



DAVIS COUNTY, UTAH

**2020 POPULAR ANNUAL FINANCIAL
REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2020**

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Welcome

We are proud to present the Davis County Popular Annual Financial Report (PAFR) for the fiscal year ended December 31, 2020. This report gives readers a summary of the County's financial activities. The purpose of the PAFR is to promote transparency in government while educating the public by providing a summary of Davis County's finances, taxes, services, and useful reference material in a readable and understandable format.

Information in this report is derived from the 2020 Davis County Annual Comprehensive Financial Report (ACFR). The ACFR includes financial statements that were audited by Carver Florek & James, CPA's, an independent CPA firm. The 2020 ACFR has received an unmodified (clean) opinion. An unmodified opinion means that Carver Florek & James examined the County's books and records and determined that the financial statements present fairly, in all material respects, the financial position, operating results, and cash flows of the County in conformity with Generally Accepted Accounting Principles (GAAP).

Although the numbers used in the PAFR come from an audited source, we have presented them in a condensed, easy to understand, non-GAAP format. GAAP reports deal with the presentation of funds as well as full disclosure of all material financial and non-financial events in the notes to the financial statements, while non-GAAP reports do not contain such notes. Readers who wish to review audited GAAP basis financial statements may refer to the Davis County CAFR, which is available on the County website at www.daviscountyutah.gov.

We are honored to serve the citizens of Davis County and hope that you enjoy reviewing the 2020 PAFR. We welcome any input, questions, and comments that you may have regarding this report. You may contact the Clerk/Auditor's Office at 801-451-3420.

Curtis Koch, MBA, CGFM
Clerk/Auditor



Davis
C O U N T Y



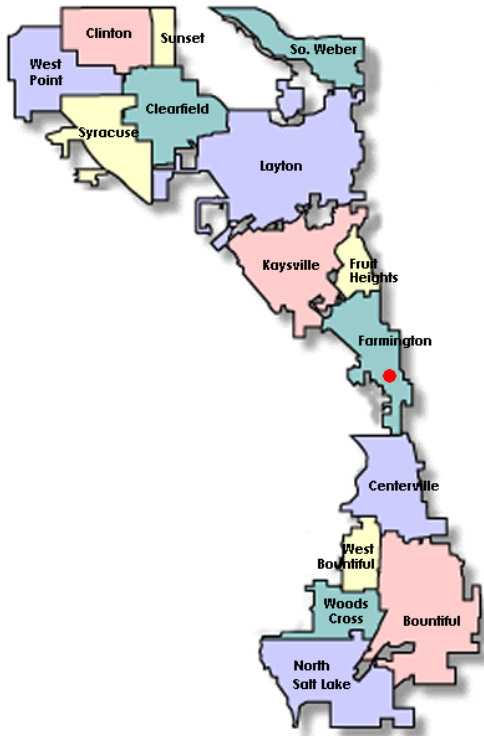
About Davis County

Davis County lies nestled between the Wasatch Mountains and the Great Salt Lake. The County boundary includes portions of the Great Salt Lake and picturesque Antelope Island State Park. The lake accounts for roughly 335 square miles of the County, leaving only 299 square miles of land. These numbers vary from year to year, depending on the lake level. While Davis County is Utah's smallest in land area, it is the third largest county in population and is home to an estimated 359,925 residents living in the County's fifteen communities.

This 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. Named for pioneer leader, Daniel C. Davis, Davis County was established as a territory on October 5, 1850. The territorial legislature created Davis County in 1852 and designated the seat at Farmington, midway between boundaries at the Weber River on the north and the mouth of the Jordan River on the south.

