat of significant liability to the County.

The County has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, the County believes such disallowances, if any, will be immaterial.

**NOTE 13. JOINT VENTURES – South Davis Fire District / South Davis Metro Fire District**

The South Davis Metro Fire District was created through an inter-local governmental agreement among various municipalities in southern Davis County. The District exists to provide fire protection and ambulance services to those entities involved in the agreement. The District is governed by a 7-member board consisting of representatives from each of the five cities and also two from the County. The Board is responsible for directing all activities of the District including approving an annual budget and appointing the Chief. Separate financial information can be obtained from South Davis Metro Fire District, 255 South 100 West, Bountiful, Utah 84011.

The South Davis Fire District receives its funding from an annual assessment paid by each participant. The assessment is allocated based on taxable value of each participating entity. In 2005, the County participates as a representative of the citizens of the unincorporated area of the County. The payment is recorded as part of the Special Service Area Fund. The County payment for 2005 was \$138,018. It represents only 5.79% of the total operating costs of the District.

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# REQUIRED SUPPLEMENTAL INFORMATION



## Course Awards

- Golf Digest - Top 5 Courses in Utah - 2002
- Golf Week Magazine - 4th Best Public Access Course - 2002, 1994
- Golf Digest 4-Star Award Winner - 2002, 1996
- Golf Digest - Top 25 Super Values - 2000, 1994
- Golf Digest - Places to Play in US - 1998
- Salt Lake Tribune Reader Poll - #1 Public Course in Utah - 1999

## VALLEY VIEW GOLF COURSE

VALLEY VIEW G.C.  
2501 E. GENTILE DRIVE  
LAYTON, UTAH

(801) 546-1630

[www.golfingutah.com/valleyview](http://www.golfingutah.com/valleyview)

	Front Nine		Back Nine							
Hole	1	2	3	4	5	6	7	8	9	Out
HCP	7	5	1	17	3	13	15	11	9	
Par	4	5	4	3	4	4	3	4	5	36
Black	447	525	437	162	441	350	171	394	545	3472
Blue	423	504	419	149	427	326	145	378	497	3268
White	414	467	391	141	411	297	104	346	466	3037
Red	396	443	354	123	388	269	77	272	453	2775
WPar	4	5	4	3	4	4	3	4	5	36
WHCP	5	1	7	17	9	13	15	11	3	



**DAVIS COUNTY, UTAH**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
Year Ended December 31, 2005

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**Budgeting and Budgetary Control**

As more fully explained in Note 1 of the Notes to the Financial Statements, annual budgets are prepared and adopted before December 31 for the calendar year commencing the following January 1 in accordance with the Uniform Fiscal Procedures Act for Utah Counties. State law requires budgeted revenues to equal budgeted expenditures, and legal control is exercised at the division level. Once a budget has been adopted, it remains in effect until it has been formally revised. Budgets for the General Fund, special revenue, debt service, and capital projects funds are legally required and are prepared and adopted on the modified accrual basis of accounting. Therefore, no reconciliation between budgetary schedules and the GAAP statements is required.

The Budgetary Comparison schedules presented in this section of the report are for all of the County's major funds. Budgetary comparison schedules for the County's nonmajor funds are included as Supplementary Information. Original budgets represents the revenue estimates and spending authority authorized by the Board of County Commissioners prior to January 1. Final budgets represent the original budget amounts plus any amendments made to the budget during the year by the County Commissioners through formal resolution. Final budgets do not include unexpected balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

DAVIS COUNTY

EXHIBIT L  
(Page 1 of 4)

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
REVENUES:				
Taxes:				
Current property taxes	\$ 17,957,250	\$ 17,059,249	\$ 17,486,235	\$ 426,986
Delinquent prior years' taxes	1,080,000	1,080,000	874,697	(205,303)
Penalties and interest	510,000	510,000	388,609	(121,391)
Fee-in-lieu	2,604,700	2,545,886	2,477,655	(68,231)
Sales tax	8,500,000	9,219,193	9,184,554	(34,639)
Total	30,651,950	30,414,328	30,411,750	(2,578)
Licenses and permits:				
Marriage licenses	25,000	25,000	21,350	(3,650)
Animal licenses	250,000	250,000	209,980	(40,020)
Total	275,000	275,000	231,330	(43,670)
Intergovernmental revenues:				
Federal - emergency services	40,000	93,145	97,037	3,892
Federal payment in lieu of taxes	30,000	30,000	44,553	14,553
I.N.S. grant	125,000	125,000	139,849	14,849
State grants:				
State forest service	7,500	7,500	7,500	-
Victim services	241,000	241,000	232,738	(8,262)
EMS per capita	19,828	19,828	19,828	-
Children's Justice Centers	166,415	166,415	171,506	5,091
RSAT grant	60,000	60,000	71,276	11,276
Drug Court grant	247,500	247,500	254,176	6,676
DUI grant	52,000	52,000	127,221	75,221
Miscellaneous Contracts	47,085	47,085	61,117	14,032
Total	1,036,328	1,089,473	1,226,801	137,328

DAVIS COUNTY

EXHIBIT L  
(Page 2 of 4)

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
Charges for services:				
Clerk fees	\$ 130,000	\$ 130,000	\$ 77,006	\$ (52,994)
Recorder fees	1,750,000	1,750,000	1,836,735	86,735
A.L.S. fees	300,000	300,000	251,925	(48,075)
Sheriff fees	909,809	915,719	962,187	46,468
Jail fees	3,322,616	3,322,616	3,933,805	611,189
Drug court participation fees	-	-	30,000	30,000
Microfilming fees	110,000	110,000	87,731	(22,269)
Surveyor filing fees	1,000	1,000	3,792	2,792
Wellness program fees	1,300	1,300	1,876	576
Animal shelter fees	600,000	600,000	598,616	(1,384)
Causeway user fees	120,000	120,000	115,830	(4,170)
Attorney fees	-	-	19,439	19,439
Miscellaneous fees	57,395	57,395	15,659	(41,736)
Total	7,302,120	7,308,030	7,934,601	626,571
Fines and forfeitures:				
Justice court	1,950,000	1,950,000	1,681,189	(268,811)
Other court	42,000	42,000	27,283	(14,717)
Total	1,992,000	1,992,000	1,708,472	(283,528)
Interest	150,000	150,000	116,279	(33,721)
Miscellaneous:				
Sale of fixed assets	1,067,000	1,067,000	147,959	(919,041)
Rent	190,000	190,000	225,003	35,003
Sundry:				
Public defender	130,000	130,000	132,549	2,549
Information systems	162,000	162,000	220,302	58,302
Clerk/Auditor	44,000	44,000	44,188	188
Attorney	3,500	3,500	4,369	869
Personnel	27,000	27,000	60,819	33,819
Children's Justice Center	20,142	20,142	14,389	(5,753)

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Miscellaneous (continued):				
Treasurer	\$ 5,000	\$ 5,000	\$ 4,231	\$ (769)
Surveyor	2,500	2,500	2,887	387
Jail	100	100	143	43
S.S. revenues	2,000	2,000	2,200	200
Sundry	51,000	51,000	160,199	109,199
Total	1,704,242	1,704,242	1,019,238	(685,004)
TOTAL REVENUES	43,111,640	42,933,073	42,648,471	(284,602)
EXPENDITURES:				
General government:				
Commissioners	568,536	575,213	573,574	(1,639)
Justice court	502,479	506,447	503,577	(2,870)
Public defender	1,077,665	1,059,626	964,433	(95,193)
Personnel	650,099	658,906	619,006	(39,900)
Information systems	2,792,748	2,961,241	2,909,827	(51,414)
Clerk/Auditor	1,641,047	1,527,005	1,414,754	(112,251)
Treasurer	482,302	478,514	438,804	(39,710)
Recorder	1,050,515	1,029,726	1,005,687	(24,039)
Attorney	2,642,843	2,585,338	2,566,406	(18,932)
Assessor	2,021,426	1,698,842	1,594,347	(104,495)
Surveyor	536,860	536,860	525,558	(11,302)
Victim services	472,900	474,259	422,278	(51,981)
Children's Justice Center	216,430	223,931	213,833	(10,098)
Non-departmental	3,100,476	3,712,654	2,213,907	(1,498,747)
Total	17,756,326	18,028,562	15,965,991	(2,062,571)

DAVIS COUNTY

EXHIBIT L

(Page 4 of 4)

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Public safety:				
Sheriff	9,142,661	9,267,494	9,251,056	\$ (16,438)
State forest fire protection	50,000	50,000	34,365	(15,635)
Jail	8,295,529	8,220,230	8,005,620	(214,610)
Animal control	1,373,720	1,410,939	1,362,634	(48,305)
Total	18,861,910	18,948,663	18,653,675	(294,988)
Public health - poor and indigent	2,200	2,200	1,950	(250)
Public works - vehicle maintenance	335,776	289,695	284,086	(5,609)
Capital outlay	1,018,398	834,660	703,986	(130,674)
TOTAL EXPENDITURES	37,974,610	38,103,780	35,609,688	(2,494,092)
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	5,137,030	4,829,293	7,038,783	2,209,490
OTHER FINANCING SOURCES (USES):				
Transfers in	1,450,319	608,991	608,991	-
Transfers out	(6,350,860)	(7,604,205)	(7,604,205)	-
Total	(4,900,541)	(6,995,214)	(6,995,214)	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	236,489	(2,165,921)	43,569	2,209,490
FUND BALANCE, BEGINNING OF YEAR	5,763,743	5,763,743	5,763,743	
FUND BALANCE, END OF YEAR	\$ 6,000,232	\$ 3,597,822	\$ 5,807,312	\$ 2,209,490

## HEALTH FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 5,568,111	\$ 5,571,616	\$ 5,474,727	\$ (96,889)
Charges for services	3,128,300	3,131,300	3,163,872	32,572
Miscellaneous	-	-	17,892	17,892
Total	8,696,411	8,702,916	8,656,491	(46,425)
<b>EXPENDITURES:</b>				
Public health:				
Salaries and benefits	6,616,153	6,602,598	6,323,240	279,358
Operating expenditures	2,074,321	1,909,381	1,850,641	58,740
Food vouchers	2,498,000	2,498,000	2,596,358	(98,358)
Capital outlay	7,000	23,468	24,500	(1,032)
Total	11,195,474	11,033,447	10,794,739	238,708
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	(2,499,063)	(2,330,531)	(2,138,248)	192,283
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,042,316	2,042,316	2,040,312	(2,004)
Transfers out	-	-	-	-
Total	2,042,316	2,042,316	2,040,312	(2,004)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(456,747)	(288,215)	(97,936)	190,279
FUND BALANCE, BEGINNING OF YEAR	1,005,247	1,005,247	1,005,247	-
FUND BALANCE, END OF YEAR	\$ 548,500	\$ 717,032	\$ 907,311	\$ 190,279

DAVIS COUNTY

EXHIBIT N

**TOURISM FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUE:				
Taxes	\$ 2,976,000	\$ 2,976,000	\$ 3,124,348	\$ 148,348
Charges for services	308,500	418,500	461,960	43,460
Sale of fixed asset	1,250,000	1,250,000	-	(1,250,000)
Interest	10,000	10,000	82,460	72,460
Miscellaneous	48,000	48,000	29,000	(19,000)
Total	4,592,500	4,702,500	3,697,768	(1,004,732)
EXPENDITURES:				
General government:				
Salaries and benefits	1,027,198	1,027,198	991,656	35,542
Operating expenditures	2,467,833	2,993,833	1,973,553	1,020,280
Capital outlay	600,000	493,000	81,419	411,581
Total	4,095,031	4,514,031	3,046,628	1,467,403
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	497,469	188,469	651,140	462,671
OTHER FINANCING SOURCES (USES):				
Transfer in	-	-	-	-
Transfer out	(751,000)	(987,000)	(900,101)	86,899
Appropriation of fund balance	-	-	-	-
Total	(751,000)	(987,000)	(900,101)	86,899
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(253,531)	(798,531)	(248,961)	549,570
FUND BALANCE, BEGINNING OF YEAR	2,903,234	2,903,234	2,903,234	-
APPROPRIATION OF FUND BALANCE	-	-	-	-
FUND BALANCE, END OF YEAR	\$ 2,649,703	\$ 2,104,703	\$ 2,654,273	\$ 549,570

