

# Davis County, Utah

## Comprehensive Annual Financial Report

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FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

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**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF**

**DAVIS COUNTY, UTAH**

**For the Fiscal Year Ended December 31, 2016**

Prepared by:

Davis County Clerk / Auditor's Office

**Curtis Koch, MBA, CGFM**  
Clerk / Auditor

**L. Douglas Stone, CPA**  
Lead Reporting Auditor

**Heidi Voordeckers, MPA**  
Chief Deputy

**LynnAnn Winterton**  
Finance Manager

**DAVIS COUNTY, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended December 31, 2016

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**DAVIS COUNTY, UTAH**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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# Davis County

COUNTY CLERK/AUDITOR  
Curtis Koch, CGFM



June 20, 2017

To the Citizens of Davis County and the Board of County Commissioners:

This letter introduces the Comprehensive Annual Financial Report (CAFR) of Davis County (the County) for the fiscal year ended December 31, 2016. The County's CAFR is prepared by the County Clerk/Auditor's Office.

Management of the County assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

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 accounting principles generally accepted in the United States of America (GAAP). We also believe that all disclosures necessary to enable the reader to gain a proper understanding of Davis County's financial activities have been included.

State law requires that an annual financial audit of the County be completed each year by independent certified public accountants. The firm of Ulrich & Associates, P.C. has issued an unqualified ("clean") opinion for the County's financial statements for the year ended December 31, 2016. Their 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 front of the Financial Section of this report.

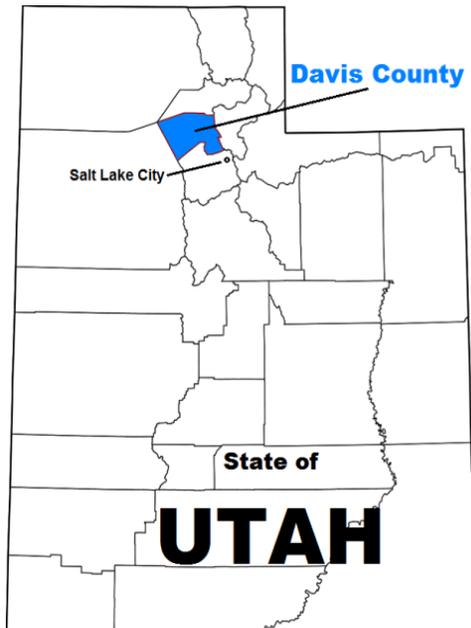
Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Federal regulations also require the County to undergo an annual "Single Audit" in conformity with the Federal Single Audit Act of 1984, as amended, and the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 145.

## **PROFILE OF THE 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 365 square miles of the County, leaving only 265 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 342,281 residents living in the County's fifteen communities.

Originally frequented by Shoshone, Ute and Paiute Indians, the Native American's considered this area to be neutral ground, meaning that they would not fight over who should control it. Later, 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. The lush lake-bottom pastures, fertile soils of the bench lands, and streams flowing from the eastern Wasatch Mountains attracted early settlers, who established small farms and close-knit communities. These early pioneers founded schools, built homes and churches, and created productive farms and shops.



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.

During its first half-century, Davis County grew slowly, supported by a hardy pioneer people engaged in agriculture and the raising of livestock. In 1870 the Utah Central Railroad (now Union Pacific) crossed through Davis County from Ogden on the north, to Salt Lake City on the south, offering much needed transportation links to supply settlers with manufactured products. This marked a transition in the County's history and 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 sought to promote the County, 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 of that time 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. The advent of World War II in 1939 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 still remains, one of the state's largest employers.

Diversification brought rapid post-war growth. The County doubled in population between 1940 and 1950, and doubled again the following decade. The population continued to expand, increasing from 64,760 to 146,540 between 1960 and 1980, reaching 238,994 by 2000. The 2010 census reported a population of 306,479, a 28.2 percent increase over 2000 figures. United States Census Bureau estimates Davis County population at an all-time high of 342,281 as of July 2016. The County is one of the fastest growing of the four major urban communities along the Wasatch Front, with population estimates in excess of 465,000 around the year 2050 (projected build out).

Accompanying this growth has been further diversification of the population and increased prosperity. Davis County enjoys a wide mix of people representing many ethnic, cultural, and religious backgrounds. The County has grown from its traditional agricultural dependency to an interlocking network of suburban communities benefitting from their proximity to downtown Salt Lake City. The communications age has tied Davis County to the world. Many businesses, both large and small, are operating on a global scale and Davis County residents are part of an economic and social pattern that reaches far beyond the County's tiny geographical limits.

A three-member elected Board of Commissioners is the governing body of Davis County. All Commissioners serve four-year terms, which overlap to enhance the continuity of the governing board. Administrative Officers reporting to the Commissioners serve as exempt (appointed) non-merit employees. According to Utah Code 17-53-106, the Commissioners have general oversight to ensure compliance with County rules, policies, and ordinances. Seven other elected officials have authority to direct and supervise their respective elected offices and their Deputies while performing the professional duties to which they were elected. Commissioners approve the adoption and amendment to 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.