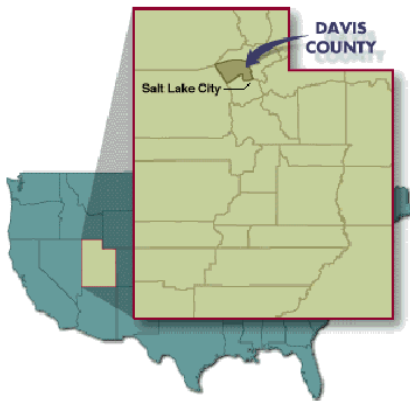


Davis County – By the Numbers



City	Population	Date Incorporated
Bountiful	43,981	December 5, 1892
Centerville	17,587	May 5, 1915
Clearfield	32,118	July 17, 1922
Clinton	22,499	August 29, 1936
Farmington	25,339	December 15, 1892
Fruit Heights	6,221	August 3, 1939
Kaysville	32,390	March 15, 1868
Layton	78,014	December 30, 1937
North Salt Lake	20,948	September 3, 1946
South Weber	7,836	December 2, 1920
Sunset	5,364	August 27, 1938
Syracuse	31,458	September 3, 1935
West Bountiful	5,800	December 31, 1948
West Point	10,957	October 14, 1935
Woods Cross	11,431	September 4, 1930
Unincorporated	3,538	
Total Population	355,481	

(July 1, 2019 Census Estimates)

