



DAVIS COUNTY, UTAH

**2021 POPULAR ANNUAL FINANCIAL
REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021**

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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, 2021. 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 2021 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 2021 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 2021 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





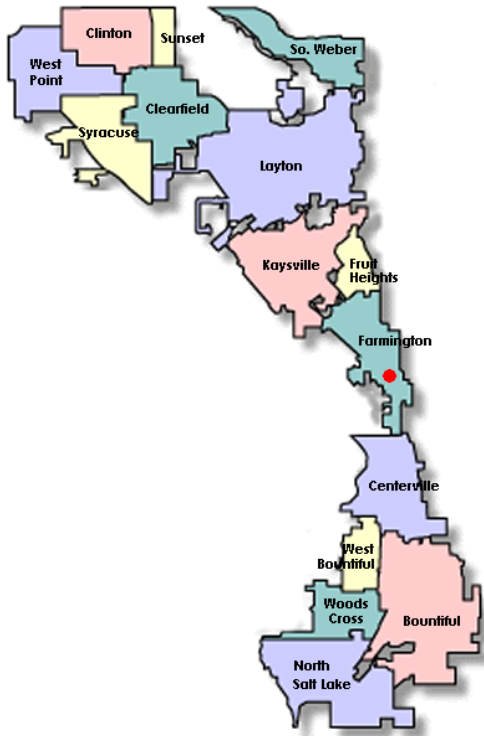
About Davis County

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 362,679 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	45,762	December 5, 1892
Centerville	16,884	May 5, 1915
Clearfield	31,909	July 17, 1922
Clinton	23,386	August 29, 1936
Farmington	24,531	December 15, 1892
Fruit Heights	6,101	August 3, 1939
Kaysville	32,945	March 15, 1868
Layton	81,773	December 30, 1937
North Salt Lake	21,907	September 3, 1946
South Weber	7,867	December 2, 1920
Sunset	5,475	August 27, 1938
Syracuse	32,141	September 3, 1935
West Bountiful	5,917	December 31, 1948
West Point	10,963	October 14, 1935
Woods Cross	11,410	September 4, 1930
Unincorporated	3,708	
Total Population	362,679	

(April 1, 2020 Census)