DAVIS COUNTY

EXHIBIT O

**LIBRARY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Property taxes	\$ 4,622,410	\$ 4,677,938	\$ 4,781,484	\$ 103,546
Intergovernmental revenues	44,925	44,925	82,749	37,824
Charges for services	1,500	1,500	2,702	1,202
Fines and forfeitures	150,000	150,000	165,885	15,885
Interest	1,000	1,000	-	(1,000)
Miscellaneous	33,000	33,000	41,220	8,220
Total	4,852,835	4,908,363	5,074,040	165,677
<b>EXPENDITURES:</b>				
General government:				
Salaries and benefits	2,790,431	2,711,431	2,702,155	(9,276)
Operating expenditures	1,290,690	1,418,690	1,896,834	478,144
Capital outlay	1,590,000	1,941,000	1,471,278	(469,722)
Total	5,671,121	6,071,121	6,070,267	(854)
EXCESS OF REVENUES OVER EXPENDITURES	(818,286)	(1,162,758)	(996,227)	166,531
FUND BALANCE, BEGINNING OF YEAR	1,420,757	1,420,757	1,420,757	-
FUND BALANCE, END OF YEAR	\$ 602,471	\$ 257,999	\$ 424,530	\$ 166,531



**AGING SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 2,098,171	\$ 2,098,171	\$ 1,880,103	\$ (218,068)
Charges for services	250,000	250,000	322,031	72,031
Miscellaneous	77,855	77,855	113,184	35,329
Total	2,426,026	2,426,026	2,315,318	(110,708)
<b>EXPENDITURES:</b>				
General government:				
Salaries and benefits	1,568,923	1,568,923	1,413,139	155,784
Operating expenditures	1,604,701	1,439,701	1,393,048	46,653
Capital outlay	81,551	81,551	61,543	20,008
Total	3,255,175	3,090,175	2,867,730	222,445
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>				
BEFORE OTHER FINANCING SOURCES (USES)	(829,149)	(664,149)	(552,412)	111,737
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	617,242	617,242	617,232	(10)
Transfers out	-	(86,532)	(86,532)	-
Appropriation of fund balance	-	-	-	-
Total	617,242	530,710	530,700	(10)
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES</b>				
OVER EXPENDITURES AND OTHER FINANCING USES	(211,907)	(133,439)	(21,712)	111,727
FUND BALANCE, BEGINNING OF YEAR	122,459	122,459	122,459	-
FUND BALANCE, END OF YEAR	\$ (89,448)	\$ (10,980)	\$ 100,747	\$ 111,727

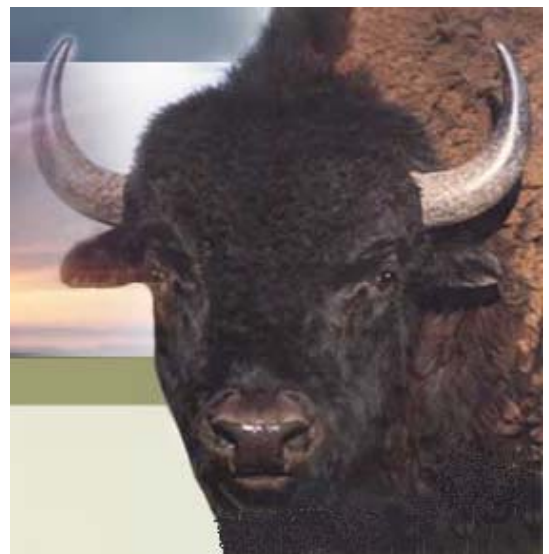
**DAVIS COUNTY**

**EXHIBIT Q**

**SPECIAL SERVICE AREA FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Property taxes	\$ 244,700	\$ 234,724	\$ 266,430	\$ 31,706
Sales taxes	515,000	515,000	587,824	72,824
Grants	8,500	8,500	8,630	130
Intergovernmental revenues	1,242,919	1,479,919	1,046,015	(433,904)
Charges for services	47,000	64,000	70,271	6,271
Interest	20,500	20,500	72,947	52,447
Miscellaneous	115,000	115,000	133,327	18,327
<b>Total</b>	<b>2,193,619</b>	<b>2,437,643</b>	<b>2,185,444</b>	<b>(252,199)</b>
<b>EXPENDITURES:</b>				
General government:				
Salaries and benefits	53,397	53,397	53,578	181
Operating expenditures	272,364	284,364	289,850	5,486
Public works:				
Salaries and benefits	400,000	400,000	496,157	96,157
Operating expenditures	753,897	727,557	1,147,518	419,961
Capital outlay	1,062,500	1,208,840	491,383	(717,457)
<b>Total expenditures</b>	<b>2,542,158</b>	<b>2,674,158</b>	<b>2,478,486</b>	<b>(195,672)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>				
	<b>(348,539)</b>	<b>(236,515)</b>	<b>(293,042)</b>	<b>(56,527)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	150,000	150,000	238,829	88,829
Transfers out	(300,000)	(265,000)	(99,045)	165,955
<b>Total</b>	<b>(150,000)</b>	<b>(115,000)</b>	<b>139,784</b>	<b>254,784</b>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>(498,539)</b>	<b>(351,515)</b>	<b>(153,258)</b>	<b>198,257</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>				
	<b>2,450,461</b>	<b>2,450,461</b>	<b>2,450,461</b>	<b>-</b>
<b>FUND BALANCE, END OF YEAR</b>				
	<b>\$ 1,951,922</b>	<b>\$ 2,098,946</b>	<b>\$ 2,297,203</b>	<b>\$ 198,257</b>

# SUPPLEMENTAL INFORMATION



## GREAT SALT LAKE / ANTELOPE IS.

ANTELOPE ISLAND STATE PARK  
4528 WEST 1700 SOUTH  
SYRACUSE, UTAH 84075

(801) 773-2941

[www.utah.com/antelope\\_island.htm](http://www.utah.com/antelope_island.htm)

## **Nonmajor Governmental Funds**

### **Flood Control Fund**

This fund accounts for all activities of the Public Works Department that relate to the flood channels managed by the County.

### **Emergency 911 Dispatch Funds**

This fund accounts for revenues and expenditures related to the 911 emergency number.

### **Paramedic Fund**

This fund accounts for the costs associated with the interlocal agreement the County has with the South Davis Metro Fire Agency and the Layton Fire Department for paramedic services in parts of the County.

### **Municipal Building Authority Fund**

This fund accounts for monies received by the County related to the rental of County buildings.

### **Municipal Building Authority Debt Service Fund**

This fund accounts for the revenues and expenditures related to the long-term debt of the County Municipal Building Authority Bonds.

### **Conference Center Capital Project Fund**

This fund accounts for the revenues and expenditures related to construction of the Davis Conference Center debt of the County Municipal Building Authority Bonds.

### **Conference Center Debt Service Fund**

This fund accounts for the revenues and expenditures related to the long-term debt of the County's Conference Center Revenues Bonds.

### **Capital Projects Fund**

This fund accounts for funds accumulated and spent for routine capital projects.

**DAVIS COUNTY**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2005**

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	<b>Flood Control Fund</b>	<b>Emergency 911 Fund</b>	<b>Paramedic Fund</b>
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 33,178	\$ 1,000,000
Restricted Assets - Cash and investments	-	-	-
Accounts Receivable	86,077	177,115	-
Taxes Receivable	-	-	-
Due from other funds	-	-	-
Other Assets	-	-	-
<b>TOTAL ASSETS</b>	<b>86,077</b>	<b>210,293</b>	<b>1,000,000</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities	26,127	15,314	-
Due to other funds	59,950	-	-
Deferred revenue	-	-	-
<b>Total liabilities</b>	<b>86,077</b>	<b>15,314</b>	<b>-</b>
 <b>FUND BALANCES:</b>			
Undesignated	-	194,979	1,000,000
<b>Total fund balances</b>	<b>-</b>	<b>194,979</b>	<b>1,000,000</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>86,077</b>	<b>210,293</b>	<b>1,000,000</b>

**SUPPLEMENTAL SCHEDULE 1**

<b>Municipal Building Authority Fund</b>	<b>M.B.A. Debt Service Fund</b>	<b>Conf. Center Capital Project Fund</b>	<b>Conf. Center Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
\$ 142,416	\$ -	\$ 222	\$ -	\$ 1,904,074	\$ 3,079,890
-	-	-	-	-	-
-	-	-	-	-	263,192
-	-	-	-	-	-
-	-	-	-	-	-
<u>142,416</u>	<u>-</u>	<u>222</u>	<u>-</u>	<u>1,904,074</u>	<u>3,343,082</u>
-	-	222	-	-	41,663
-	-	-	-	-	59,950
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>222</u>	<u>-</u>	<u>-</u>	<u>101,613</u>
<u>142,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,904,074</u>	<u>3,241,469</u>
<u>142,416</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,904,074</u>	<u>3,241,469</u>
<u>142,416</u>	<u>-</u>	<u>222</u>	<u>-</u>	<u>1,904,074</u>	<u>3,343,082</u>

**DAVIS COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Flood Control Fund</b>	<b>Emergency 911 Fund</b>	<b>Paramedic Fund</b>
<b>REVENUES:</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental revenues	116,077	-	-
Charges for services	-	1,119,796	-
Fines and forfeitures	-	-	-
Interest	-	3,473	-
Miscellaneous	88,758	28,613	-
Total	<u>204,835</u>	<u>1,151,882</u>	<u>-</u>
<b>EXPENDITURES:</b>			
Current:			
General government	-	-	-
Public safety	-	1,328,683	1,000,000
Public health	-	-	-
Public works	883,518	-	-
Debt Service	-	-	-
Capital outlay	322,902	-	-
Total	<u>1,206,420</u>	<u>1,328,683</u>	<u>1,000,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>	<u>(1,001,585)</u>	<u>(176,801)</u>	<u>(1,000,000)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	1,141,369	605,292	2,000,000
Transfers out	(139,784)	(233,512)	-
Total	<u>1,001,585</u>	<u>371,780</u>	<u>2,000,000</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>	-	194,979	1,000,000
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 194,979</u>	<u>\$ 1,000,000</u>

SUPPLEMENTAL SCHEDULE 2

Municipal Building Authority	M.B.A. Debt Service	Conf. Center Capital Project	Conf. Center Debt Service	Capital Projects	Total
Fund	Fund	Fund	Fund	Fund	Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	116,077
-	-	-	-	-	1,119,796
-	-	-	-	-	-
4,537	-	2,347	-	33,173	43,530
199,171	-	-	-	44,055	360,597
<u>203,708</u>	<u>-</u>	<u>2,347</u>	<u>-</u>	<u>77,228</u>	<u>1,640,000</u>
7	-	-	-	1,043,841	1,043,848
-	-	-	-	-	2,328,683
-	-	-	-	-	-
-	-	-	-	-	883,518
-	211,090	-	702,293	-	913,383
-	-	200,155	-	154,238	677,295
<u>7</u>	<u>211,090</u>	<u>200,155</u>	<u>702,293</u>	<u>1,198,079</u>	<u>5,846,727</u>
<u>203,701</u>	<u>(211,090)</u>	<u>(197,808)</u>	<u>(702,293)</u>	<u>(1,120,851)</u>	<u>(4,206,727)</u>
-	211,090	197,808	702,293	1,200,000	6,057,852
(211,090)	-	-	-	-	(584,386)
<u>(211,090)</u>	<u>211,090</u>	<u>197,808</u>	<u>702,293</u>	<u>1,200,000</u>	<u>5,473,466</u>
(7,389)	-	-	-	79,149	1,266,739
149,805	-	-	-	1,824,925	1,974,730
<u>\$ 142,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,904,074</u>	<u>\$ 3,241,469</u>



DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 3

FLOOD CONTROL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE:				
Intergovernmental revenues	\$ 335,975	\$ 405,975	\$ 116,077	\$ (289,898)
Miscellaneous	50,000	50,000	88,758	38,758
Total	<u>385,975</u>	<u>455,975</u>	<u>204,835</u>	<u>(251,140)</u>
EXPENDITURES:				
Public works:				
Salaries and benefits	760,919	814,062	871,301	57,239
Operating expenditures	453,428	453,428	318,364	(135,064)
Capital outlay	75,510	73,456	16,755	(56,701)
Total	<u>1,289,857</u>	<u>1,340,946</u>	<u>1,206,420</u>	<u>(134,526)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	<u>(903,882)</u>	<u>(884,971)</u>	<u>(1,001,585)</u>	<u>(116,614)</u>
OTHER FINANCING SOURCES:				
Transfers in	1,236,000	1,236,000	1,141,369	(94,631)
Transfers out	-	(7,000)	(139,784)	(132,784)
Total	<u>1,236,000</u>	<u>1,229,000</u>	<u>1,001,585</u>	<u>(227,415)</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	332,118	344,029	-	(344,029)
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
APPROPRIATION OF FUND BALANCE	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ 332,118</u>	<u>\$ 344,029</u>	<u>\$ -</u>	<u>\$ (344,029)</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 4

**EMERGENCY 911 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE:				
Charges for services	\$ 732,001	\$ 732,001	\$ 1,119,796	\$ 387,795
Interest	-	-	3,473	3,473
Miscellaneous	17,376	97,426	28,613	(68,813)
Total	<u>749,377</u>	<u>829,427</u>	<u>1,151,882</u>	<u>322,455</u>
EXPENDITURES:				
Public safety:				
Salaries and benefits	1,219,276	1,219,276	1,145,179	(74,097)
Operating expenditures	354,826	329,826	183,504	(146,322)
Capital outlay	-	80,050	-	(80,050)
Total	<u>1,574,102</u>	<u>1,629,152</u>	<u>1,328,683</u>	<u>(300,469)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(824,725)</u>	<u>(799,725)</u>	<u>(176,801)</u>	<u>622,924</u>
OTHER FINANCING SOURCES:				
Transfers in	605,302	605,302	605,292	(10)
Transfers out	-	-	(233,512)	(233,512)
Total	<u>605,302</u>	<u>605,302</u>	<u>371,780</u>	<u>(233,522)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>(219,423)</u>	<u>(194,423)</u>	<u>194,979</u>	<u>389,402</u>
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
APPROPRIATION OF FUND BALANCE	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ (219,423)</u>	<u>\$ (194,423)</u>	<u>\$ 194,979</u>	<u>\$ 389,402</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 5

**PARAMEDIC FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-
Miscellaneous	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Public safety:				
Salaries and benefits	-	-	-	-
Operating expenditures	1,000,000	1,000,000	1,000,000	-
Capital outlay	-	-	-	-
Total	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
OTHER FINANCING SOURCES:				
Transfers in	2,000,000	2,000,000	2,000,000	-
Transfers out	(1,000,000)	-	-	-
Total	<u>1,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	-	1,000,000	1,000,000	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
APPROPRIATION OF FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 6

MUNICIPAL BUILDING AUTHORITY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Interest	\$ 2,100	\$ 2,100	\$ 4,537	\$ 2,437
Miscellaneous	<u>221,000</u>	<u>221,000</u>	<u>199,171</u>	<u>(21,829)</u>
Total	<u>223,100</u>	<u>223,100</u>	<u>203,708</u>	<u>(19,392)</u>
EXPENDITURES:				
General government	100	100	7	(93)
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>100</u>	<u>100</u>	<u>7</u>	<u>(93)</u>
EXCESS OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING USES	223,000	223,000	203,701	(19,299)
OTHER FINANCING SOURCES (USES):				
Transfers In	-	-	-	-
Transfers out	<u>(228,700)</u>	<u>(228,700)</u>	<u>(211,090)</u>	<u>17,610</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	(5,700)	(5,700)	(7,389)	(1,689)
FUND BALANCE, BEGINNING OF YEAR	<u>149,805</u>	<u>149,805</u>	<u>149,805</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 144,105</u>	<u>\$ 144,105</u>	<u>\$ 142,416</u>	<u>\$ (1,689)</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 7

MUNICIPAL BUILDING AUTHORITY DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		Actual	Variance With Final Budget
	Original	Final		
REVENUES :				
Interest earnings	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES:				
HEADSTART DEBT				
Principal retirement	92,000	92,000	90,000	(2,000)
Interest and other	38,100	38,100	27,243	(10,857)
WASATCH FRONT DEBT				
Principal retirement	42,500	42,500	44,000	1,500
Interest and other	<u>56,100</u>	<u>56,100</u>	<u>49,847</u>	<u>(6,253)</u>
Total	<u>228,700</u>	<u>228,700</u>	<u>211,090</u>	<u>(17,610)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES				
BEFORE OTHER FINANCING SOURCES	<u>(228,700)</u>	<u>(228,700)</u>	<u>(211,090)</u>	<u>17,610</u>
OTHER FINANCING SOURCES - Transfers in	228,700	228,700	211,090	(17,610)
EXCESS OF REVENUES AND OTHER				
FINANCING SOURCES OVER EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CONFERENCE CENTER CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Interest earnings	\$ -	\$ -	\$ 2,347	\$ 2,347
Miscellaneous	-	-	-	-
Total	-	-	2,347	2,347
EXPENDITURES:				
Capital outlay	-	236,000	200,155	35,845
Miscellaneous costs	-	-	-	-
Total	-	236,000	200,155	35,845
DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	-	(236,000)	(197,808)	38,192
OTHER FINANCING SOURCES (USES):				
Transfers in	-	236,000	197,808	(38,192)
Total	-	236,000	197,808	(38,192)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

**CONFERENCE CENTER DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-
EXPENDITURES:				
CONFERENCE CENTER A (taxable)				
Principal retirement	350,000	350,000	330,000	20,000
Interest and other	18,100	18,100	11,780	6,320
Total	368,100	368,100	341,780	26,320
CONFERENCE CENTER B (taxable)				
Principal retirement	29,900	29,900	-	(29,900)
Interest and other	353,000	353,000	360,513	7,513
Total	382,900	382,900	360,513	(22,387)
DEFICIENCY OF REVENUE OVER EXPENDITURES	(751,000)	(751,000)	(702,293)	48,707
OTHER FINANCING SOURCES (USES):				
Transfers in	751,000	751,000	702,293	(48,707)
Total	751,000	751,000	702,293	(48,707)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ -

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 10

**CAPITAL PROJECTS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES:</b>				
Interest	\$ -	\$ -	\$ 33,173	\$ 33,173
Miscellaneous	-	-	44,055	44,055
Total	-	-	77,228	77,228
<b>EXPENDITURES:</b>				
General government	1,509,500	1,479,404	1,043,841	(435,563)
Capital outlay	97,138	149,138	154,238	5,100
Total	1,606,638	1,628,542	1,198,079	(430,463)
DEFICIENCY OF REVENUE OVER EXPENDITURES	(1,606,638)	(1,628,542)	(1,120,851)	507,691
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	1,200,000	1,200,000	-
Transfers out	-	-	-	-
Total	-	1,200,000	1,200,000	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(1,606,638)	(428,542)	79,149	507,691
FUND BALANCE, BEGINNING OF YEAR	1,824,925	1,824,925	1,824,925	-
FUND BALANCE, END OF YEAR	\$ 218,287	\$ 1,396,383	\$ 1,904,074	\$ 507,691



**GENERAL OBLIGATION DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With Final Budget</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Property Taxes	\$ 1,781,100	\$ 1,973,170	\$ 2,117,538	\$ 144,368
Intergovernmental revenue	-	-	-	-
Miscellaneous	22,000	22,000	56,741	34,741
Total	<u>1,803,100</u>	<u>1,995,170</u>	<u>2,174,279</u>	<u>179,109</u>
<b>EXPENDITURES:</b>				
Bond Principal	1,600,000	1,600,000	1,645,000	45,000
Interest	150,000	656,000	595,070	(60,930)
Miscellaneous	1,100	1,100	-	(1,100)
Total expenditures	<u>1,751,100</u>	<u>2,257,100</u>	<u>2,240,070</u>	<u>(17,030)</u>
<b>DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)</b>				
	<u>52,000</u>	<u>(261,930)</u>	<u>(65,791)</u>	<u>196,139</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>52,000</u>	<u>(261,930)</u>	<u>(65,791)</u>	<u>196,139</u>
<b>FUND BALANCE, BEGINNING OF YEAR</b>				
	<u>3,478,588</u>	<u>3,478,588</u>	<u>3,478,588</u>	<u>-</u>
<b>FUND BALANCE, END OF YEAR</b>				
	<u>\$ 3,530,588</u>	<u>\$ 3,216,658</u>	<u>\$ 3,412,797</u>	<u>\$ 196,139</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 12

JAIL EXPANSION CAPITAL PROJECT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Interest Earnings	\$ 2,800,000	\$ 2,800,000	\$ 871,917	\$ (1,928,083)
Miscellaneous	-	-	-	-
Total	<u>2,800,000</u>	<u>2,800,000</u>	<u>871,917</u>	<u>(1,928,083)</u>
EXPENDITURES:				
Capital outlay	13,000,000	12,960,000	7,765,782	(5,194,218)
Miscellaneous costs	-	-	116,966	116,966
Total expenditures	<u>13,000,000</u>	<u>12,960,000</u>	<u>7,882,748</u>	<u>(5,077,252)</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES (USES)	<u>(10,200,000)</u>	<u>(10,160,000)</u>	<u>(7,010,831)</u>	<u>3,149,169</u>
OTHER FINANCING SOURCES (USES):				
Issuance of debt - Jail Expansion Bonds	22,000,000	22,000,000	24,800,000	2,800,000
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Appropriation of fund balance	-	-	-	-
Total	<u>22,000,000</u>	<u>22,000,000</u>	<u>24,800,000</u>	<u>2,800,000</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	<u>11,800,000</u>	<u>11,840,000</u>	<u>17,789,169</u>	<u>5,949,169</u>
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 11,800,000</u>	<u>\$ 11,840,000</u>	<u>\$ 17,789,169</u>	<u>\$ 5,949,169</u>

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## **Internal Service Funds**

### **Insurance Fund**

This fund accounts for monies received and expended by the County to provide for insurance for all County related functions.

### **Telephone Fund**

This fund accounts for the services provided by the county-wide telephone system.

### **Building and Grounds Fund**

This fund accounts for management of county-owned facilities under central management.