The seven other elected officials, as shown on the organization chart located on page 12, generally serve four-year terms and are eligible for re-election in the same county-wide elections as the Commissioners. In 2014, the offices of Assessor, Recorder, Surveyor, and Treasurer, were each elected to a special one-time six-year term. The State Legislature created this one-time variance in the terms in order to avoid a situation where all elected offices, outside of one County Commissioner, could be starting new terms simultaneously. Chief Deputies serving each of the other elected officials are also exempt (appointed) non-merit employees. Elected Officials and Administrative Officers are responsible for the daily management of the various services and programs provided by the County.

The Clerk/Auditor serves as the chief financial and budget officer of the County and oversees the County financial system. The County Treasurer is responsible for the collection, safekeeping, and investing of all County funds. The County Commission, Clerk/Auditor, and Treasurer coordinate the efforts of their offices to ensure compliance with the Uniform Fiscal Procedures Act for Counties, as set forth in *Utah Code Ann.*, Title 17, Chapter 36.

The County provides a diverse range of county-wide services as well as certain municipal type services which are provided only in the unincorporated areas of the County. Examples include: **General Government services** (such as property tax assessment and collection, auditing, budget administration, elections, economic development, marriage licenses, passports, property records, surveying, criminal justice services, and ordinance enactment and enforcement), **Educational services** (such as libraries and agricultural extension), **Social services** (such as senior programs), **Recreation and Tourism services** (such as golf courses, tourism and travel facilities, and conference and event centers), **County Administrative services** (such as human resources, information systems, finance, purchasing, and facilities management), **Public Safety services** (such as correctional facilities, emergency 911, Sheriff protection, paramedic, emergency medical, and animal care and control), **Public Health services** (such as mental health and substance abuse, clinical, nursing, dental health, environmental health, and also health education and promotion), and **Public Works services** (such as flood control and noxious weeds).

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

## **ECONOMIC CONDITION AND OUTLOOK**

The following summary of economic conditions in Davis County is provided by the Utah Department of Workforce Services. A complete report of the County is available at: [www.jobs.utah.gov/wi/regions/county/davis.html](http://www.jobs.utah.gov/wi/regions/county/davis.html).

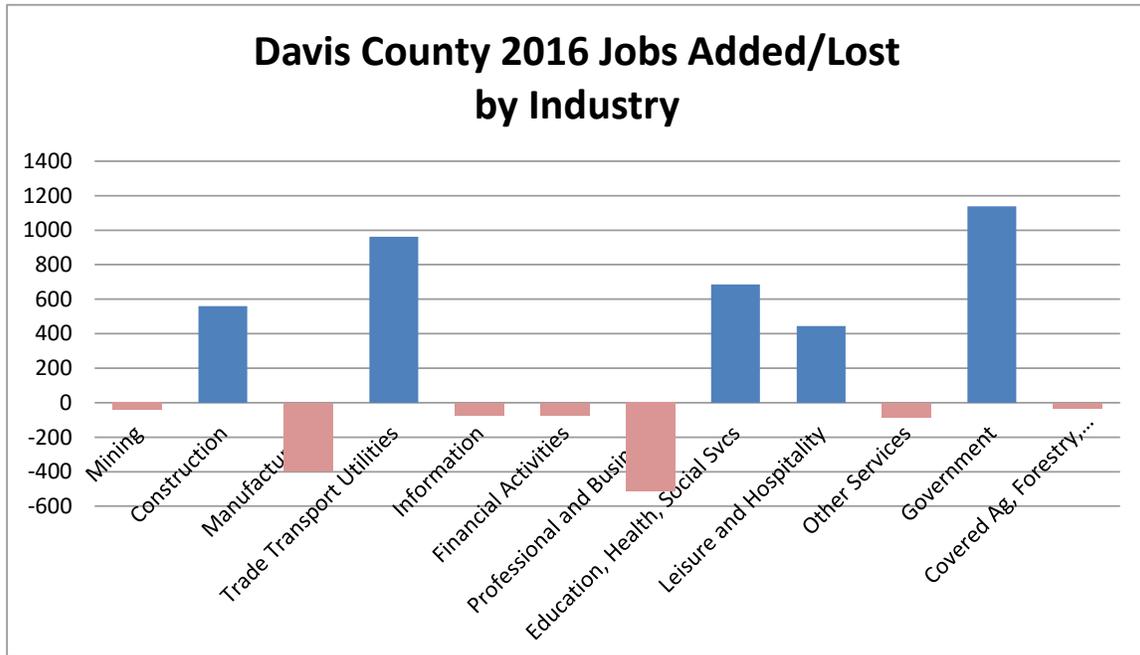
### **OVERVIEW**

Davis County continued on an expansionary employment path in December 2016 marking the twenty-first straight month of year-over employment gains exceeding 3 percent (after excluding non-economic classification changes). Taxable sales were up 6.5 percent with particular strength in retail and food services, suggesting consumer confidence is strong. Unemployment remains low and initial unemployment insurance claims have fully returned to pre-recession levels. The tight labor market putting upward pressure on wages, and the overall outlook for the county remains very positive.

## JOBS

Davis County added 2,621 jobs at a year-over rate of 2.2 percent in December 2016 despite losing more than 1,700 jobs to regional classification changes. These classification changes do not reflect an actual economic slowdown in any way, rather just change in where a large number of jobs get counted.

Job growth was wide-spread across every industry sector, except mining, financial activities, and other services. The regional classification changes make it appear that there are losses in manufacturing, professional/business services, and information but in fact all those sectors experienced positive growth over the same time last year.