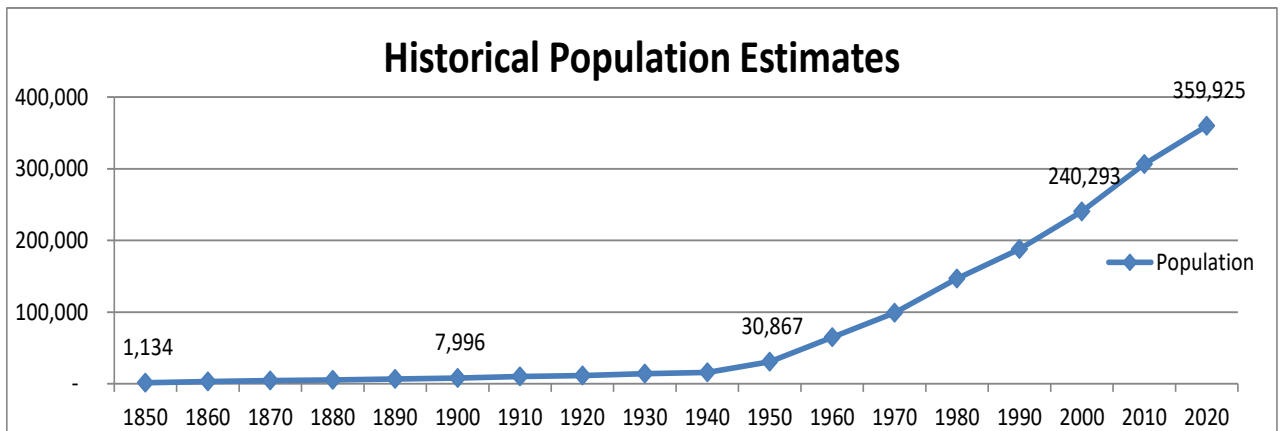


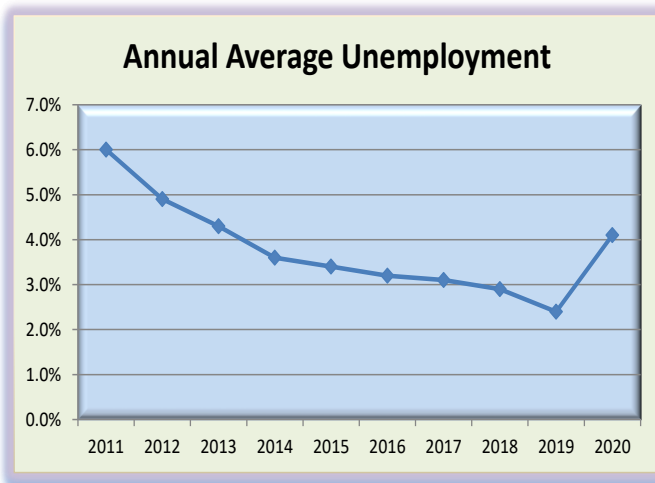
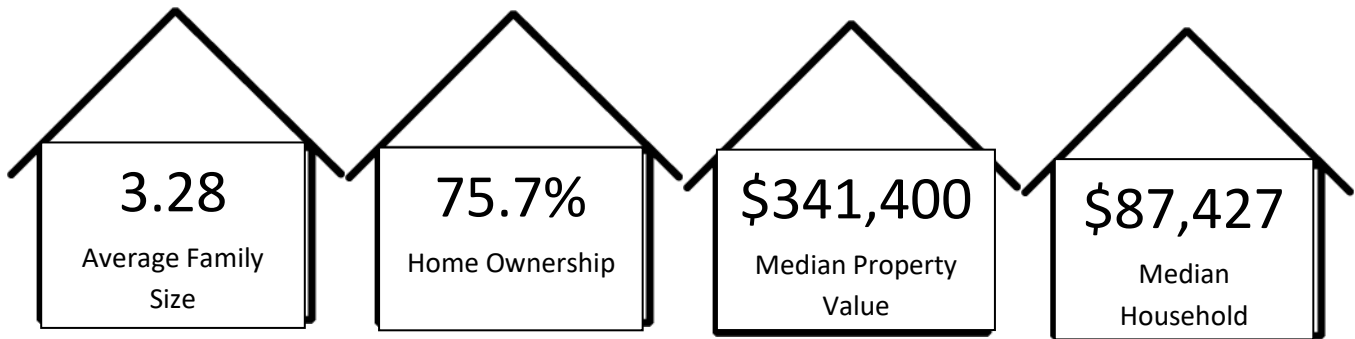
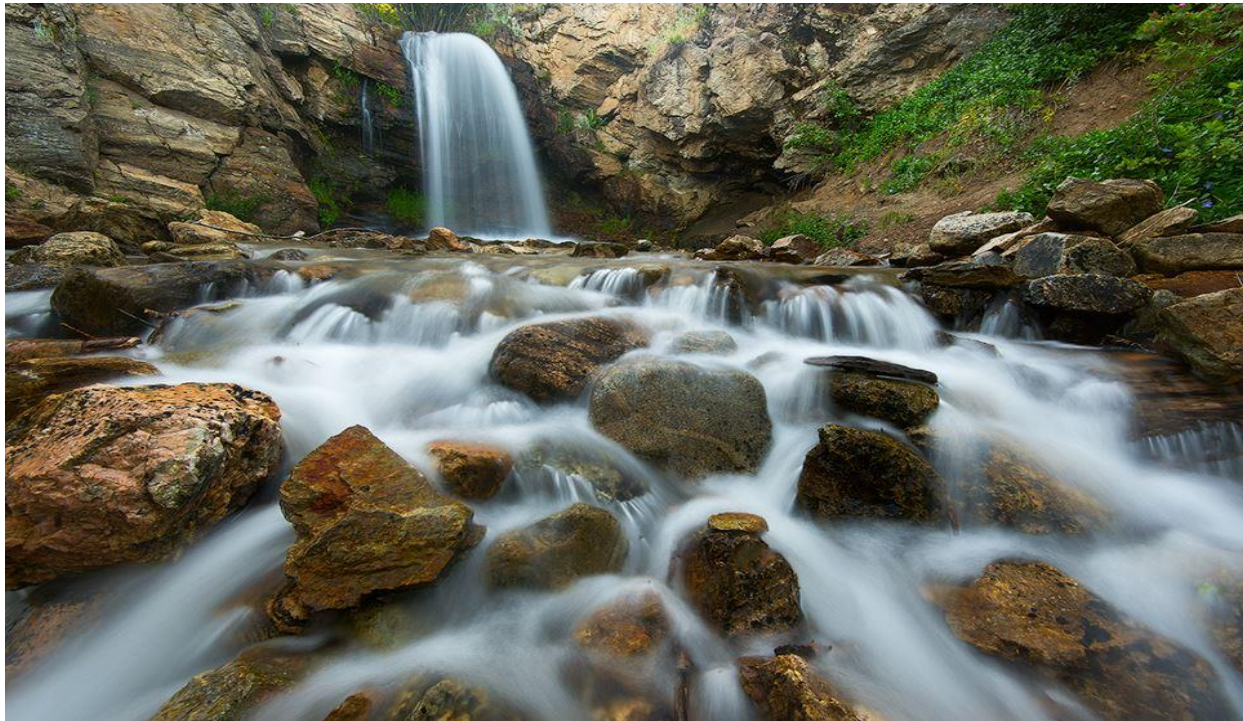
1850
Year Incorporated