1850

Year Incorporated

634

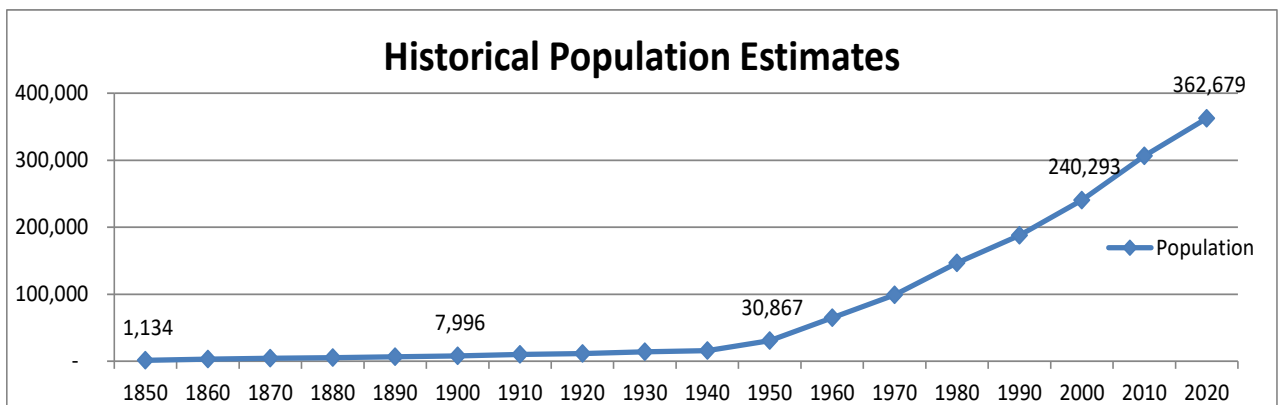
Square Miles

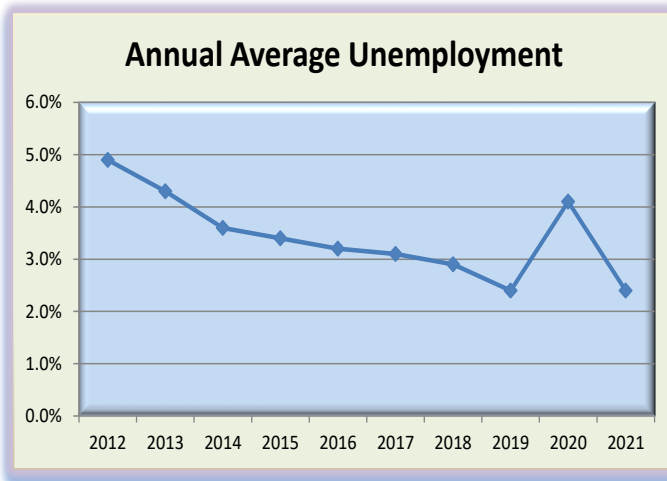
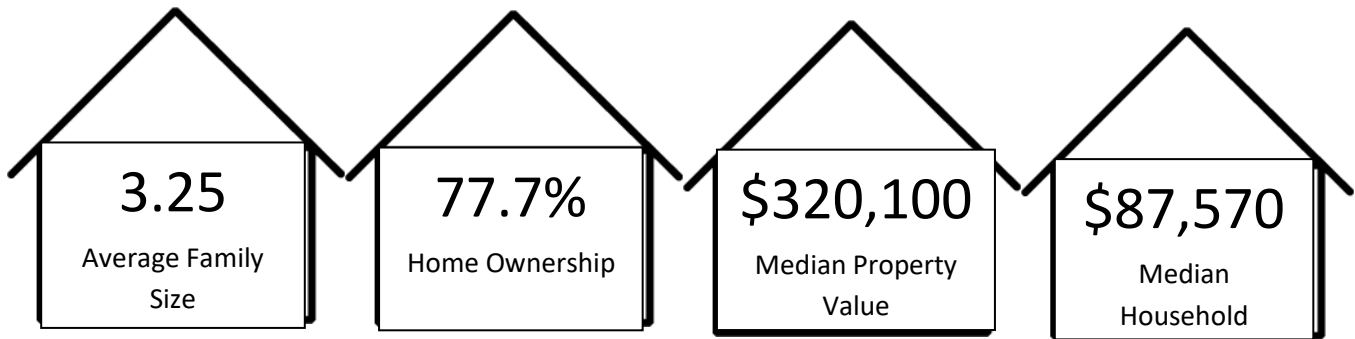
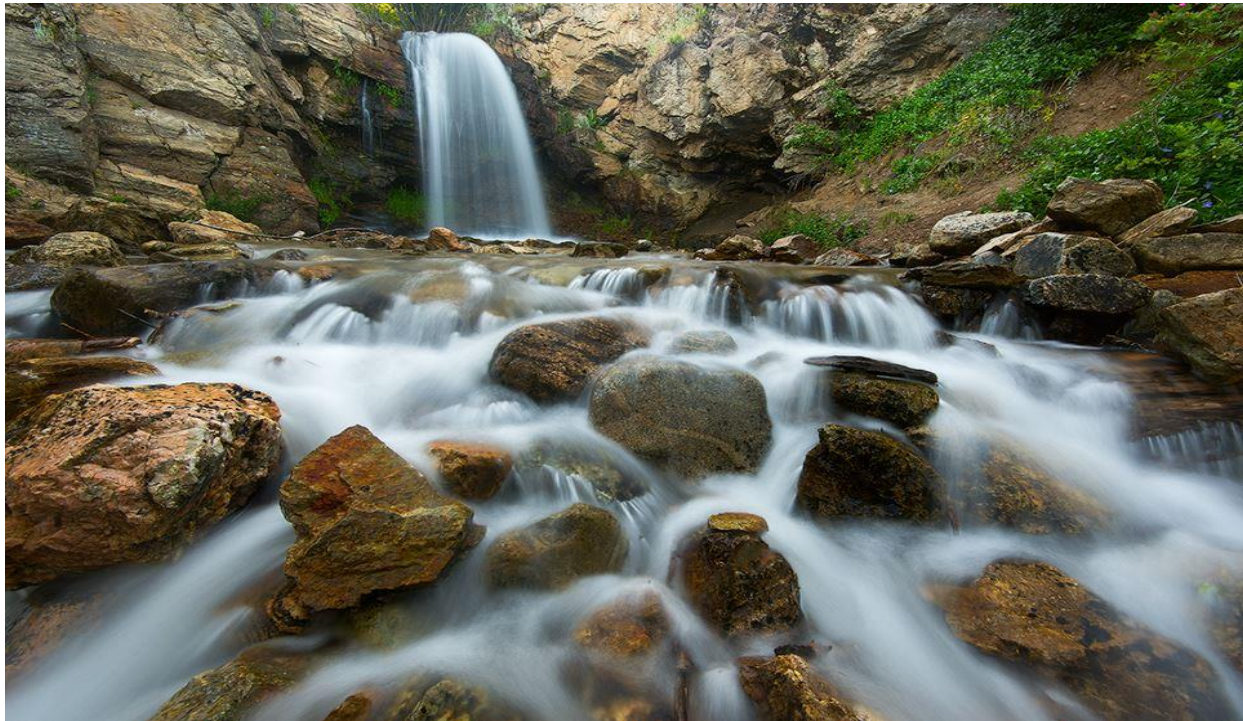
31.3