## UNEMPLOYMENT & WAGES

Davis County's unemployment rate was 2.8 percent in December 2016. This is 0.5 percentage point below the December 2015 rate and below the statewide and US average of 3.2 percent and 4.7 percent respectively.

Initial claims for unemployment insurance were around 93 per week in May 2017, typical for this time of year and representing a full return to pre-recession levels.

After a big boost in the first quarter of 2017, wage growth returned to the more moderate pace that Davis County has been experiencing in the post-recession years. Average wages increased 2.7 percent year-over to \$3,728 per month. Davis County average wages are very close to the statewide figure of \$3,862.

## CONSTRUCTION & SALES

Residential construction permits in 2016 were up 2 percent over 2015. Permits for new apartment units drove the increase with 327 new units permitted.

Taxable sales in Davis County grew 6.5 percent year-over in Q4 2016, reaching nearly \$1.4 billion.

Total retail sales increased by about \$61 million compared to last year with particular strength in motor vehicle dealers, sporting goods/hobby/music/book stores, and building materials/garden equipment/supply stores where sales gains reached \$16.7, \$8.6 and \$8.0 million respectively.

## **MAJOR INITIATIVES AND OTHER ACCOMPLISHMENTS**

### **FINANCIAL SUSTAINABILITY STUDY**

Reserve balances are important in order to keep the county financially strong and maintain a high credit rating. Beginning in 2011, Davis County began a strategic spend down of county reserve balances. This was done in order to maintain county services without increasing taxes. Prior to implementing a tax increase in the 2017 budget, the county conducted a study that considered the efficiency of county operations, the demand for County services, future capital and infrastructure needs and the historic effects of inflation on tax revenues. The findings of the study were used in the 2017 budget process to help insure long-term financial stability in the County.

### **WAGE STUDY**

Over the past several years Davis County has struggled to be competitive in the labor market. As a result, in 2016 Davis County hired an independent firm (FirstWest Benefit Solutions, LLC) to conduct an independent salary survey to determine if the County provided appropriate market level compensation. The survey found a large percentage (41 percent) of Davis County job titles were paid below comparable average pay and that approximately half of all Davis County employees fell within those job titles. As a result of the survey, during the last quarter of the 2016 year, the County began to implement a more competitive wage structure in order to better recruit and retain a quality workforce.

### **PROPOSITION 1 REVENUES**

In November of 2015, the voters of Davis County approved the local option sales and use tax known as Proposition 1. Funds from the tax began to be collected and expended in the second quarter of 2016 and are intended to help the County invest in transportation options such as: roads, trails, sidewalks, maintenance, increased bus service and safety features.

## **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).

### **ACCOUNTING SYSTEM AND BUDGETARY CONTROLS**

The County operates an integrated budgetary and accounting system that incorporates the formal adoption of a budget for each department. The budget is adopted in December each year for the ensuing year. State statute defines the legal level of budgetary control at the department level, whereby expenditures should not exceed appropriations at that level. Monthly financial reports are made available to each department head and/or elected official with a charge that obligations must be closely monitored. The budget is reopened as required by state statute to consider necessary adjustments, generally consisting of unanticipated revenues from grants and associated expenditures.

The 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 favorable support from County officials. As part of this effort, Davis County launched a new financial system in February 2016 with the goal of enhancing transparency and providing timely and meaningful financial information to all users. Enhancing citizen centered financial reporting is a primary goal of the Clerk/Auditor's office in the ensuing year.

In addition, 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, and are under perpetual review and evaluation for effectiveness. Additional discussion of accounting and budgeting practices may be found in the "Notes to Financial Statements."

**THE REPORTING ENTITY**

This CAFR includes all funds of the County as follows:

<u>DESCRIPTION</u>	<u>FUND TYPE</u>
General Fund	General Government
Health Fund	Special Revenue
Library Fund	Special Revenue
Transportation and Pass-Through Taxes Fund	Special Revenue
Tourism Fund	Special Revenue
Aging Services Fund	Special Revenue
Emergency 911 Dispatch Fund	Special Revenue
Municipal Building Authority Fund	Special Revenue
Special Service Area Fund	Special Revenue
Capital Projects Fund	Capital Projects
Flood Control Fund	Capital Projects
General Obligation Debt Service Fund	Debt Service
Municipal Building Authority Bond Fund	Debt Service
Sales Tax Revenue Bonds Fund	Debt Service
Golf Courses Fund	Enterprise
Jail Commissary Fund	Enterprise
Insurance Fund	Internal Service
Telephone and Security System 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 to heat the facility. In addition, the burn plant generates enough renewable energy to provide power for site operations.

**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, 2015. This is the twenty-third year in a row that Davis County has received this award.

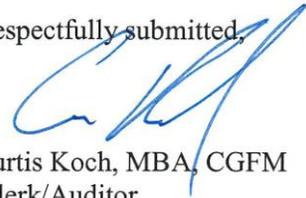
This prestigious award requires a government unit to publish an easily readable and efficiently organized comprehensive annual financial report that must conform to rigorous program standards. Qualifying reports must satisfy both GAAP and applicable legal requirements.

The Certificate of Achievement program demands that all applicable requirements be met each year the award is given. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. Special thanks go to our highly qualified and professional staff that makes the continued receipt of this award 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 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.