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 13**

**INTERNAL SERVICE FUNDS - COMBINING STATEMENT OF NET ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

ASSETS	Insurance	Telephone	Buildings and Grounds	Total
CASH AND INVESTMENTS	\$ 771,110	\$ 312,805	\$ 351,837	\$ 1,435,752
ACCOUNTS RECEIVABLE	6,863	8,036	4,513	19,412
INTEREST RECEIVABLE	-	-	-	-
INVENTORIES AND OTHER ASSETS	462,040	-	-	462,040
EQUIPMENT - Net	-	29,972	-	29,972
<b>TOTAL ASSETS</b>	<b>\$ 1,240,013</b>	<b>\$ 350,813</b>	<b>\$ 356,350</b>	<b>\$ 1,947,176</b>
 <b>LIABILITIES AND NET ASSETS</b>				
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 1,740	\$ 9,960	\$ 69,770	\$ 81,470
COMPENSATED ABSENCES	-	-	14,703	14,703
<b>TOTAL LIABILITIES</b>	<b>1,740</b>	<b>9,960</b>	<b>84,473</b>	<b>96,173</b>
 NET ASSETS:				
Investment in Capital Assets	-	180,837	-	180,837
Unrestricted Net Assets	1,238,273	160,016	271,877	1,670,166
<b>TOTAL NET ASSETS</b>	<b>1,238,273</b>	<b>340,853</b>	<b>271,877</b>	<b>1,851,003</b>
 <b>TOTAL LIABILITIES AND NET ASSETS</b>	 <b>\$ 1,240,013</b>	 <b>\$ 350,813</b>	 <b>\$ 356,350</b>	 <b>\$ 1,947,176</b>

**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Insurance</b>	<b>Telephone</b>	<b>Buildings and Grounds</b>	<b>Total</b>
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 699,991	\$ 263,791	\$ 1,698,666	\$ 2,662,448
Other	-	-	-	-
Total	<u>699,991</u>	<u>263,791</u>	<u>1,698,666</u>	<u>2,662,448</u>
<b>EXPENSES:</b>				
Salaries, wages, and benefits	102,897	64,045	764,078	931,020
Operations	-	-	987,140	987,140
Insurance premiums	437,053	-	-	437,053
Line charges	-	75,662	-	75,662
Other	<u>12,232</u>	<u>65,181</u>	-	<u>77,413</u>
Total	<u>552,182</u>	<u>204,888</u>	<u>1,751,218</u>	<u>2,508,288</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	147,809	58,903	(52,552)	154,160
DEPRECIATION	-	<u>21,828</u>	-	<u>21,828</u>
OPERATING INCOME (LOSS)	147,809	37,075	(52,552)	132,332
NONOPERATING REVENUES - Interest revenue	<u>30,824</u>	<u>8,935</u>	<u>13,237</u>	<u>52,996</u>
CHANGES IN NET ASSETS	178,633	46,010	(39,315)	185,328
NET ASSETS, BEGINNING OF YEAR	<u>1,059,640</u>	<u>294,843</u>	<u>311,192</u>	<u>1,665,675</u>
NET ASSETS, END OF YEAR	<u>\$ 1,238,273</u>	<u>\$ 340,853</u>	<u>\$ 271,877</u>	<u>\$ 1,851,003</u>

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 15

INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2005

	Insurance	Telephone	Buildings and Grounds	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	699,991	263,790	1,681,512	2,645,293
Cash received from other activities	-	-	17,154	17,154
Cash payments for payroll and benefits	(102,897)	(61,072)	(764,596)	(928,565)
Cash payments for goods and services	(824,190)	(140,843)	(979,939)	(1,944,972)
Net cash provided (used in) by operating activities	<u>(227,096)</u>	<u>61,875</u>	<u>(45,869)</u>	<u>(211,090)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest earned on cash deposits	<u>30,824</u>	<u>8,935</u>	<u>13,237</u>	<u>52,996</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Purchase of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -</b>				
Cash payments for property and equipment purchases	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>(196,272)</u>	<u>70,810</u>	<u>(32,632)</u>	<u>(158,094)</u>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>967,382</u>	<u>241,995</u>	<u>384,469</u>	<u>1,593,846</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 771,110</u>	<u>\$ 312,805</u>	<u>\$ 351,837</u>	<u>\$ 1,435,752</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO</b>				
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating income	\$ 147,809	\$ 37,075	\$ (52,552)	\$ 132,332
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	-	21,828	-	21,828
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	-	1,932	3,027	4,960
(Increase) decrease in inventories and other assets	(376,167)	-	-	(376,169)
Increase (decrease) in accounts payable and accrued liabilities	1,262	1,041	4,175	6,478
Increase (decrease) in compensated absences	-	-	(519)	(519)
Total adjustments	<u>(374,905)</u>	<u>24,801</u>	<u>6,683</u>	<u>(343,422)</u>
<b>NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES</b>	<u>\$ (227,096)</u>	<u>\$ 61,876</u>	<u>\$ (45,869)</u>	<u>\$ (211,090)</u>

## **Agency Funds**

### **County Agency Fund**

This fund accounts for monies received by the County; on behalf of third parties pending litigation, for county-wide tax collections pending final distribution, and deposits held in trusts for outside parties related to construction and development costs.

### **Treasurer Tax Collection Fund**

This fund accounts for the receipts and disbursements of property tax revenues for the various taxing entities of Davis County including cities, towns, special districts, and the Davis School District.

### **Employee Benefits Funds**

These funds account for monies collected from County and ex-County employees in accordance with Internal Revenue Code sections. It contains the Retirees Health Benefit Clearing and the County's Payroll Clearing Funds.



**DAVIS COUNTY****SUPPLEMENTAL SCHEDULE 16****COMBINING STATEMENT OF AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>County Agency</u>	<u>Treasurer's Tax Collection</u>	<u>Employee Benefits</u>	<u>Total</u>
<b>ASSETS</b>				
CASH AND INVESTMENTS	\$ 482,252	\$ 5,131,880	\$ 1,759,054	\$ 7,373,186
RESTRICTED ASSETS - Cash & Investments	-	28,334,224	-	28,334,224
ACCOUNTS RECEIVABLE	<u>1,240,594</u>	<u>283,192</u>	<u>75</u>	<u>1,523,861</u>
TOTAL ASSETS	<u>\$ 1,722,846</u>	<u>\$ 33,749,296</u>	<u>\$ 1,759,129</u>	<u>\$ 37,231,271</u>
<b>LIABILITIES</b>				
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	\$ 1,722,846	\$ 1,923,655	\$ 1,759,129	\$ 5,405,630
DUE TO GOVERNMENT ENTITIES	<u>-</u>	<u>31,825,641</u>	<u>-</u>	<u>31,825,641</u>
TOTAL LIABILITIES	<u>\$ 1,722,846</u>	<u>\$ 33,749,296</u>	<u>\$ 1,759,129</u>	<u>\$ 37,231,271</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 17**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<b>Balance</b>			<b>Balance</b>
	<b>31-Dec-04</b>	<b>Additions</b>	<b>Deductions</b>	<b>31-Dec-05</b>
<b>COUNTY AGENCY FUND</b>				
<b>ASSETS</b>				
Cash	662,916	8,146,327	(8,326,991)	482,252
Restricted Assets - Cash & Investment	-	-	-	-
Accounts Receivables	1,028,800	5,968,822	(5,757,027)	1,240,594
<b>Total Assets</b>	<b>1,691,716</b>	<b>14,115,149</b>	<b>(14,084,018)</b>	<b>1,722,846</b>
<b>LIABILITIES</b>				
Accounts Payable & Accrued Liabilities	1,691,716	15,907,110	(15,875,980)	1,722,846
Due to Other Government Funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,691,716</b>	<b>15,907,110</b>	<b>(15,875,980)</b>	<b>1,722,846</b>
<b>TREASURER TAX COLLECTION FUND</b>				
<b>ASSETS</b>				
Cash	7,771,794	28,373,665	(31,013,579)	5,131,880
Restricted Assets - Cash & Investment	23,634,183	43,218,684	(38,518,643)	28,334,224
Accounts Receivables	278,043	283,192	(278,043)	283,192
<b>Total Assets</b>	<b>31,684,020</b>	<b>71,875,541</b>	<b>(69,810,265)</b>	<b>33,749,296</b>
<b>LIABILITIES</b>				
Accounts Payable & Accrued Liabilities	4,191,456	278,143	(2,545,944)	1,923,655
Due to Other Government Entities	27,492,564	39,246,649	(34,913,572)	31,825,641
<b>Total Liabilities</b>	<b>31,684,020</b>	<b>39,524,792</b>	<b>(37,459,516)</b>	<b>33,749,296</b>
<b>EMPLOYEE BENEFITS FUND</b>				
<b>ASSETS</b>				
Cash	1,717,558	43,140,269	(43,098,773)	1,759,054
Restricted Assets - Cash & Investment	-	-	-	-
Accounts Receivables	75	-	-	75
<b>Total Assets</b>	<b>1,717,633</b>	<b>43,140,269</b>	<b>(43,098,773)</b>	<b>1,759,129</b>
<b>LIABILITIES</b>				
Accounts Payable & Accrued Liabilities	1,717,633	46,294,130	(46,252,634)	1,759,129
Due to Other Government Funds	-	-	-	-
<b>Total Liabilities</b>	<b>1,717,633</b>	<b>46,294,130</b>	<b>(46,252,634)</b>	<b>1,759,129</b>

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## **Other Schedules**

### **Tax Collection Agency Fund – Cash Receipts and Disbursements**

This schedule reports the cash coming into and out of the County's Tax Collection Agency Fund during the year. It provides detail for every taxing authority within the County. This schedule is required by state law.

### **Statement of Tax Charged, Collected and Disbursed**

This schedule reports total taxable value, current tax rates, total tax charged, and total taxes collected during the year for each taxing authority within the County. This schedule is required by state law.

# DAVIS COUNTY

## TREASURER'S TAX COLLECTION FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS - TREASURER'S COLLECTION ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2005

	Treasurer's Balance 1/1/05	Receipts	Apportionments		
			Current Taxes	Delinquent Taxes	Other Collections
Current 2005 taxes		132,313,251	\$ (132,313,251)		
Prior year redemptions and rollbacks		4,067,551		\$ (4,067,551)	
Other taxes - "Class D"		2,339,551			\$ (2,339,551)
Interest received		514,823			(514,823)
Fee in lieu		18,557,299			(18,557,299)
Miscellaneous collections		5,327,398			(5,327,398)
Taxes held for refund & prepayments	<u>4,469,599</u>				
<b>Total</b>	<u>4,469,599</u>	<u>163,119,873</u>	<u>(132,313,251)</u>	<u>(4,067,551)</u>	<u>(26,739,071)</u>
Davis County:					
County funds	2,771,607		19,181,220	602,752	3,985,417
County library	753,390		3,924,225	120,810	736,448
Special service area	<u>55,241</u>		<u>221,379</u>	<u>2,835</u>	<u>42,393</u>
<b>Total Davis County</b>	<u>3,580,238</u>		<u>23,326,824</u>	<u>726,397</u>	<u>4,764,258</u>
Davis County School District	<u>15,193,158</u>		<u>76,725,383</u>	<u>2,411,045</u>	<u>14,661,450</u>
Cities and towns:					
Bountiful	438,130		1,886,250	22,106	330,956
Centerville	147,293		787,024	69,102	209,644
Clearfield	276,529		2,669,424	112,703	411,404
Clinton	167,731		951,557	32,412	218,147
Farmington	237,078		1,312,994	70,255	268,960
Fruit Heights	69,751		307,771	21,180	82,331
Kaysville	263,483		1,174,690	56,238	272,542
Layton	1,027,186		5,031,840	141,407	848,172
North Salt Lake	313,773		1,340,318	53,217	162,895
South Weber	35,823		204,890	6,687	42,850
Sunset	46,357		118,213	1,884	25,986
Syracuse	98,129		571,439	39,906	160,063
West Bountiful	55,113		338,219	8,764	51,486
West Point	59,539		303,012	23,033	92,757
Woods Cross	<u>33,677</u>		<u>321,933</u>	<u>9,507</u>	<u>55,736</u>
<b>Total cities and towns</b>	<u>3,269,593</u>		<u>17,319,575</u>	<u>668,402</u>	<u>3,233,930</u>

**SUPPLEMENTAL SCHEDULE 18**

(Page 1 of 2)

<b>Totals</b>	<b>Disbursements</b>	<b>Treasurer's Balance 12/31/05</b>
\$ 4,469,599	\$ 2,545,944	\$ 1,923,655
<u>4,469,599</u>	<u>2,545,944</u>	<u>1,923,655</u>
26,540,996	23,253,041	3,287,955
5,534,873	4,683,515	851,358
<u>321,848</u>	<u>253,036</u>	<u>68,812</u>
<u>32,397,717</u>	<u>28,189,592</u>	<u>4,208,125</u>
<u>108,991,036</u>	<u>92,083,710</u>	<u>16,907,326</u>
2,677,442	2,291,001	386,441
1,213,063	1,029,407	183,656
3,470,060	3,207,478	262,582
1,369,848	1,169,732	200,116
1,889,288	1,568,344	320,944
481,032	387,195	93,837
1,766,953	1,456,953	310,000
7,048,605	5,822,558	1,226,047
1,870,203	1,555,445	314,758
290,250	239,889	50,361
192,440	165,643	26,797
869,537	721,961	147,576
453,583	375,646	77,937
478,341	395,455	82,886
<u>420,854</u>	<u>372,793</u>	<u>48,061</u>
<u>24,491,500</u>	<u>20,759,501</u>	<u>3,731,999</u>

(Continued)