Median Age

118,003

Housing Units





- ### Principal Employers
- 1) Hill Air Force Base
 - 2) Davis County School District
 - 3) Northrop Grumman
 - 4) Kroger Group Cooperative
 - 5) Lifetime Products
 - 6) Wal-Mart Associates
 - 7) Intermountain Health Care
 - 8) Lagoon Corporation
 - 9) Davis County Government
 - 10) Tanner Memorial Clinic

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 \$284,153,235. This is an increase of \$52,590,450 over the previous year.

	2021	2020	2019	2018	2017
GOV. ACTIVITIES	\$ 278,615,686	\$ 226,262,445	\$ 175,463,717	\$ 149,773,535	\$ 131,994,791
BUSINESS ACTIVITIES	\$ 5,537,549	\$ 5,300,340	\$ 7,069,711	\$ 7,041,375	\$ 6,318,073
TOTAL	\$ 284,153,235	\$ 231,562,785	\$ 182,533,428	\$ 156,814,910	\$ 138,312,864

The largest portion of the County's net position reflects its investment in capital assets (land, buildings, equipment, etc.). Approximately \$133.5 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 ACFR.

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 \$52.4 million in total net position which represents a 23.1% increase from the prior year's net position. The County's business-type activities increased \$0.2 million in total net position, which represents a 4.5% increase from the prior year's net position. **The County, as a whole, increased total net position by \$52.6 million, which is a 22.7% 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	
	2021	Restated* 2020	2021	2020	2021	Restated* 2020
Current and Other Assets	\$ 249,324,502	\$ 194,449,526	\$ 1,942,949	\$ 1,902,244	\$ 251,267,451	\$ 196,351,770
Capital Assets	171,734,540	159,236,258	4,788,709	4,650,808	176,523,249	163,887,066
Total Assets	421,059,042	353,685,784	6,731,658	6,553,052	427,790,700	360,238,836
Total deferred outflows of resources	15,826,859	14,464,730	275,338	242,961	16,102,197	14,707,691
Current and Other Liabilities	54,299,308	15,982,488	166,311	181,882	54,465,619	16,164,370
Long-term Liabilities	81,193,404	110,682,822	828,411	996,598	82,021,815	111,679,420
Total Liabilities	135,492,712	126,665,310	994,722	1,178,480	136,487,434	127,843,790
Total deferred inflows of resources	22,777,503	15,222,759	474,725	317,193	23,252,228	15,539,952
Net Position:						
Net investment in Capital Assets	133,519,643	118,699,899	4,788,709	4,650,808	138,308,352	123,350,707
Restricted	69,953,638	51,215,202	-	-	69,953,638	51,215,202
Unrestricted	75,142,405	56,347,344	748,840	649,532	75,891,245	56,996,876
Total Net Position	\$ 278,615,686	\$ 226,262,445	\$ 5,537,549	\$ 5,300,340	\$ 284,153,235	\$ 231,562,785
Percentage change in total Net Position from prior year	23.1%		4.5%		22.7%	

* 2020 was restated in order to correct the allocation between Restricted and Unrestricted Net Position.

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.