Respectfully submitted,



Curtis Koch, MBA, CGFM  
Clerk/Auditor



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

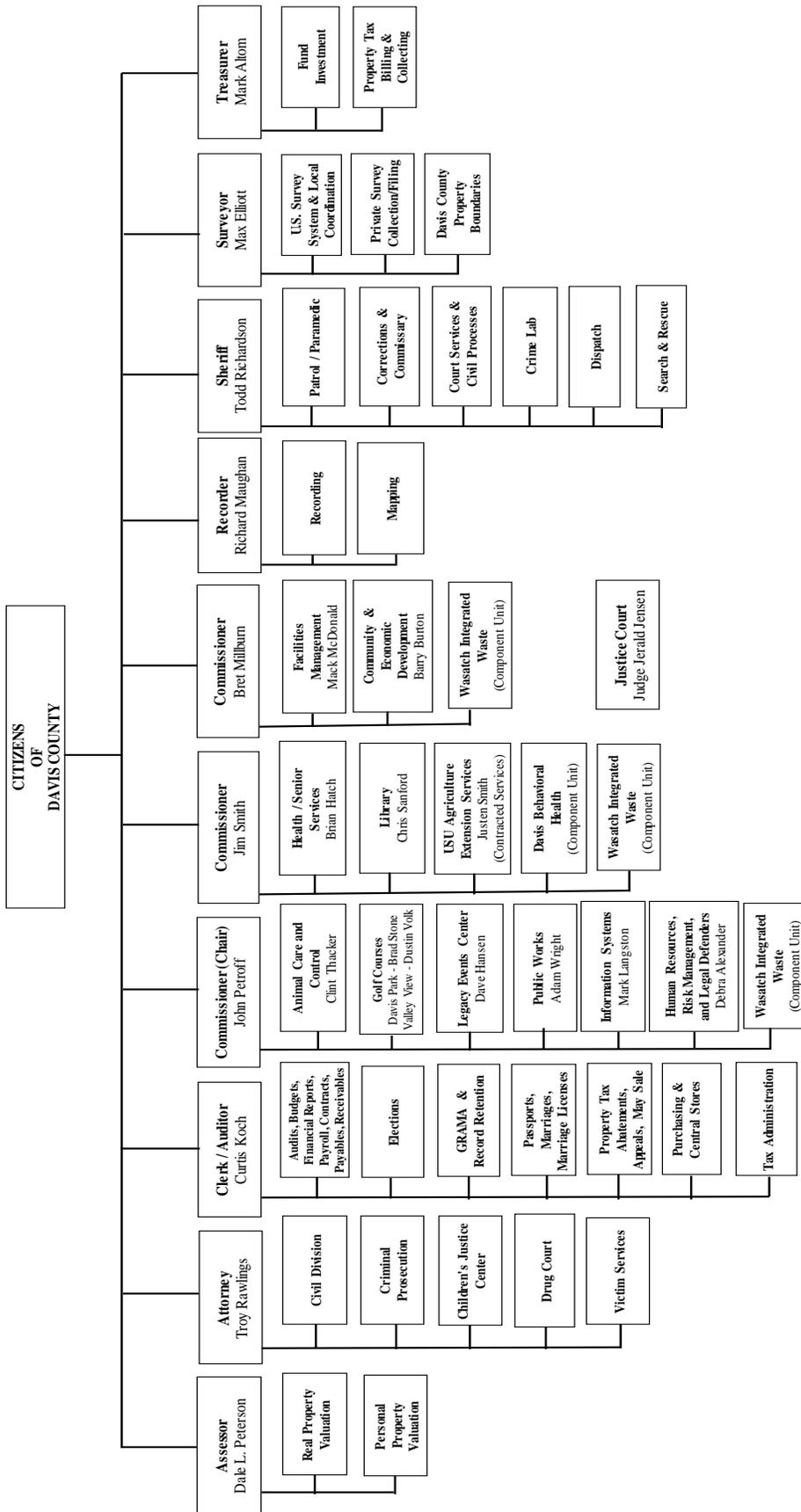
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**Utah**