**DAVIS COUNTY**

**TREASURER'S TAX COLLECTION FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS - TREASURER'S COLLECTION ACCOUNT  
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Treasurer's		Apportionments		
	Balance 1/1/05	Receipts	Current Taxes	Delinquent Taxes	Other Collections
Other taxing districts:					
Bountiful water	\$ 137,232		\$ 193,485	\$ 3,102	\$ 1,094,634
Central Davis sewer	73,312		361,286	13,670	56,851
Farmington irrigation	50,013		295,622	6,547	24,508
Hooper water	5,159		20,795	1,205	4,417
Mosquito abatement	175,996		908,584	28,836	173,202
North Davis sewer	654,773		3,603,337	92,617	658,966
South Davis sewer	273,873		1,304,740	47,207	375,073
South Davis water	23,060		86,634	4,053	2,444
Weber Basin water	548,050		1,926,972	61,052	1,452,238
Central Weber sewer	23,196		99,906	3,140	20,737
South Davis Recreation			1,922,198		183,618
South Weber water	1,697			278	32,745
Total other taxing districts	<u>1,966,361</u>		<u>10,723,559</u>	<u>261,707</u>	<u>4,079,433</u>
Redevelopment agencies:					
Bountiful	122,537		875,803		
Woods Cross	427,579		448,516		
Sunset	50,639		47,135		
Clearfield	922,236		956,169		
Clearfield EDA	398,638		398,638		
Farmington	282,795		228,219		
West Bountiful	220,657		233,160		
Centerville	570,680		726,982		
North Salt Lake	37,219		34,379		
Woods Cross/West Bountiful	146,666		148,210		
Layton			76,508		
Clinton	25,425		44,191		
Total redevelopment agencies	<u>3,205,071</u>		<u>4,217,910</u>		
GRAND TOTAL	<u>\$ 31,684,020</u>	<u>\$ 163,119,873</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SUPPLEMENTAL SCHEDULE 18**

(Page 2 of 2)

	<b>Totals</b>	<b>Disbursements</b>	<b>Treasurer's Balance 12/31/05</b>
\$	1,428,453	\$ 1,286,139	\$ 142,314
	505,119	409,090	96,029
	376,690	310,866	65,824
	31,576	22,868	8,708
	1,286,618	1,087,616	199,002
	5,009,693	4,226,242	783,451
	2,000,893	1,717,455	283,438
	116,191	96,699	19,492
	3,988,312	3,406,904	581,408
	146,979	121,501	25,478
	2,105,816	1,435,783	670,033
	<u>34,720</u>	<u>32,908</u>	<u>1,812</u>
	<u>17,031,060</u>	<u>14,154,071</u>	<u>2,876,989</u>
	998,340	522,537	475,803
	876,095	427,579	448,516
	97,774	50,639	47,135
	1,878,405	922,236	956,169
	797,276	398,638	398,638
	511,014	282,795	228,219
	453,817	220,657	233,160
	1,297,662	570,680	726,982
	71,598	37,219	34,379
	294,876	146,666	148,210
	76,508		76,508
	<u>69,616</u>	<u>25,425</u>	<u>44,191</u>
	<u>7,422,981</u>	<u>3,605,071</u>	<u>3,817,910</u>
\$	<u>194,803,893</u>	<u>161,337,889</u>	<u>33,466,004</u>



# DAVIS COUNTY

## SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISTRIBUTED FOR THE YEAR ENDED DECEMBER 31, 2005

### YEAR-END REAL PROPERTY & CENTRALLY ASSESSED VALUES

ENTITY	Real Property	Centrally Assessed	Redevelopment (RDA) Reductions	Total
Davis School District	9,776,274,209	298,195,676	299,296,688	9,775,173,197
Statewide School	9,776,274,209	298,195,676	299,296,688	9,775,173,197
Davis County	9,776,274,209	298,195,676	299,296,688	9,775,173,197
Bountiful City	1,658,342,120	26,601,633	73,345,028	1,611,598,725
Centerville City	589,056,730	15,576,811	55,014,955	549,618,586
Clearfield City	803,481,940	38,368,321	76,985,754	764,864,507
Clinton City	469,937,030	9,219,461	3,274,751	475,881,740
Farmington City	573,282,910	14,246,931	16,409,343	571,120,498
Fruit Heights City	154,560,880	4,591,434	0	159,152,314
Kaysville City	773,613,141	12,801,899	0	786,415,040
Layton City	2,318,997,939	56,538,424	5,452,819	2,370,083,544
North Salt Lake City	691,279,860	32,485,222	2,225,997	721,539,085
Sunset City	111,340,410	4,572,658	3,736,335	112,176,733
South Weber City	165,162,160	15,830,855	0	180,993,015
Syracuse City	550,740,690	12,300,425	0	563,041,115
West Bountiful City	221,954,880	7,051,377	14,398,712	214,607,545
West Point City	206,225,740	3,798,136	0	210,023,876
Woods Cross City	366,014,360	8,673,444	41,528,628	333,159,176
County Library	9,002,661,068	285,393,777	298,261,542	8,989,793,303
Weber Basin Water	9,775,390,739	298,194,076	299,296,688	9,774,288,127
Mosquito Abatement	9,775,390,739	298,194,076	299,296,688	9,774,288,127
North Davis Sewer	4,613,410,269	137,751,441	101,031,276	4,650,130,434
Bountiful Water SubCon	1,384,097,410	26,424,293	90,191,193	1,320,330,510
South Davis Water	288,940,120	4,990,895	12,271,667	281,659,348
Special Serv Area	121,374,959	35,084,120	0	156,459,079
Central Davis Sewer	1,395,650,491	38,010,819	16,491,722	1,417,169,588
South Davis Sewer	3,575,945,979	96,972,837	179,499,888	3,493,418,928
Benchland Water Distr	587,419,690	15,300,862	15,865,473	586,855,079
Sunset Weber Bsn Wtr	111,340,410	4,572,658	3,855,627	112,057,441
Hooper Water Improv	50,198,770	860,391	0	51,059,161
South Weber Water Imp	100,553,420	12,713,522	0	113,266,942
Central Weber Sewer	165,521,550	15,881,068	0	181,402,618
South Davis Recr. Dist	3,575,137,729	93,711,334	182,400,606	3,486,448,457
County Assess & Coll	9,776,274,209	298,195,676	299,296,688	9,775,173,197
State Assess & Coll	9,776,274,209	298,195,676	299,296,688	9,775,173,197

Total

**SUPPLEMENTAL SCHEDULE 19**

(Page 1 of 2)

YEAR-END PERSONAL PROPERTY VALUES			PROPERTY TAX CALCULATION					
Personal Property	RDA Reductions	Total	ENTITY TOTAL ADJUSTED VALUE	Current Year Tax Rate	Prior Year Tax Rate (Personal)	Real Property & Centrally Assessed Tax Charged	Personal Property Tax Charged	Total Taxes Charged
815,598,806	23,996,128	791,602,678	10,566,775,875	.005964	.006021	58,299,133	4,766,240	63,065,373
815,598,506	23,996,128	791,602,378	10,566,775,575	.001720	.001800	16,813,298	1,424,884	18,238,182
815,598,506	23,996,128	791,602,378	10,566,775,575	.001676	.001695	16,383,190	1,341,766	17,724,956
49,182,174	2,026,813	47,155,361	1,658,754,086	.001194	.001231	1,924,249	58,048	1,982,297
28,435,052	2,481,240	25,953,812	575,572,398	.001436	.001459	789,252	37,867	827,119
209,385,604	19,386,873	189,998,731	954,863,238	.002980	.002980	2,279,296	566,196	2,845,492
12,194,268	81,955	12,112,313	487,994,053	.002087	.002163	993,165	26,199	1,019,364
22,637,384	621,890	22,015,494	593,135,992	.002336	.002426	1,334,137	53,410	1,387,547
2,420,379	0	2,420,379	161,572,693	.001980	.001989	315,122	4,814	319,936
24,420,288	0	24,420,288	810,835,328	.001519	.001600	1,194,564	39,072	1,233,637
142,877,332	337,949	142,539,383	2,512,622,927	.002134	.002092	5,057,758	298,192	5,355,951
150,565,105	448,821	150,116,284	871,655,369	.001645	.001652	1,186,932	247,992	1,434,924
3,650,783	119,292	3,531,491	115,708,224	.001147	.001174	128,667	4,146	132,813
4,364,988	0	4,364,988	185,358,003	.001166	.001201	211,038	5,242	216,280
12,248,180	0	12,248,180	575,289,295	.001043	.001043	587,252	12,775	600,027
27,378,087	1,684,991	25,693,096	240,300,641	.001482	.001475	318,048	37,897	355,946
1,508,601	0	1,508,601	211,532,477	.001539	.001555	323,227	2,346	325,573
35,550,399	3,730,670	31,819,729	364,978,905	.000923	.000949	307,506	30,197	337,703
791,178,518	25,031,274	766,147,244	9,755,940,547	.000426	.000432	3,829,652	330,976	4,160,628
815,598,806	23,996,128	791,602,678	10,565,890,805	.000193	.000198	1,886,438	156,737	2,043,175
815,598,806	23,996,128	791,602,678	10,565,890,805	.000091	.000093	889,460	73,619	963,079
387,666,670	8,344,452	379,322,218	5,029,452,652	.000763	.000763	3,548,050	289,423	3,837,472
58,612,001	3,516,026	55,095,975	1,375,426,485	.000147	.000153	194,089	8,430	202,518
9,342,946	377,884	8,965,062	290,624,410	.000316	.000318	89,004	2,851	91,855
88,780,182	0	88,780,182	245,239,261	.000940	.000972	147,072	86,294	233,366
48,030,669	539,511	47,491,158	1,464,660,746	.000259	.000271	367,047	12,870	379,917
370,802,192	17,385,967	353,416,225	3,846,835,153	.000357	.000366	1,247,151	129,350	1,376,501
21,382,809	563,878	20,818,931	607,674,010	.000508	.000518	298,122	10,784	308,907
3,650,783	1,082,466	2,568,317	114,625,758	.000000	.000257	0	660	660
86,662	0	86,662	51,145,823	.000455	.000547	23,232	47	23,279
0	0	0	113,266,942	.000000	.000000	0	0	0
4,364,288	0	4,364,288	185,766,906	.000567	.000552	102,855	2,409	105,264
291,359,745	14,485,249	276,874,496	3,763,322,953	.000536	.000000	1,868,736	0	1,868,736
815,598,806	23,996,128	791,602,678	10,566,775,875	.000072	.000073	703,812	57,787	761,599
815,598,806	23,996,128	791,602,678	10,566,775,875	.000173	.000180	1,691,105	142,488	1,833,593
						125,331,659	10,262,010	135,593,670

(SCHEDULE 19 IS CONTINUED ON THE NEXT 2 PAGES)

# DAVIS COUNTY

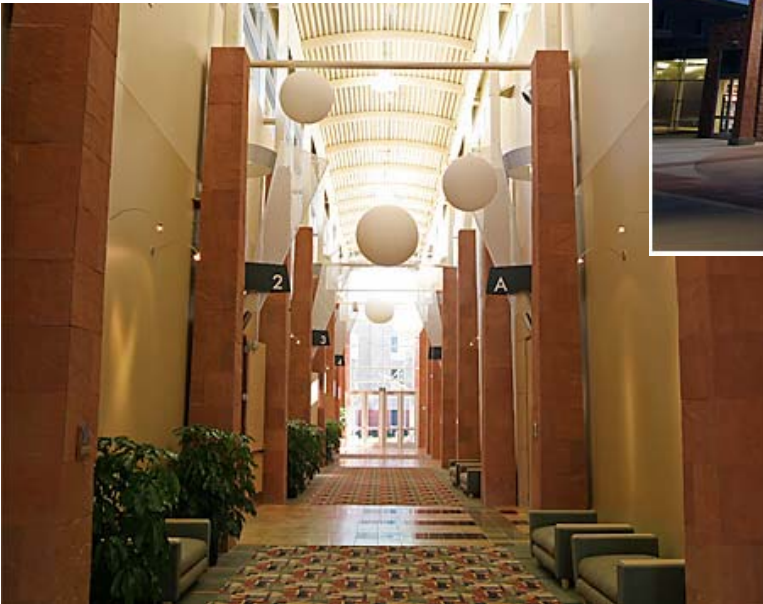
## SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISTRIBUTED FOR THE YEAR ENDED DECEMBER 31, 2005