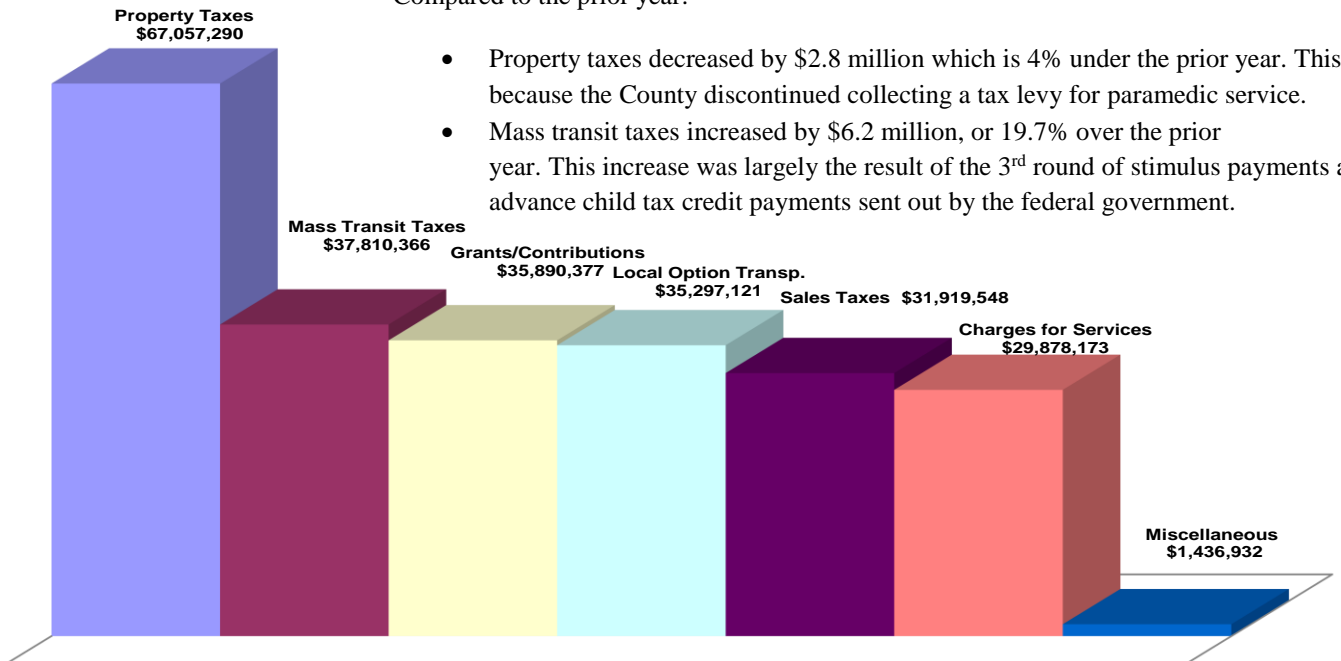
Government-Wide Results of Operation

Where did the County's money come from in 2021?

Revenues.

Compared to the prior year:

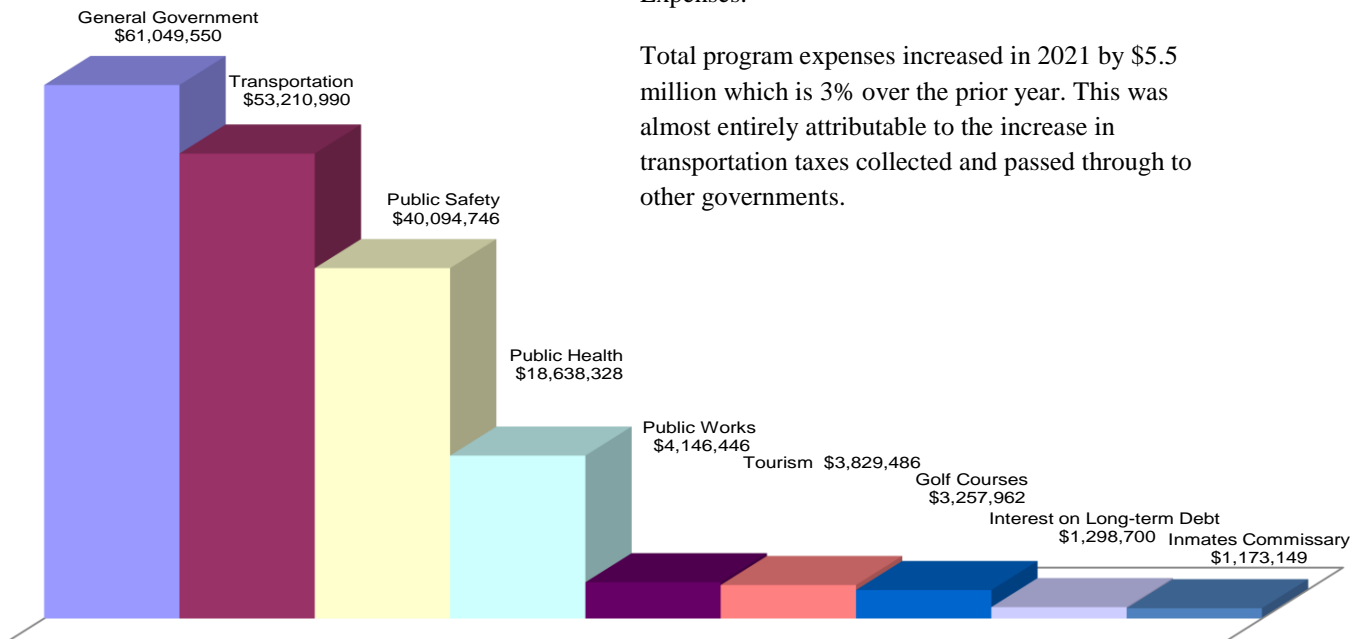
- Property taxes decreased by \$2.8 million which is 4% under the prior year. This was because the County discontinued collecting a tax levy for paramedic service.
- Mass transit taxes increased by \$6.2 million, or 19.7% over the prior year. This increase was largely the result of the 3rd round of stimulus payments and advance child tax credit payments sent out by the federal government.