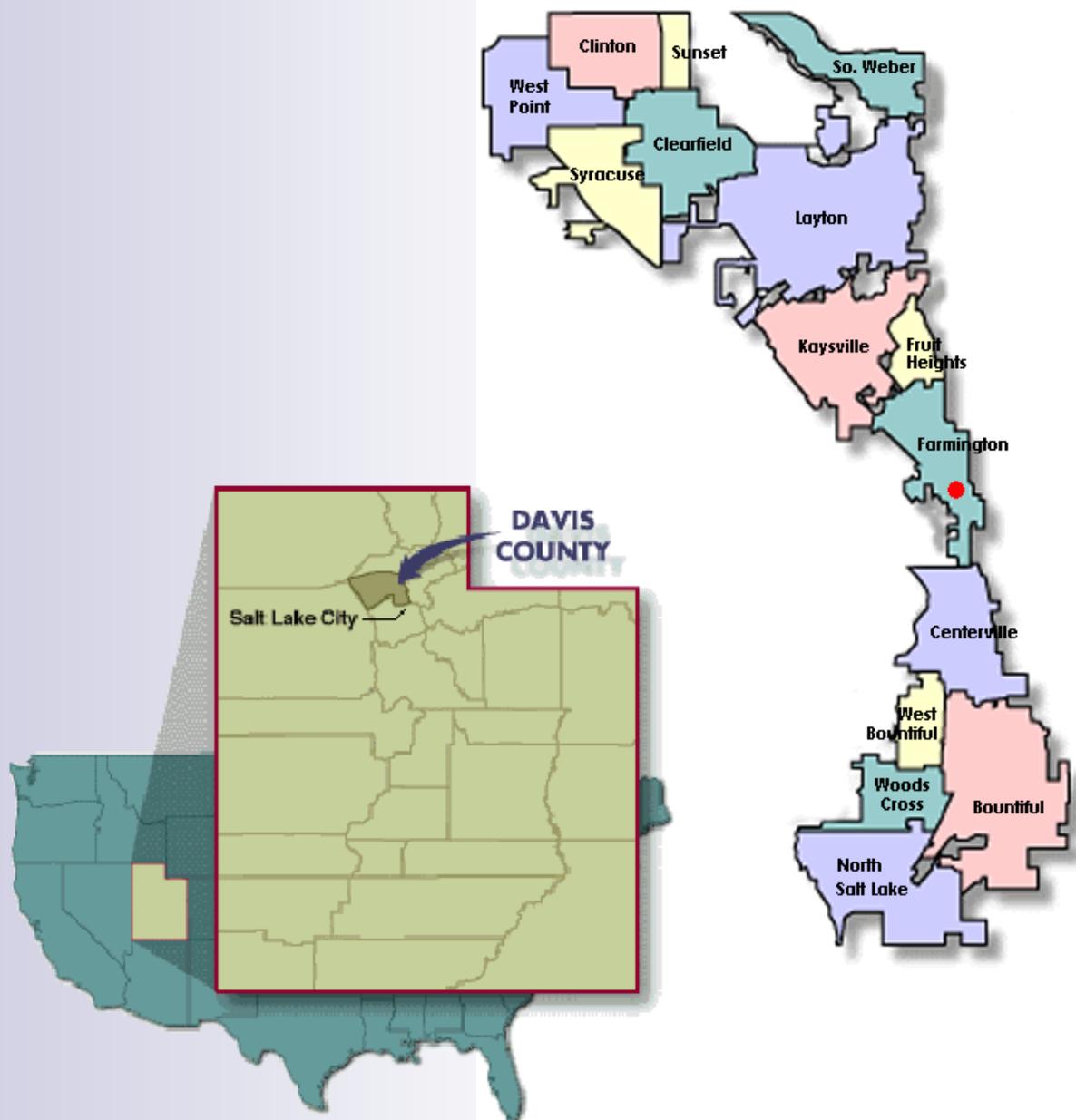
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO



## II. *Financial Section*





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



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

**INDEPENDENT AUDITORS' REPORT**

The Honorable County Commission  
Davis County, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis County, Utah, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Davis Behavioral Health and Wasatch Integrated Waste Management District. These financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, Davis Behavioral Health and Wasatch Integrated Waste Management District, is based solely upon the report of the 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis County, Utah as of December 31, 2016, 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.

## Other Matters

### *Required Supplementary Information*

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

### *Other information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Davis County, Utah's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, statistical section, Statement of Receipts and Disbursements, and the Schedule of Taxes Charged, Collected, and Distributed are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

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

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

### *Change in Accounting Principle*

As discussed in the notes to the financial statements, in 2016 the County adopted new accounting guidance, GASB Statement No. 77, Tax Abatement Disclosures. Our opinion is not modified with respect to this matter.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 16, 2017, on our consideration of Davis County, Utah's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Davis County, Utah's internal control over financial reporting and compliance.

*Ulrich & Associates, P.C.*

Ogden, Utah

June 16, 2017

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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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, 2016. 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. Comparative analyses to the previous year's results are provided.

**HIGHLIGHTS**

**Government-wide**

- Total assets and deferred outflows of resources of the County exceeded liabilities and deferred inflows of resources by \$124.8 million (reported as net position). Of this amount, approximately \$12.3 million (unrestricted net position) may be used to meet the County's ongoing obligations while \$112.5 million is restricted for specific uses or invested in capital assets.
- The County's total net position increased by almost \$6.6 million or about 5.6 percent. Net position of governmental activities increased by about \$4.2 million or 3.6 percent, while net position of business-type activities increased by \$2.4 million or 64.2 percent.

**Fund Level**

- The governmental funds reported combined ending fund balances of \$57.6 million, an increase of \$3.6 million in comparison with the prior year. Approximately 70.6 percent or \$40.7 million of the ending fund balance is considered unrestricted (committed, assigned, or unassigned) and is available for spending either at the government's discretion or upon commission approval.
- Property tax revenues were \$3.3 million (5.6 percent) lower in 2016 than the prior year. This was the result of the County recognizing \$4.2 million fewer fees-in-lieu for corridor preservation. The offsetting increase of almost \$900 thousand was attributable to new growth in taxable property throughout the County.
- General sales taxes increased approximately \$10.4 million (24 percent). Almost all of this (\$8.6 million) is the result of an additional local option sales and use tax known as Proposition 1, which was approved by the voters of the County in November of 2015. The majority of these taxes are distributed directly to the Utah Transit Authority (UTA) for mass transit projects and to the cities of the County for transportation projects. The remainder remains in the County to be used on County transportation projects. The remaining \$1.8 million is the result of the economy continuing to improve over the downturn felt in prior years.