634
Square Miles

31.1
Median Age

112,482
Housing Units





- Principal Employers**
- 1) Hill Air Force Base
 - 2) Davis County School District
 - 3) Walmart
 - 4) Kroger Group Cooperative
 - 5) Lifetime Products
 - 6) ATK Space Systems
 - 7) Progexion Teleservices
 - 8) Lagoon Inc.
 - 9) ATK Launch Systems
 - 10) Northrop Grumman

Management Overview

Net Position

The Net Position of the County is defined as the difference between the County's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial state of the County is improving or deteriorating.

At the close of the most recent fiscal year, the assets of the County exceeded liabilities by \$231,562,785. This is an increase of \$49,029,357 over the previous year.

	2020	2019	2018	2017	2016
GOV. ACTIVITIES	\$ 226,262,445	\$ 175,463,717	\$ 149,773,535	\$ 131,994,791	\$ 118,659,688
BUSINESS ACTIVITIES	\$ 5,300,340	\$ 7,069,711	\$ 7,041,375	\$ 6,318,073	\$ 6,172,678
TOTAL	\$ 231,562,785	\$ 182,533,428	\$ 156,814,910	\$ 138,312,864	\$ 124,832,366

The largest portion of the County's net position reflects its investment in capital assets (land, buildings, equipment, etc.). Approximately \$123.4 million reflects the County's investment in capital assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Overview of Financial Statements

The County's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

The government-wide financial statements provide a broad overview of the County's finances, in a manner similar to a private-sector business. These statements distinguish between functions that are principally supported by taxes and intergovernmental revenues (governmental activities) and those that are intended to recover all or a significant portion of costs through user fees and charges (business-type activities).

This report will focus on providing a summary of the government-wide analysis, governmental activities, and business-type activities. Information on the fund financial statements and notes to the financial statements may be found in the CAFR.

GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES	
General Government	Public Safety	Golf	Inmates Commissary
Public Health	Public Works		
Tourism	Transportation		
Interest on Long-Term Debt			

Statement of Net Position

The County's governmental activities increased by \$50.8 million in total net position which represents a 29% increase from the prior year's net position. The County's business-type activities decreased \$1.8 million in total net position, which represents a 25% decrease from the prior year's net position. **The County, as a whole, increased total net position by \$49 million, which is a 26.9% increase from the prior year.** The full, disclosed Statement of Net Position can be found in the ACFR located at www.daviscountyutah.gov.