ENTITY	TAXES CHARGED	TREASURER'S RELIEF			Total
		Unpaid Taxes	Abatements	Other	
Davis School District	63,065,373	2,618,857	847,755	47,734	3,514,346
Statewide School	18,238,182	755,254	244,490	64,082	1,063,826
Davis County	17,724,956	735,913	238,236	15,775	989,924
Bountiful City	1,982,297	68,351	25,921	1,776	96,047
Centerville City	827,119	30,649	8,829	618	40,095
Clearfield City	2,845,492	128,651	47,104	313	176,069
Clinton City	1,019,364	41,165	25,708	935	67,807
Farmington City	1,387,547	64,211	8,332	2,010	74,553
Fruit Heights City	319,936	9,171	2,969	24	12,165
Kaysville City	1,233,637	45,198	11,751	1,999	58,947
Layton City	5,355,951	235,205	94,724	(5,818)	324,110
North Salt Lake City	1,434,924	88,390	5,028	1,187	94,606
Sunset City	132,813	10,051	4,518	31	14,600
South Weber City	216,280	7,506	3,645	238	11,390
Syracuse City	600,027	20,348	8,233	7	28,588
West Bountiful City	355,946	14,947	2,938	(159)	17,726
West Point City	325,573	13,722	8,814	25	22,561
Woods Cross City	337,703	13,116	1,810	844	15,770
County Library	4,160,628	174,366	57,258	4,777	236,402
Weber Basin Water	2,043,175	84,726	27,434	4,044	116,205
Mosquito Abatement	963,079	39,937	12,935	1,624	54,496
North Davis Sewer	3,837,472	163,956	70,018	160	234,135
Bountiful Water SubCon	202,518	6,113	2,586	335	9,033
South Davis Water	91,855	3,715	1,492	14	5,222
Special Serv Area	233,366	7,890	1,209	2,887	11,987
Central Davis Sewer	379,917	15,157	2,897	577	18,631
South Davis Sewer	1,376,501	55,798	12,713	3,251	71,761
Benchland Water Distr	308,907	11,279	1,792	214	13,284
Sunset Weber Bsn Wtr	660	0	0	660	660
Hooper Water Improv	23,279	2,028	448	8	2,484
South Weber Water Imp	0	0	0	0	0
Central Weber Sewer	105,264	3,649	1,773	(64)	5,358
South Davis Recr. Dist	1,868,736	83,543	19,078	(156,082)	(53,462)
County Assess & Coll	761,599	31,601	10,235	848	42,684
State Assess & Coll	1,833,593	75,943	24,591	5,787	106,321
Total	135,593,670	5,660,405	1,837,265	660	7,498,330

TAXES COLLECTED	PERCENTAGE COLLECTED	OTHER COLLECTIONS				Total, All Collections/ Distributed
		Fee-in-lieu Age-based	Miscellaneous Collections	Delinquent Redemptions	Interest/ Penalty	
59,551,027	94.4%	8,853,507	2,420,770	1,854,941	89,516	72,769,762
17,174,356	94.2%	2,554,358	715,949	556,104	27,350	21,028,117
16,735,033	94.4%	2,488,472	680,060	524,680	348,347	20,776,593
1,886,250	95.2%	306,253	22,106	45,178	2,597	2,262,384
787,024	95.2%	139,174	69,102	27,946	1,368	1,024,615
2,669,424	93.8%	294,445	112,703	41,812	4,256	3,122,640
951,557	93.3%	183,897	32,412	35,672	1,243	1,204,782
1,312,994	94.6%	196,737	70,255	39,705	1,968	1,621,659
307,771	96.2%	60,634	21,180	14,376	517	404,478
1,174,690	95.2%	214,466	56,238	46,410	1,838	1,493,641
5,031,840	93.9%	699,710	141,407	139,183	6,854	6,018,995
1,340,318	93.4%	107,366	53,217	58,092	2,312	1,561,305
118,213	89.0%	23,981	1,884	3,366	121	147,564
204,890	94.7%	35,936	6,687	6,887	226	254,628
571,439	95.2%	118,843	39,906	16,441	604	747,233
338,219	95.0%	42,054	8,764	26,597	668	416,303
303,012	93.1%	69,320	23,033	9,153	403	404,921
321,933	95.3%	44,960	9,507	20,796	1,269	398,466
3,924,225	94.3%	572,304	158,098	120,810	6,046	4,781,484
1,926,970	94.3%	286,550	92,271	61,052	2,972	2,369,816
908,583	94.3%	135,099	36,855	28,836	1,249	1,110,622
3,603,337	93.9%	502,176	147,047	92,617	4,839	4,350,017
193,485	95.5%	15,510	2,136	3,102	211	214,444
86,634	94.3%	123	967	4,053	212	91,988
221,379	94.9%	6,808	35,406	2,835	180	266,607
361,286	95.1%	34,563	21,676	13,700	611	431,837
1,304,740	94.8%	177,076	43,688	47,207	2,320	1,575,030
295,622	95.7%	11,657	12,440	6,547	411	326,676
(0)	N/A	0	0	659	24	682
20,795	89.3%	41	4,339	1,205	37	26,417
0	N/A	0	9	278	4	291
99,906	94.9%	17,479	3,152	3,140	106	123,783
1,922,198	102.9%	0	183,349	0	269	2,105,816
718,916	94.4%	106,889	29,290	22,525	1,101	878,722
1,727,272	94.2%	256,910	71,498	55,547	2,771	2,113,998
128,095,340		18,557,299	5,327,401	3,931,453	514,822	156,279,267

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# III. STATISTICAL SECTION



## DAVIS CONFERENCE CENTER

DAVIS CONFERENCE CENTER  
800 W. HERITAGE DRIVE  
LAYTON, UTAH 84041

(801) 416-8888

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# DAVIS COUNTY

## GENERAL GOVERNMENTAL REVENUES BY SOURCE LAST TEN FISCAL YEARS

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<u>Fiscal Year</u>	<u>Taxes</u> <sup>1</sup>		<u>Licenses and Permits</u>		<u>Intergovernmental and Grant Revenues</u>		<u>Charges for Services</u>		<u>Fines and Forfeitures</u>		<u>Interest, Rents and Concessions</u>		<u>Miscellaneous</u>		<u>Total</u>
2005	\$41,289,372	58.0%	231,330	.3%	\$9,837,275	13.8%	\$15,178,746	21.3%	\$1,874,357	2.6%	\$1,259,879	1.8%	\$1,698,454	2.4%	\$71,369,414
2004	38,730,102	55.4	208,119	.3	11,054,806	15.8	12,720,645	18.2	1,925,534	2.7	\$284,699	.4	5,017,741	7.2	69,941,646
2003	37,561,589	59.1	210,321	.3	9,788,853	15.4	12,029,343	19.0	1,689,499	2.7	108,766	.2	2,090,425	3.3	63,478,796
2002	32,790,489	59.1	216,750	.3	8,801,497	15.8	10,324,941	18.6	1,682,917	3.0	155,467	.3	1,550,708	2.8	55,522,769
2001	31,353,860	57.5	201,759	.4	8,326,282	15.3	10,394,732	19.0	1,634,230	3.0	570,381	1.0	2,078,537	3.8	54,559,781
2000	30,233,131	57.0	212,136	.4	8,290,644	15.6	10,257,593	19.4	1,539,056	2.9	569,027	1.1	1,929,226	3.6	53,030,813
1999	28,344,778	55.6	202,590	.4	9,185,391	18.0	9,725,546	19.1	1,347,577	2.7	454,909	.9	1,702,192	3.3	50,962,983
1998	27,249,886	55.0	190,175	.4	10,516,080	21.2	8,316,784	16.8	1,140,526	2.3	477,129	1.0	1,613,805	3.3	49,504,385
1997	25,546,645	59.1	165,229	.4	8,070,132	18.7	6,461,683	14.9	1,033,144	2.4	459,082	1.1	1,466,987	3.4	43,202,902
1996	23,718,787	58.2	152,493	.4	7,682,937	18.8	5,986,025	14.7	841,679	2.1	563,714	1.4	1,778,317	4.4	40,723,952

<sup>1</sup> Taxes include: Property taxes, Auto related fees and taxes, Sales taxes, and Tourism taxes

## DAVIS COUNTY

### GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION LAST TEN FISCAL YEARS

Fiscal Year	General Government		Public Safety		Public Health		Public Works	
2005	\$27,334,114	35.6%	\$20,982,358	27.3%	\$10,772,189	14.0%	\$2,811,279	3.6%
2004	27,049,891	36.2	19,732,326	26.4	10,468,495	14.0	3,335,276	4.5
2003	21,734,986	36.2	17,968,775	30.0	12,492,436	20.8	1,954,701	3.3
2002	20,418,937	29.5	17,869,709	25.8	12,450,725	18.0	2,125,444	3.0
2001	20,782,345	35.4	16,919,168	28.8	11,980,037	20.4	828,726	1.4
2000	20,085,518	37.7	15,718,736	29.6	11,092,928	20.9	791,018	0.3
1999	17,536,367	35.9	14,613,233	29.9	11,013,196	22.5	398,984	0.8
1998	16,378,420	34.6	12,708,955	26.8	10,231,061	21.6	681,616	1.4
1997	14,975,958	33.7	11,073,986	24.9	9,537,609	21.5	675,906	1.5
1996	14,073,214	36.3	9,897,749	25.5	8,367,956	21.6	606,283	1.5



Principal Retirement		Interest and Other		Capital Outlay		Total	Reduction for Expenditures from financing activities 1	Adjusted Total
\$2,398,911	3.1%	\$1,261,046	1.6%	\$11,277,186	14.7%	\$76,837,083	(\$7,765,782)	\$69,071,301
2,077,000	2.8	593,825	0.8	11,370,612	15.2	74,627,525	(7,680,394)	66,896,100
1,640,000	2.7	302,557	0.5	3,880,010	6.5	59,973,465	(1,390,549)	58,582,916
8,109,000	11.7	476,242	0.7	7,796,221	11.3	69,246,278	(6,465,000)	62,781,278
1,370,000	2.3	521,998	0.9	6,386,976	10.8	58,789,250	0	58,789,250
1,300,000	2.4	591,199	1.1	3,596,846	6.8	53,176,245	0	53,176,245
1,210,000	2.5	654,827	1.3	3,481,725	7.1	48,908,332	0	48,908,332
1,215,000	2.6	721,978	1.5	5,432,133	11.5	47,369,163	0	47,369,163
1,270,000	2.9	803,948	1.8	6,602,903	13.7	44,400,310	0	44,400,310
2,762,517	7.1	971,171	2.5	2,125,375	5.5	38,804,265	0	38,804,265

1 Expenditures in current year of available funds from financing activities. These were from current or prior year's available fund balances from bond issues for projects.

## DAVIS COUNTY

### TAXABLE AND ESTIMATED ACTUAL MARKET VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

---

<u>Year</u>	<u>Taxable Valuation 1,2</u>	<u>Estimated Actual Market Value 1,2</u>	<u>Percent Adjusted Taxable Valuation to Estimated Actual Market Value</u>
2005	\$10,890,068,690	\$17,135,120,877	63.6%
2004	10,254,421,720	15,667,356,241	65.5
2003	9,786,712,158	14,509,725,213	67.5
2002	9,400,550,644	14,205,806,672	66.2
2001	9,116,550,644	13,920,405,974	65.5
2000	8,203,417,609	12,789,345,628	64.1
1999	7,673,534,335	12,092,070,432	63.5
1998	7,222,549,359	11,406,243,914	63.3
1997	6,502,812,841	10,477,371,981	60.9
1996	5,649,097,249	9,347,487,432	60.4

1 Taxable and market valuations do not include certain motor vehicles and motor homes excluded through Utah State tax legislation. These items are taxed with a "fee-in-lieu" of property tax. These "fee-in-lieu" tax dollars are part of the total property tax dollars presented.