**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, additional supplementary information and fund data (including combining statements for non-major funds), and a statistical section.

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

The Statement of Net Position and the Statement of Activities beginning on page 32 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, liabilities, and deferred inflows/outflows of resources, including capital assets and long-term debt, are reported at the entity level.

The statement of net position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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may serve as a useful indicator of 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 position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of 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-type activities*). Davis County's governmental activities include general government, public safety, public health, and public works. 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 both Davis Behavioral Health and WIWMD as component units of the County is that the financial statements may be misleading if they were not included.

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

The fund financial statements, beginning on page 35, 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 provide the same type of information as the government-wide financial statements, only in more detail. 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 – the Golf Courses and Jail Commissary Funds. *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 – the Insurance, Telephone and Security System, and Building and Grounds Funds. 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 reconciliations on pages 37 and 39 that reconcile the amounts reported for governmental activities on the government-wide statements (full-accrual accounting, long-term focus) with amounts reported on the

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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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 spending 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 inflows of resources (unavailable revenue) on the governmental fund statements.

**Notes to the Financial Statements**

The notes to the financial statements, 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 statements.

**Required Supplementary Information (RSI)**

Following the Basic Financial Statements are budgetary comparison schedules for the General Fund and all major special revenue funds. In addition, the RSI includes information on the County's pension plans. RSI also includes information about the County's defined benefit Other Postemployment Benefit Plan. RSI further supports the information in the basic financial statements.

**Supplementary Information**

Supplementary Information includes combining statements for the County's nonmajor governmental funds, internal service funds, and agency funds. This section also includes schedules which compare budgeted expenditures to actual results for the major capital projects fund and all of the nonmajor governmental funds.

**Statistical Section**

This section provides up to ten years of financial, economic, and demographic information.

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

**Net Position**

The largest component of the County's net position, \$96.3 million or 77.1 percent, reflects investments in capital assets (land, buildings, equipment, construction-in-progress, roads, and other infrastructure) less all outstanding debt that was issued to buy or build those assets and adjusted by related deferred outflows of resources. 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 be provided from other sources. Although capital assets decreased by about \$2.4 million, the amount of net investment in capital assets actually increased by \$1.6 million. The difference was primarily the result of principal payments on related debt exceeding the net change in capital assets.

Restricted net position comprised almost \$16.3 million or 13 percent of total net position and is subject to external restrictions on how they may be used. Corridor Preservation and Proposition 1 transportation projects accounted for \$7.9 million of the restriction, while B-Roads accounted for \$2.4 million, and Debt Service restrictions accounted for \$5.9 million. Unrestricted net position was approximately \$11 million for governmental activities and \$1.3 million for business-type activities at December 31, 2016.

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

	Davis County Net Position December 31,					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 66,829,585	\$ 67,499,621	\$ 2,179,526	\$ (232,488)	\$ 69,009,111	\$ 67,267,133
Capital Assets	155,332,247	157,710,041	4,894,047	4,924,171	160,226,294	162,634,212
<b>Total Assets</b>	<b>222,161,832</b>	<b>225,209,662</b>	<b>7,073,573</b>	<b>4,691,683</b>	<b>229,235,405</b>	<b>229,901,345</b>
<b>Total deferred outflows of resources</b>	<b>18,454,713</b>	<b>10,265,681</b>	<b>298,251</b>	<b>173,617</b>	<b>18,752,964</b>	<b>10,439,298</b>
Current and Other Liabilities	2,506,728	6,735,376	139,765	180,796	2,646,493	6,916,172
Long-term Liabilities	115,853,996	110,787,426	990,715	859,140	116,844,711	111,646,566
<b>Total Liabilities</b>	<b>118,360,724</b>	<b>117,522,802</b>	<b>1,130,480</b>	<b>1,039,936</b>	<b>119,491,204</b>	<b>118,562,738</b>
<b>Total deferred inflows of resources</b>	<b>3,596,133</b>	<b>3,456,275.00</b>	<b>68,666</b>	<b>66,616.00</b>	<b>3,664,799</b>	<b>3,522,891.00</b>
Net Position:						
Net investment in Capital Assets	91,364,621	89,724,704	4,894,047	4,924,171	96,258,668	94,648,875
Restricted	16,252,175	13,457,162	-	-	16,252,175	13,457,162
Unrestricted	11,042,892	11,314,400	1,278,631	(1,165,423)	12,321,523	10,148,977
<b>Total Net Position</b>	<b>\$ 118,659,688</b>	<b>\$ 114,496,266</b>	<b>\$ 6,172,678</b>	<b>\$ 3,758,748</b>	<b>\$ 124,832,366</b>	<b>\$ 118,255,014</b>
Percentage change in total Net Position from prior year	3.6%		64.2%		5.6%	

**Changes in Net Position**

The County's combined net position increased by approximately \$6.6 million or about 5.6 percent from the prior year. Most of the increase in Net Position, specifically \$4.2 million or 3.6 percent, is attributable to governmental activities and will be discussed in the Governmental Activities section found below. Net position of business-type activities increased by \$2.4 million, which represents a 64.2 percent increase from the prior year ending balance. The following table shows the comparison of revenue and expenses of governmental activities and business type activities from 2016 compared to 2015.