	Davis County Net Position December 31,					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	Restated* 2019	2020	2019	2020	Restated* 2019
Current and Other Assets	\$ 194,449,526	\$ 139,132,679	\$ 1,902,244	\$ 3,577,946	\$ 196,351,770	\$ 142,710,625
Capital Assets	159,236,258	155,287,165	4,650,808	4,711,169	163,887,066	159,998,334
Total Assets	353,685,784	294,419,844	6,553,052	8,289,115	360,238,836	302,708,959
Total deferred outflows of resources	14,464,730	22,411,149	242,961	423,989	14,707,691	22,835,138
Current and Other Liabilities	15,982,488	12,508,516	181,882	174,051	16,164,370	12,682,567
Long-term Liabilities	110,682,822	126,807,362	996,598	1,421,482	111,679,420	128,228,844
Total Liabilities	126,665,310	139,315,878	1,178,480	1,595,533	127,843,790	140,911,411
Total deferred inflows of resources	15,222,759	2,051,398	317,193	47,860	15,539,952	2,099,258
Net Position:						
Net investment in Capital Assets	118,699,899	113,022,028	4,650,808	4,711,169	123,350,707	117,733,197
Restricted	72,300,663	46,482,325	-	-	72,300,663	46,482,325
Unrestricted	35,261,883	15,959,364	649,532	2,358,542	35,911,415	18,317,906
Total Net Position	\$ 226,262,445	\$ 175,463,717	\$ 5,300,340	\$ 7,069,711	\$ 231,562,785	\$ 182,533,428
Percentage change in total Net Position from prior year		29.0%		-25.0%		26.9%

* 2019 was restated in order to be comparable with accounting and reporting changes made in 2020 related to GASB 84. See Note 2.

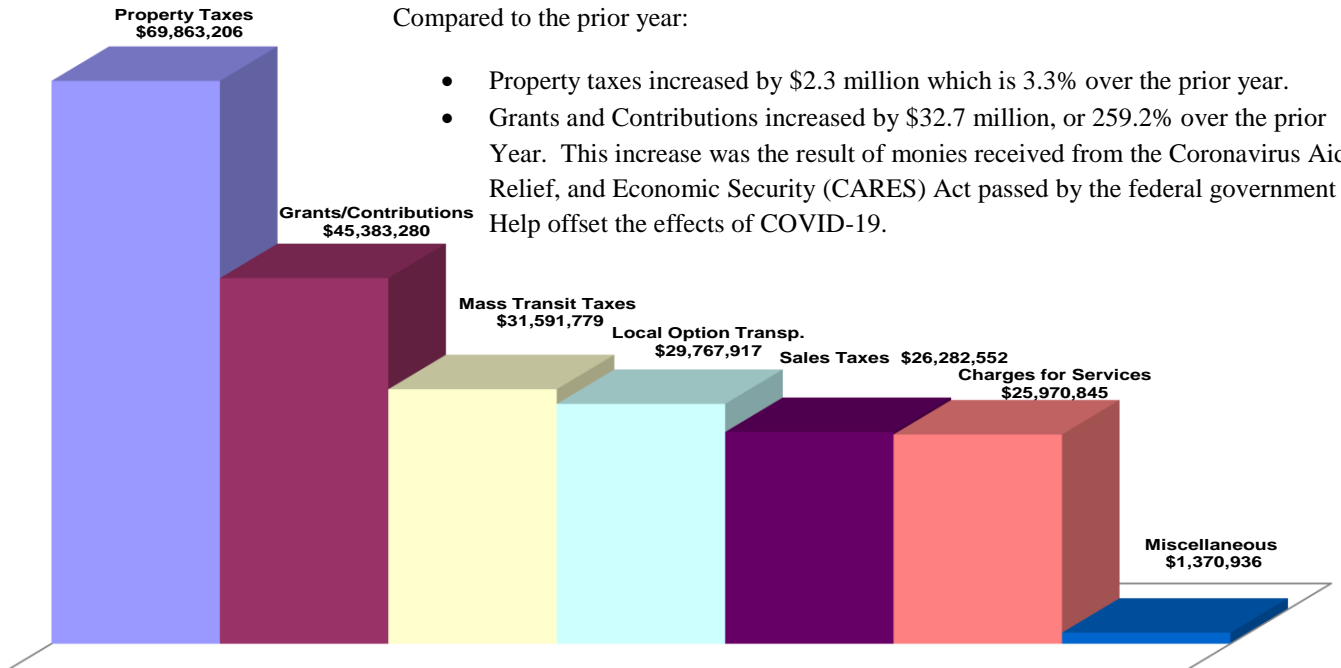
Unrestricted net position represents the available funds that the County has at a point in time to pay for emergencies, shortfalls, or other unexpected needs in both the Governmental and Business-Type Activities. Unrestricted net position allows management to track the County's financial position over time.