Where did the County's money go in 2021?

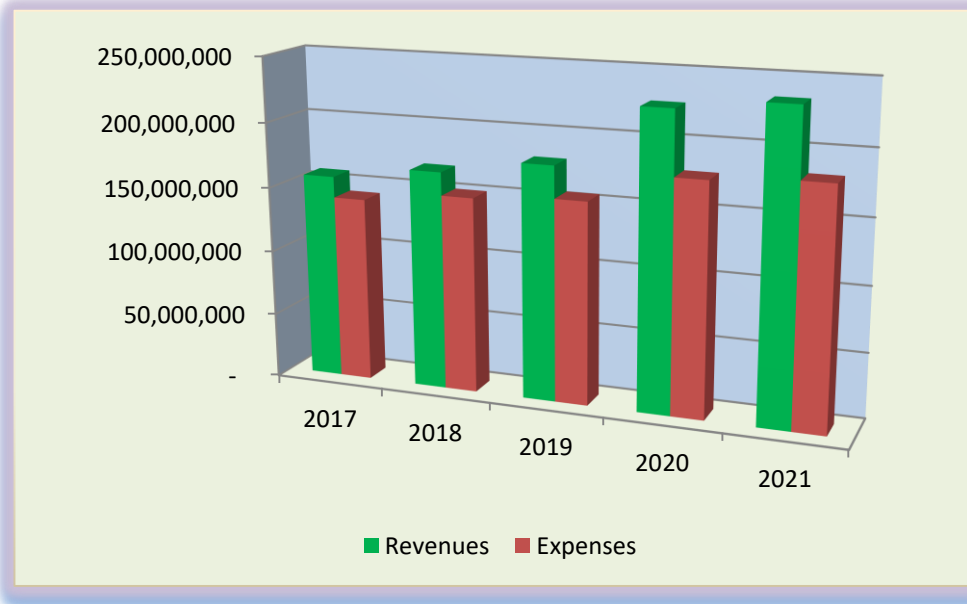
Expenses.

Total program expenses increased in 2021 by \$5.5 million which is 3% over the prior year. This was almost entirely attributable to the increase in transportation taxes collected and passed through to other governments.