2 The value of tax exempt properties are not included in this presentation.

**DAVIS COUNTY**

**SCHEDULE OF TAXABLE VALUATION AND TAXES ASSESSED AND COLLECTED  
LAST TEN FISCAL YEARS**

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<u>Year</u>	<u>Adjusted Taxable Valuation</u> <sup>1,2</sup>	<u>County Tax Rate</u> <sup>3</sup>	<u>Property Taxes Assessed</u>	<u>Current Year Property Taxes Collected</u>	<u>Percent of Current Year Taxes Collected</u>
2005	\$10,890,068,690	.001921	\$17,724,956	\$16,735,033	94.42%
2004	10,254,421,720	.001948	16,914,938	15,863,930	93.79
2003	9,516,641,348	.001954	15,936,413	15,072,659	94.60
2002	9,169,083,257	.001650	15,140,121	14,305,865	94.49
2001	8,844,013,853	.001664	14,753,694	13,799,696	93.53
2000	8,004,186,597	.001710	13,687,159	12,916,457	94.37
1999	7,510,677,463	.001769	13,286,388	12,620,094	94.99
1998	7,079,958,326	.001833	12,977,564	12,341,439	95.10
1997	6,377,252,992	.002648	15,432,952	14,730,752	95.45
1996	5,649,097,249	.002848	12,975,976	12,513,972	96.44
<b>TEN YEAR AVERAGE</b>	<b>\$8,329,540,150</b>	<b>.001995</b>	<b>\$14,883,016</b>	<b>\$14,089,990</b>	<b>94.72%</b>

1 Taxable valuations reflected do not include certain motor vehicles and motor homes excluded through Utah State tax legislation.

2 The valuations have been reduced by the amount of value that is identified to redevelopment projects through out the County.

3 The County Tax Rate includes the County and State Assessing and Collecting rates.

## DAVIS COUNTY

### PRINCIPAL TAXPAYERS WITHIN THE COUNTY (property tax) 1 DECEMBER 31, 2005

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<u>Taxpayer</u>	<u>Type of Business</u>	<u>2005 Taxable Valuation</u>	<u>Percent of Total Taxable Valuation of \$10,890,068,690</u>
Chevron U.S.A. Inc	Petroleum refinery	\$169,690,002	0.99%
Freeport Center Associates	Distribution/Warehouse	159,659,048	0.93
Qwest Communications	Communication	80,354,257	0.47
Layton Hills L L C	Real Estate (Mall)	77,947,076	0.45
PacifiCorp	Electrical distribution	74,996,162	0.44
Big West Oil	Petroleum distribution	73,695,448	0.43
Smith's Food and Drug	Distribution/Retail sales	64,446,191	0.38
Albertson's	Distribution/Retail sales	55,656,599	0.32
Lifetime Products	Manufacturing	45,209,498	0.27
Questar Gas	Natural Gas Utility	44,209,498	0.26

1 There may be other groups or families that own more than \$40 million in properties listed under multiple names.

**DAVIS COUNTY**

**RATIO OF NET GENERAL BONDED DEBT TO TAXABLE VALUATION,  
ESTIMATED MARKET VALUE, AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Estimated Population</u>	<u>Taxable Valuation</u> 1	<u>Estimated Market Value</u> 1	<u>Net Bonded Debt</u>	<u>Ratio of Net Bonded Debt to Taxable Valuation</u>	<u>Ratio of Net Bonded Debt to Estimated Market Value</u>	<u>Net Bonded Debt Per Capita</u>
2005	281,000	\$10,890,068,690	\$17,135,120,877	\$26,535,000 <sup>2</sup>	0.24%	0.15%	\$94.43
2004	269,000	10,254,421,720	15,667,356,241	13,532,000	0.13	0.09	50.23
2003	256,000	9,786,712,158	14,509,725,213	15,609,000 <sup>3</sup>	0.16	0.11	60.97
2002	248,000	9,400,728,423	14,205,806,672	8,249,000 <sup>4</sup>	0.09	0.06	33.26
2001	244,000	9,116,550,644	13,920,405,974	16,358,000 <sup>5</sup>	0.18	0.12	68.16
2000	238,994	8,203,417,609	12,789,345,628	9,140,000	0.11	0.07	38.24
1999	237,000	7,673,534,335	12,092,070,432	10,370,000	0.14	0.09	43.76
1998	230,000	7,222,549,359	11,406,243,914	11,510,000	0.16	0.10	50.04
1997	223,319	6,502,812,841	10,447,371,981	12,665,000	0.19	0.12	56.71
1996	219,644	5,649,097,249	9,347,487,432	13,735,000	0.24	0.15	62.53

1 Taxable and market valuations do not include certain motor vehicles and motor homes excluded through Utah State tax legislation.

2 Includes \$24,800,000 Bond for the Jail Expansion project as of December 31, 2005.

3 Includes \$9,000,000 of Sales Tax revenue bonds for the construction of the Davis Conference Center as of December 31, 2003.

4 Does not include lease purchase line of credit balance of \$3,817,000 as of December 31, 2002.

5 Includes \$6,465,000 of bonds waiting to be used for refunding of G/O debt on the call date of February 1, 2002.

## DAVIS COUNTY

### RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN FISCAL YEARS

---

<u>Year</u>	<u>Total Debt Service Expenditures</u> 1	<u>Total General Governmental Expenditures</u>	<u>Ratio of Debt Service to General Governmental Expenditures</u>	
2005	\$3,659,957	\$76,837,083	4.76%	
2004	2,670,825	74,627,525	3.58	
2003	1,942,557	59,973,465	3.24	
2002	8,585,242	69,246,278	12.40	Total with bond refund
2002	2,120,242	62,781,278	3.38	Total without bond refund
2001	1,891,998	58,789,250	3.22	
2000	1,891,199	53,176,245	3.56	
1999	1,864,827	48,908,332	3.81	
1998	1,936,978	47,369,163	4.09	
1997	2,073,948	44,400,310	4.67	
1996	3,733,688	38,804,265	9.62	

1 On February 1, 2002 \$6,465,000 of 1992 G/O debt was refunded at the call date.

**DAVIS COUNTY**

**COMPUTATION OF LEGAL DEBT MARGIN  
DECEMBER 31, 2005**

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Estimated 2005 "Fair Market Value" <sup>1</sup>	\$18,372,274,144
"Fair Market Value" x 2% = "Debt Limit"	367,445,483
Less: Outstanding General Obligation Debt	<u>(25,535,000)</u>
<b>ADDITIONAL DEBT INCURRING CAPACITY</b>	<b><u>\$341,910,483</u></b>

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In computing "Fair Market Value" the estimated value (\$1,237,153,267) of all tax equivalent property related to motor vehicles and motor homes on which uniform fees are collected in lieu of property tax has been included. This value is only included for calculating debt incurring capacity.

# DAVIS COUNTY

## COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT YEAR ENDED DECEMBER 31, 2005

<u>Taxing Entity</u>	<u>2005 Year-End Taxable Valuation</u> <sup>1</sup>	<u>County's Portion of Taxable Valuation</u>	<u>County's Percentage</u>	<u>Entity's Outstanding G.O. Debt</u>	<u>Davis County Overlapping G.O. Debt</u>
<b>Overlapping:</b>					
State of Utah	\$132,283,252,974	\$10,890,068,690	8.3%	\$1,377,390,000	\$ 114,323,370
Davis County School District	10,890,068,690	10,890,068,690	100.0	243,305,000	<u>243,305,000</u>
<b>Total Overlapping G.O. Debt</b>					<u><b>\$357,628,370</b></u>
<b>Underlying:</b>					
Weber Basin Water Conservatory District <sup>2, 3</sup>	25,843,934,691	10,889,183,620	42.2	35,212,376	14,836,242
Clearfield City <sup>3</sup>	1,051,235,864	1,051,235,864	100.0	12,405,000	0
Clinton City <sup>3</sup>	491,350,759	491,350,759	100.0	830,000	0
Farmington City	610,167,225	610,167,225	100.0	2,765,000	2,765,000
South Davis Recreation District <sup>4</sup>	3,960,208,808	3,960,208,808	100.0	18,400,000	18,400,000
South Weber City <sup>3</sup>	185,358,003	185,358,003	100.0	206,000	0
South Weber Water Improv. District <sup>3</sup>	117,396,924	117,396,924	100.0	110,595	0
West Bountiful City <sup>3</sup>	256,384,344	256,384,344	100.0	1,620,000	0
North Salt Lake City <sup>3</sup>	874,330,187	874,330,187	100.0	5,725,000	0
North Davis County Sewer District	6,139,643,429	5,138,828,379	83.7	60,597,000	<u>50,717,932</u>
<b>Total Underlying</b>					<u><b>86,719,174</b></u>
<b>Total Overlapping &amp; Underlying G.O. Debt</b>					<u><b>\$444,347,544</b></u>
<b>Total Overlapping G.O. Debt (Excluding the State) <sup>5</sup></b>					<b>\$243,305,000</b>
<b>Total Direct General Obligation</b>					<u><b>26,535,000</b></u>
<b>Total Direct and Overlapping G.O. Debt (Excluding the State) <sup>5</sup></b>					<u><b>\$269,840,000</b></u>
<b>Total Underlying General Obligation Debt</b>					<b>\$86,719,174</b>
<b>Total Direct General Obligation Bonded Indebtness</b>					<u><b>26,535,000</b></u>
<b>Total Direct and Underlying G.O. Debt</b>					<u><b>\$113,254,174</b></u>
<b>Total Overlapping &amp; Underlying G.O. Debt (Excluding the State) <sup>5</sup></b>					<b>\$330,024,174</b>
<b>Total Direct General Obligation Bonded Indebtness</b>					<u><b>26,535,000</b></u>
<b>Total Direct, Overlapping and Underlying G.O. Debt (Excl. the State) <sup>5</sup></b>					<u><b>\$356,559,174</b></u>

1 2005 Values are preliminary and subject to change. Taxable values used in this table excludes the taxable value used to determine uniform fees on tangible personal property.

2 The Weber Basin Water Conservatory District covers all of Morgan County, most of the County and Weber Counties, and portions of Box Elder and Summit Counties. Principal and interest on WBWCD general obligation bonds are paid from sales of water. WBWCD bonds are shown as overlapping but are self-supporting except for a maximum .000200 tax rate.

3 All or portions of these governmental entities outstanding general obligation debt are supported by user fee revenues from water or sewer. The County's portion of overlapping general obligation debt has been reduced to the extent that such general obligation debt is supported by 'user fee revenues'

4 The South Davis Recreation District members include the cities of Bountiful, Centerville, North Salt Lake, Woods Cross, West Bountiful, and part of unincorporated Davis County.