Government-Wide Results of Operation

Where did the County's money come from in 2020?

Revenues.

Compared to the prior year:

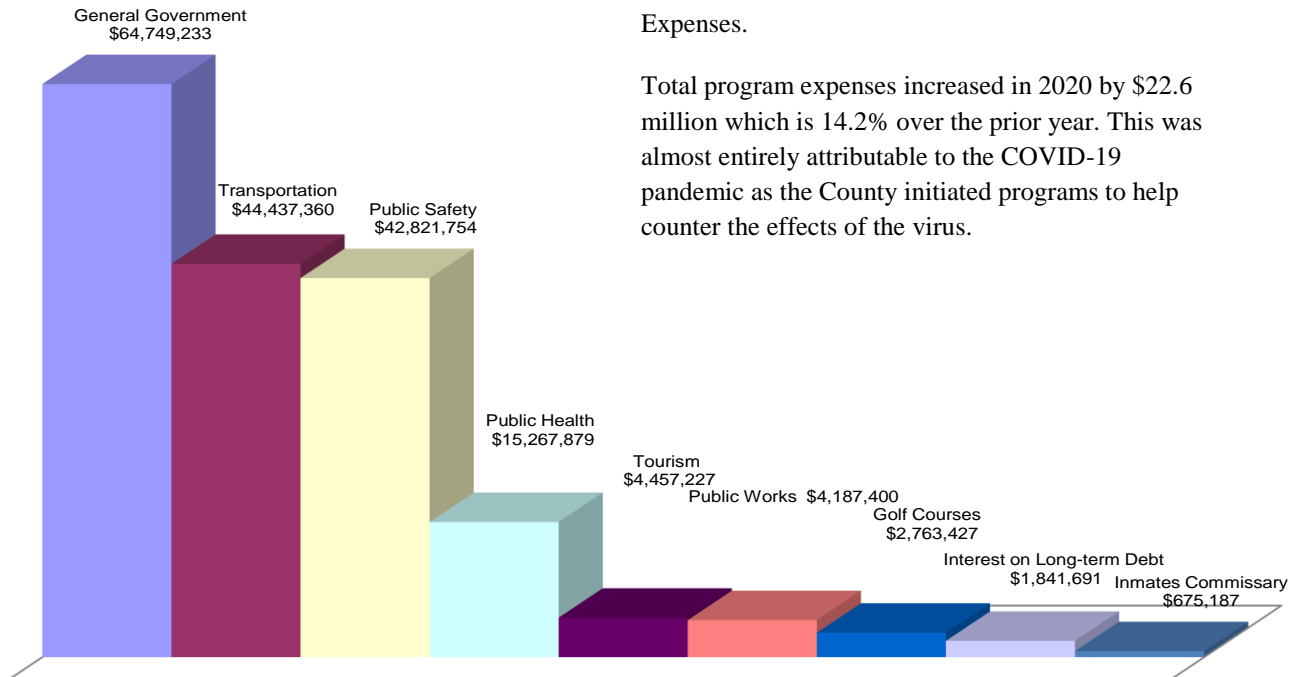


- Property taxes increased by \$2.3 million which is 3.3% over the prior year.
- Grants and Contributions increased by \$32.7 million, or 259.2% over the prior Year. This increase was the result of monies received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by the federal government to Help offset the effects of COVID-19.

Where did the County's money go in 2020?