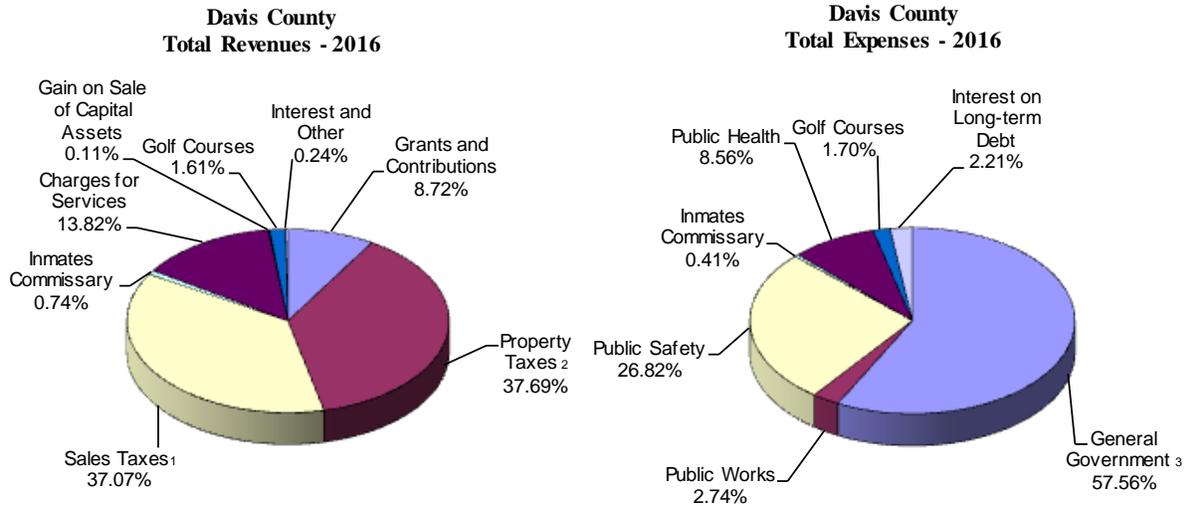
(Table on next page)

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

**Davis County**  
**Changes in Net Position**  
For the Years Ended December 31,

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change 2015 to 2016
	2016	2015	2016	2015	2016	2015	
<b>Revenues</b>							
General Revenues:							
Taxes	\$ 108,669,541	\$101,904,174	\$ -	\$ -	\$ 108,669,541	\$ 101,904,174	6.6%
Gain on Sale of Capital Assets	162,614	-	1,000	8,806	163,614	8,806	1758.0%
Interest Revenue	327,996	272,680	6,737	3,474	334,733	276,154	21.2%
Program Revenues:							
Charges for Services	20,093,708	21,101,823	3,426,158	3,335,898	23,519,866	24,437,721	-3.8%
Operating Grants	11,860,658	11,090,303	-	-	11,860,658	11,090,303	6.9%
Capital Grants	807,718	835,297	-	-	807,718	835,297	-3.3%
<b>Total Revenues</b>	<b>141,922,235</b>	<b>135,204,277</b>	<b>3,433,895</b>	<b>3,348,178</b>	<b>145,356,130</b>	<b>138,552,455</b>	4.9%
<b>Expenses</b>							
General Government	79,896,567	69,704,635	-	-	79,896,567	69,704,635	14.6%
Public Safety	37,215,293	36,000,767	-	-	37,215,293	36,000,767	3.4%
Public Health	11,884,295	11,358,078	-	-	11,884,295	11,358,078	4.6%
Public Works	3,795,913	3,605,074	-	-	3,795,913	3,605,074	5.3%
Interest on Long-term Debt	3,065,058	3,195,564	-	-	3,065,058	3,195,564	-4.1%
Golf Courses	-	-	2,358,060	2,254,582	2,358,060	2,254,582	4.6%
Commissary	-	-	563,592	704,667	563,592	704,667	-20.0%
<b>Total Expenses</b>	<b>135,857,126</b>	<b>123,864,118</b>	<b>2,921,652</b>	<b>2,959,249</b>	<b>138,778,778</b>	<b>126,823,367</b>	9.4%
<b>Changes in Net Position before Transfer</b>	<b>6,065,109</b>	<b>11,340,159</b>	<b>512,243</b>	<b>388,929</b>	<b>6,577,352</b>	<b>11,729,088</b>	
Transfer In (Out)	(1,901,687)	(64,895)	1,901,687	64,895	-	-	
<b>Changes in Net Position</b>	<b>4,163,422</b>	<b>11,275,264</b>	<b>2,413,930</b>	<b>453,824</b>	<b>6,577,352</b>	<b>11,729,088</b>	
Net Position - Beginning	114,496,266	103,221,002	3,758,748	3,304,924	118,255,014	106,525,926	
<b>Net Position - Ending</b>	<b>\$ 118,659,688</b>	<b>\$ 114,496,266</b>	<b>\$ 6,172,678</b>	<b>\$ 3,758,748</b>	<b>\$ 124,832,366</b>	<b>\$ 118,255,014</b>	5.6%

The following charts summarize the County's revenues and expenses for fiscal year 2016:



1 60.8% of Sales Taxes were for mass transit and local option transportation.

2 9.5% of Property Taxes were for Corridor Preservation and RDAs.