5 The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.



## DAVIS COUNTY

### PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (PER \$1.00 OF TAXABLE VALUATION) LAST TEN FISCAL YEARS

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<u>Calendar Year</u>	<u>County Funds</u>	<u>County Library</u>	<u>Davis County Schools</u>	<u>Average Cities and Towns</u>	<u>Average Miscellaneous Taxing Districts</u>
2005	.001921	.000426	.007684	.001641	.000842
2004	.001948	.000432	.007821	.001666	.000800
2003	.001954	.000434	.007731	.001661	.000818
2002	.001650	.000431	.007610	.001579	.000835
2001	.001664	.000431	.007600	.001481	.001059
2000	.001710	.000435	.007513	.001562	.000831
1999	.001769	.000285	.007370	.001548	.000788
1998	.001833	.000287	.007393	.001633	.000584
1997	.002648	.000298	.007604	.001679	.000412
1996	.002848	.000321	.007408	.001881	.000455

## DAVIS COUNTY

### DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

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<u>Fiscal Year</u>	<u>Population</u> 1	<u>Births</u> 2	<u>Deaths</u> 2	<u>Per Capita Income</u> 3	<u>Non-Agricultural Average Monthly Wage</u> 4	<u>Annualized % Unemployment Rate</u> 4	<u>Total Public School Enrollment</u> 5
2005	281,000	3,002	1,084	\$28,081	\$2,731	3.7	62,349
2004	269,000	2,974	1,666	27,418	2,646	4.4	60,614
2003	256,000	2,890	1,072	26,943	2,585	5.2	60,025
2002	248,000	2,840	1,038	25,947	2,497	5.2	58,900
2001	244,000	2,967	963	25,430	2,415	3.9	58,754
2000	238,994	2,781	943	25,064	2,290	3.0	58,867
1999	237,000	2,755	910	23,405	2,154	3.5	58,562
1998	230,000	2,647	866	22,650	2,086	3.5	58,767
1997	223,319	2,635	809	21,599	2,002	2.9	58,835
1996	219,644	2,693	783	20,091	1,979	3.2	58,268

1 Source: Davis County Department of Community & Economic Development

2 Source: Davis County Health Department - Vital Statistics

3 Source: U.S. Bureau of Economic Analysis – 2004 per capita figure is preliminary.

4 Source: Utah Department of Workforce Services – Labor Information Division

5 Source: Davis County School District

DAVIS COUNTY

MISCELLANEOUS STATISTICAL DATA - INSURANCE SUMMARY  
 DECEMBER 31, 2005

<u>CARRIER</u>	<u>POLICY #</u>	<u>TERM</u>	<u>COVERAGE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
UTAH COUNTIES INSURANCE POOL	UCIP-05.100-6	1/1/05-12/31/05	General Liability	Limit per occurrence: Aggregate coverage	\$2,250,000 \$3,250,000
Same	Same	Same	Public Officials E & O	Per Occurrence Aggregate per member	\$2,250,000 \$2,250,000
Same	Same	Same	Automobile Liability	Per occurrence Comprehensive deductible - collision	\$2,250,000 \$1,000
Same	Same	Same	Law Enforcement	Same as general liability	
Same	Same	Same	Professional Liability (Health Department)	Same (Does not include doctor and/or hospital professional liability)	
Same	Same	Same	Blanket Property	Blanket Limit of insurance: (includes replacement cost of property) Flood aggregate Earthquake aggregate	\$100,250,000 \$25,250,000 \$20,250,000
Same	Same	Same	Inland Marine Contractor's Equipment	Same as property coverage	
CNA-Continental Causality	BM2075994678	Same	Boiler and Machinery	Property Damage Limit Interruption deductible	\$25,000,000 \$1,000
STATES Self- Insurers Risk Retention Group, Inc.	SEL3001215	Same	Excess Liability	Retroactive liability coverage SIR Excess coverage over UCIP policy SIR	\$10,000,000 2,250,000 6,750,000 2,250,000
State of Utah Industrial Commission	1636958	Same	Workers' Compensation	Industrial injury	Statutory
Old Republic Insurance Co. (Olympus)	PR 67410	7/29/04-7/29/05	Heliport	Combined Single Limit Bodily Injury & Property Damage	\$1,000,000
Fred A. Morton Co.	841788	1/1/03 - 1/1/06	Treasurer's Bond		\$2,000,000

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# IV. SINGLE AUDIT SECTION



## FAIRPARK / LEGACY CENTER

DAVIS COUNTY FAIRPARK  
151 SOUTH 1100 WEST  
FARMINGTON, UTAH 84025

(801) 451-7811

[www.daviscountyutah.gov/fairpark](http://www.daviscountyutah.gov/fairpark)

WWW.DAVISCOUNTYUTAH.GOV





Steven F. Crane, CPA  
Kent R. Christensen, CPA  
Jeffrey L. Ambrose, CPA  
Chuck Palmer, CPA

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND  
ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED UPON THE AUDIT PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

The Board of County Commissioners  
Davis County, Utah

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Davis County as of and for the year ended December 31, 2005, which collectively comprise Davis County's basic financial statements and have issued our report thereon dated April 21, 2006, which report was modified as described below. The financial statements of Davis Behavioral Health (a component unit of Davis County) were audited by other auditors, whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for Davis Behavioral Health, is based solely on the reports of such other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

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

**Internal Control Over Financial Reporting** - In planning and performing our audit, we considered the County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County commissioners, management, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be or should not be used by anyone other than these specified parties.

*Crane, Christensen & Ambrose P.C.*

Ogden, Utah  
April 21, 2006



Steven F. Crane, CPA  
Kent R. Christensen, CPA  
Jeffrey L. Ambrose, CPA  
Chuck Palmer, CPA

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND  
INTERNAL CONTROL OVER COMPLIANCE APPLICABLE  
TO EACH MAJOR FEDERAL AWARD PROGRAM**

The Board of County Commissioners  
Davis County, Utah

**Compliance** - We have audited the compliance of Davis County (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2005. The County's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion of the County's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County complied in all material respects with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2005.

**Internal Control Over Compliance** - The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County commissioners, management, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be or should not be used by anyone other than these specified parties.

*Crane, Christensen & Ambrose P.C.*

Ogden, Utah  
April 21, 2006

**DAVIS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

**I. SUMMARY OF AUDITORS' RESULTS**

1. The independent auditors' report on the financial statements expressed an unqualified opinion. The financial statements of Davis Behavioral Health (a component unit of Davis County) were audited by other auditors, whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for Davis Behavioral Health, is based solely on the reports of such other auditors.
2. No conditions in internal control over financial reporting were required to be reported.
3. No instances of noncompliance considered to be material to the financial statements were disclosed by the audit.
4. No conditions in internal control over compliance with requirements applicable to major federal awards programs were required to be reported.
5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.
6. The audit disclosed no findings required to be reported by OMB Circular A-133.
7. The major federal programs of the County for the year ended December 31, 2005 are as follows:

<b>Program</b>	<b>CFDA#</b>	<b>Expenditures</b>
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	\$ 3,299,205
Special Programs for the Aging:		
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	115,873
Title III, Part C, Nutrition Services	93.045	189,318

8. A threshold of \$300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.
9. The County qualified as a low risk auditee as that term is defined in OMB Circular A-133.

**II. FINANCIAL STATEMENTS FINDINGS SECTION**

None

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION**

None



**DAVIS COUNTY**

**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

(Page 1 of 2)

<b>Federal Grantor Agency Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant Numbers</b>	<b>2005 Expenditures (Modified Accrual Basis)</b>
U.S. Department of Agriculture			
Passed through Utah State Department of Health:			
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	Noncash	\$ 2,596,358
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	05-1293, 06-0921	702,847
Summer Food Service Program for Children	10.559	06-0237	12,500
Passed through Utah State Department of Social Services:			
Food Donation	10.550	04-2203, 06-0506	<u>55,348</u>
Total U.S. Department of Agriculture			<u>\$ 3,367,053</u>
U.S. Department of Education			
Passed through National Science Foundation:			
Safe and Drug-Free Schools and Communities, State Grants	84.186B	03-0302, 05-2437	<u>\$ 56,646</u>
U.S. Department of Health and Human Services			
Passed through Utah State Department of Health:			
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	06-0066	5,000
Immunization Grants	93.268	Noncash	124,597
Immunization Grants	93.268	05-0251, 06-0095	67,392
Centers for Disease Control and Prevention, Investigations and Technical Assistance	93.283	04-2205, 05-1640 06-0551, 06-1178	373,264
Medical Assistance Program	93.778	05-0053, 05-0408 06-0507	26,730
HIV Prevention Activities, Health Department Based	93.940	06-0066	6,000
Preventive Health Services, Sexually Transmitted Diseases Control Grants	93.977	06-0066	1,000
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988	04-2205, 06-0551	6,918
Preventive Health and Health Services Block Grant	93.991	04-2205, 06-0551	73,793
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	93.994	05-0251, 06-0095 06-0551	123,244
Passed through Utah State Department of Human Services			
Consolidated Knowledge Development and Application Program	93.230	02-1366	134,861
Passed through Utah State Department of Social Services:			
Programs for the Aging:			
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	04-2203, 06-0506	115,873
Title III, Part C, Nutrition Services	93.045	04-2203, 06-0506	189,318
Title VII, Chap. 2, Long Term Care Ombudsman Services for Older Individuals	93.042	04-2203, 06-0506	3,512
Title III, Part D, Disease Prevention and Health Promotion Services	93.043	06-0506	4,918
National Family Caregiver Support	93.052	04-2203, 06-0506	92,845
Social Services Block Grant	93.667	05-0276, 06-0753	95,324
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	06-0506	2,245
Block Grants for Community Mental Health Services	93.958	03-0322, 05-2439	227,294
Block Grants for Prevention and Treatment of Substance Abuse	93.959	03-0302, 05-2437	1,564,763
Passed through Utah State Department of Community and Economic Development:			
Low-Income Home Energy Assistance	93.568	04-1960, 05-2001	<u>293,149</u>
Total U.S. Department of Health and Human Services			<u>\$ 3,532,040</u>
Department of Homeland Security			
Passed through Utah State Department of Public Safety:			
State Domestic Preparedness Equipment Support Program	97.004	STATE-2003-EXE-002	34,981
Homeland Security Grant Program	97.067	SLA-2006-DES-0006 DES-2005-SHSP-001	28,930
Buffer Zone Protection Plan (BZPP)	97.078	BZPP-2005-019	12,798
Total Department of Homeland Security			<u>\$ 76,709</u>

See notes to supplementary schedule of federal financial assistance.

**DAVIS COUNTY**

**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2005**

(Page 2 of 2)

<b>Federal Grantor Agency Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Grant Numbers</b>	<b>2005 Expenditures (Modified Accrual Basis)</b>
U.S. Department of Housing and Urban Development Passed through Utah State Department of Community and Economic Development Community Development Block Grants/State's Program	14.228	03-2040, 04-2259 06-0569	\$ <u>226,791</u>
U.S. Department of Justice State Criminal Alien Assistance Program	16.606	2006APBX0235	139,849
Bulletproof Vest Partnership Program	16.607	004BOBX04023303	8,906
Passed through Utah State Commission on Criminal and Juvenile Justice: Violence Against Women Formula Grants	16.588	04VAWA05	79,692
Edward Byrne Memorial Formula Grant Program	16.579	4D75, 3D70	7,708
Crime Victim Assistance	16.575	04VOCA12, 04VOCA10 04VOCA11, 05VOCA10 05VOCA11, 05VOCA12 04UVAA02, 05UVAA01	167,695
Residential Substance Abuse Treatment for State Prisoners	16.593	5R02	<u>65,824</u>
Total U.S. Department of Justice			\$ <u>469,674</u>
U.S. Department of Labor Passed through Utah State Department of Social Services: Senior Community Service Employment Program	17.235	04-2203, 06-0506	\$ <u>42,516</u>
U.S. Department of Energy Passed through Utah State Department of Community and Culture Weatherization Assistance for Low Income Persons	81.042	05-1022, 06-0520	\$ <u>285,611</u>
Environmental Protection Agency Passed through Utah State Department of Environmental Quality: Capitalization Grants for Drinking Water State Revolving Fund	66.468	05-1042	6,840
Performance Partnership Grants	66.605	05-1042	<u>2,300</u>
Total Environmental Protection Agency			\$ <u>9,140</u>
U.S. Department of Transportation Passed through Utah State Department of Transportation: State and Community Highway Safety	20.600	CP05-02-01, CP06-02-01	\$ <u>18,147</u>
National Foundation on the Arts and the Humanities Passed through Utah State Department of Community & Economic Development Grants to States	45.310	05-1875	\$ <u>9,925</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u>\$ 8,094,252</u>

See notes to supplementary schedule of federal financial assistance.

DAVIS COUNTY

NOTES TO SUPPLEMENTARY SCHEDULE  
OF EXPENDITURES OF FEDERAL AWARDS

1. **General** - The accompanying Supplementary Schedule of Expenditures of Federal Awards presents the activity of all federal awards of Davis County (the County). Federal awards received directly from federal agencies as well as federal awards passed-through other government agencies are included on the Supplementary Schedule of Expenditures of Federal Awards.
2. **Basis of Accounting** - The accompanying Supplementary Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting.
3. **Noncash Federal Awards** - Noncash federal awards represent commodities consumed during the year, expressed at market value. The State estimates the per unit fair market value of these commodities. Noncash federal financial assistance is calculated by multiplying the per unit fair market value by the net commodities consumed.