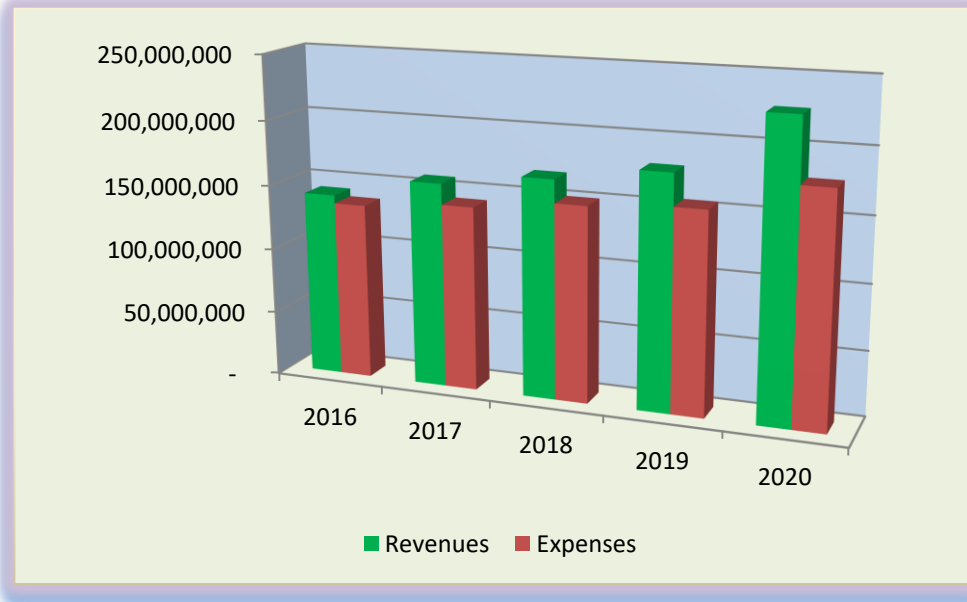
Expenses.

Total program expenses increased in 2020 by \$22.6 million which is 14.2% over the prior year. This was almost entirely attributable to the COVID-19 pandemic as the County initiated programs to help counter the effects of the virus.



Statement of Activities

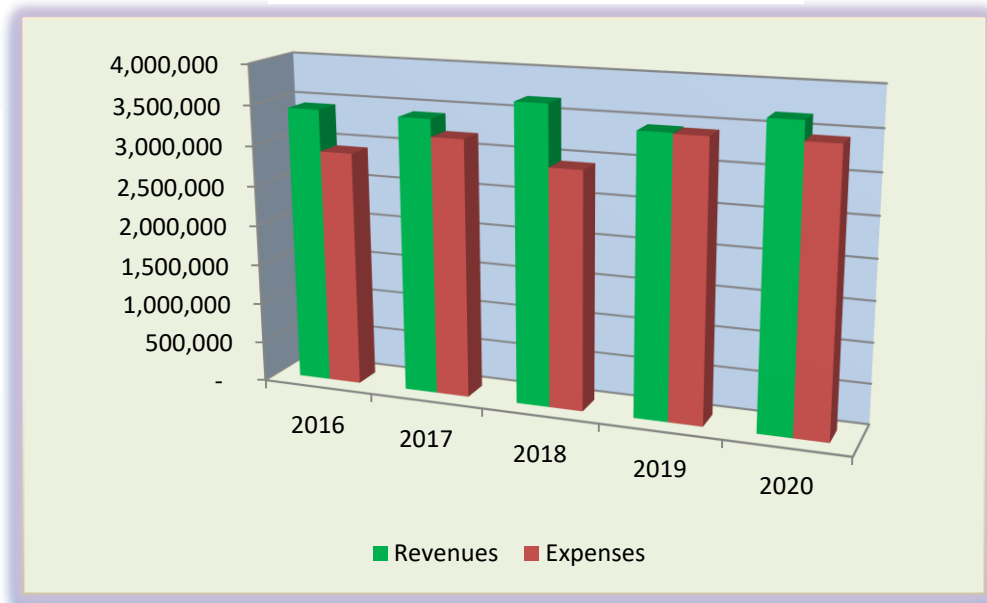
GOVERNMENTAL ACTIVITIES



Governmental Activities. In the past five fiscal years, total revenues from the County’s governmental activities were sufficient enough to cover related expenses.