Statement of Activities

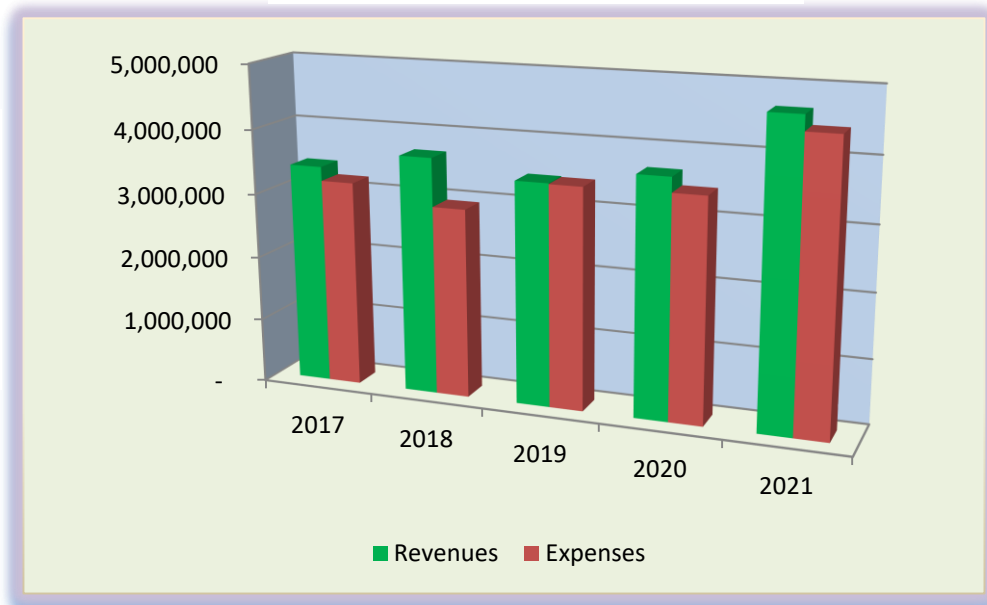
GOVERNMENTAL ACTIVITIES



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

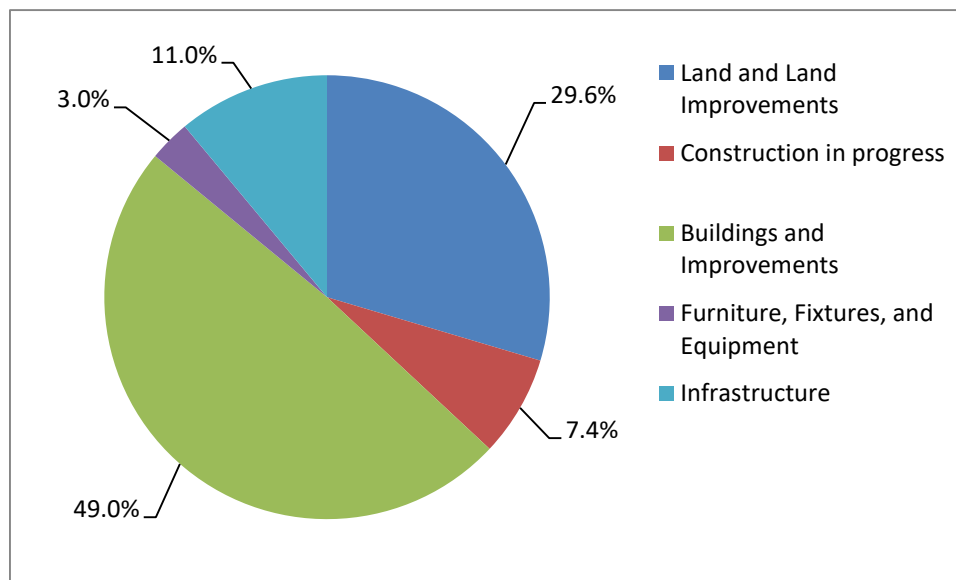
BUSINESS-TYPE ACTIVITIES

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, 2021 for both Governmental and Business-type activities. At December 31, 2021, the County's capital assets, net of depreciation totaled \$176.5 million. Capital assets are used to provide services to county residents. The County added approximately \$19.6 million in new capital assets during 2021. The County spent \$5.8 million on remodeling the old County Memorial Courthouse and an additional \$5.3 million on construction of a new medical wing at the jail. The County spent an additional \$3.7 million on construction of a new library branch located in Clearfield. An additional \$1.5 million was spent on the construction and remodeling of other County buildings and properties. Approximately \$1.3 million was spent on construction of infrastructure. The remaining \$1.9 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 a new Administration Building, Children's Justice Center, and Libraries; and to remodel the old County Memorial Courthouse. Total bonded debt outstanding at December 31, 2021 was nearly \$41.7 million, as compared to \$61.7 million at the end of the prior year. This 32.4% decrease was the combination of paying off the remaining \$6.9 million of GO Bonds, an additional \$9 million Sales Tax Revenue Bonds, and making additional required debt service payments.

Outstanding Debt (Governmental and Business-Like Activities Combined)			
	2021	2020	% Change
General Obligation Bonds, net of premiums	\$ -	\$ 8,643,370	-100.0%
Sales Tax Revenue Bonds, net of premiums	19,505,255	30,180,343	-35.4%
Lease Revenue Bonds	22,210,842	22,923,051	-3.1%
Capital Lease	-	69,098	-100.0%
Compensated Absences	4,874,257	4,747,003	2.7%
Total OPEB Liability	28,990,914	26,093,159	11.1%
Net Pension Liability	6,440,547	19,023,396	-66.1%
Total	\$ 82,021,815	\$ 111,679,420	-26.6%