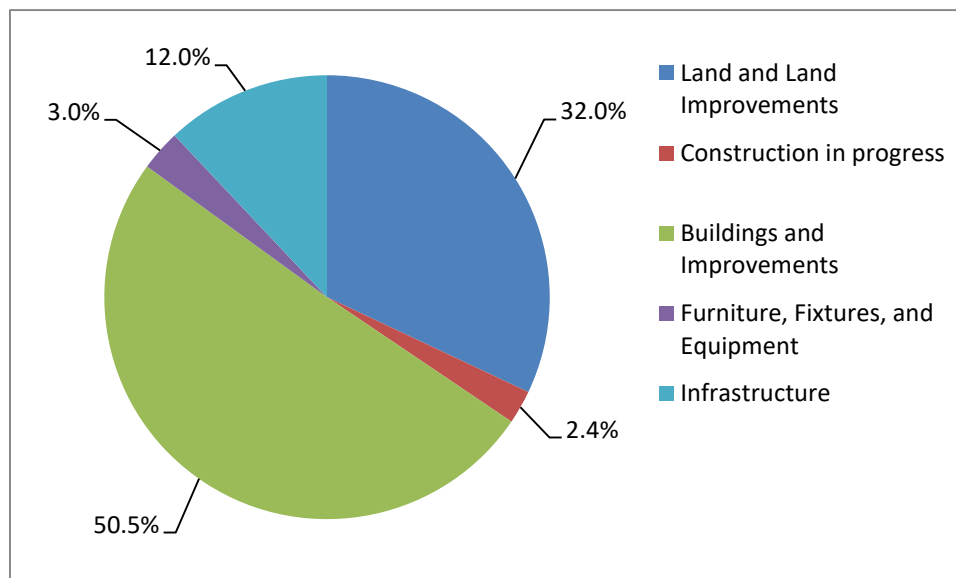
BUSINESS-TYPE ACTIVITIES

Business-type activities. In each of the past five fiscal years, total revenues from the County’s business-type activities exceeded related expenses.



Capital Assets

This chart depicts the outstanding capital assets, net of depreciation, as of December 31, 2020 for both Governmental and Business-type activities. At December 31, 2020, the County's capital assets, net of depreciation totaled \$163.9 million. Capital assets are used to provide services to county residents. The County added approximately \$10.7 million in new capital assets during 2020. The County spent \$1.9 million on the construction of a new County library branch located in Clearfield and \$0.8 million on remodeling the old County Memorial Courthouse. An additional \$2.5 million was spent on the construction and remodeling of other County buildings. Approximately \$3.7 million was spent on construction of infrastructure and the development of land under infrastructure. The remaining \$1.7 million was spent on the purchase of furniture, fixtures, vehicles and equipment.



Outstanding Debt

From time to time, the County has used bonds for the acquisition, construction, and expansion of major capital facilities and structures. Current outstanding bonds were originally issued to construct and improve storm drainage and flood control projects; build and expand the County's Conference Center; build a new Administration Building, Children's Justice Center, and Library; and expand the County Jail. Total bonded debt outstanding at December 31, 2020 was nearly \$61.7 million, as compared to \$58.4 million at the end of the prior year. This 5.8% increase was the net result of \$23 million in new lease revenue bonds and a total reduction of outstanding bonded debt in the amount of \$19.6 million.

Outstanding Debt (Governmental and Business-Like Activities Combined)			
	2020	2019	% Change
General Obligation Bonds, net of premiums	\$ 8,643,370	\$ 10,246,753	-15.6%
Sales Tax Revenue Bonds, net of premiums	30,180,343	31,735,985	-4.9%
Lease Revenue Bonds	22,923,051	16,380,000	39.9%
Capital Lease	69,098	138,196	-50.0%
Compensated Absences	4,747,003	4,318,118	9.9%
Total OPEB Liability	26,093,159	31,112,399	-16.1%
Net Pension Liability	19,023,396	34,297,393	-44.5%
Total	\$ 111,679,420	\$ 128,228,844	-12.9%