3 44.1% of General Government Expenses were pass through taxes distributed to other governments.

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

**Governmental Activities**

Total taxes increased by almost \$6.8 million (6.6 percent) during 2016. In reality, sales taxes increased by \$10.4 million while property taxes had a net decrease of approximately \$3.7 million. The largest single component of the net increase was an \$8.6 million increase in sales taxes. This was the direct result of the passage of Proposition 1 by the voters of the County in the November election of 2015. Proposition 1 imposed a 0.25 percent sales and use tax for the specific purpose of transportation improvements. The largest portion of this tax is distributed to the UTA (40 percent) and the cities (40 percent) with the remaining 20 percent to be used for County transportation improvements. The County is required to recognize the entire amount as revenue to the County since it was the entity that levied the tax. The decrease in property taxes was mainly the result of \$4.2 million fewer fees-in-lieu for corridor preservation recognized in 2016 by the County. This was primarily the result of multiple years of taxes being recognized by the County in 2015 when the policy of these taxes being held by the Utah Department of Transportation (UDOT) was shifted to the County. The remaining pieces of the net increase in tax revenues included a \$1.8 million increase in sales tax revenues and a \$0.5 million increase in property taxes. This increase in sales tax revenues is a good indication that the economy is continuing to recover from the downturn that occurred a few years ago, while the increase in property tax was due to continued development of residential and commercial real estate throughout the County.

For 2016, program revenues generated \$32.8 million or 24.1 percent of their total expenses through charges for services and grants. Program revenues in 2016 decreased by only \$265 thousand, or 0.8 percent, as compared to 2015. This was the net effect of multiple minor increases and decreases in program revenues throughout the County. One such example was a \$184 thousand decrease in election revenues. Because 2015 was a municipal election and 2016 was not, the County received payments from the cities to run their elections in 2015 but not in 2016. There were also a few examples of one-time payments in 2015 that were not repeated in 2016.

Total program expenses for governmental activities were almost \$135.9 million for 2016. This represents an increase of \$12 million, or 9.7 percent, when compared to the prior year. However, new "pass-through" transportation tax expense resulting from the passage of Proposition 1 combined with increases in already existing "pass-through" taxes accounted for \$7.9 million of that increase. Those expenses represent tax dollars that are distributed to other government entities. Of the remaining \$4.1 million increase, approximately \$1.8 million are due to adjustments to pension expense recorded in 2015 as compared to similar adjustments made in 2016. Adjustments in both years were in compliance with GASB 68. An additional \$1.2 million can be attributed to an increase in wages and related benefits in line with efforts to be more competitive in the labor market. These increases were based upon the results of an independent wage study which found that many County employees were being paid less than other employees in comparable positions at other entities. Finally, almost \$0.7 million was the result of a one-time legal settlement over a longstanding property tax appeal. The remaining increase of approximately \$0.4 million was the result of various smaller increases in expenses rather than resulting from any specific item.

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

	Total		Net		Program	
	Program		Program		Revenue as a	
	Expenses	Revenues	Costs	Costs	Percentage of	Total Expenses
	2016	2016	2016	2015	2016	2015
<b>Activities</b>						
General Government	\$ 79,896,567	\$ (8,952,092)	\$ 70,944,475	\$ 59,634,837	11.2%	14.4%
Public Safety	37,215,293	(11,380,556)	25,834,737	24,657,737	30.6%	31.5%
Public Health	11,884,295	(10,499,217)	1,385,078	1,514,443	88.3%	86.7%
Public Works	3,795,913	(1,930,219)	1,865,694	1,834,114	50.8%	49.1%
Interest on Long-term Debt	3,065,058	-	3,065,058	3,195,564	0.0%	0.0%
<b>Total Governmental Activities</b>	<b>\$ 135,857,126</b>	<b>\$ (32,762,084)</b>	<b>\$ 103,095,042</b>	<b>\$ 90,836,695</b>	<b>24.1%</b>	<b>26.7%</b>

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

**Business-type Activities**

In 2016, Davis County's Golf Courses suffered an operating loss of approximately \$14 thousand. Revenues were down by approximately \$112 thousand as a result of fewer rounds of golf being played by golfers in 2016. This was primarily due to less favorable weather conditions during much of 2016. Operating expenses increased by approximately \$103 thousand which can be attributed to the aforementioned increase in salaries, wages, and employee benefits. A historical review of the Golf Courses revealed that just over \$1.7 million had been transferred out between the years of 1998 and 2001. A transfer from the governmental activities of \$1.9 million during 2016 was to restore this balance plus interest that they had been charged due to the negative cash situation that the transfers out created.

The Jail Commissary continues to generate sufficient revenues to cover its operating costs, with an operating profit of \$519 thousand. Commissary revenue increased by \$202 thousand, while expenses decreased by \$141 thousand.

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

**Capital Assets**

Davis County added approximately \$3.9 million in new capital assets during 2016. The County spent slightly over \$1 million on flood control projects and \$710 thousand on the purchase of County vehicles. Other general capital purchases for buildings, equipment, and improvements comprised the remaining \$2.2 million. Additional information can be found in Note 5 of the Notes to the Financial Statement found on page 59.

**Long-term Debt**

Total bonded debt outstanding at December 31, 2016 was \$65.1 million, as compared to \$69.3 million at the end of the prior year. This \$4.2 million (6.1 percent) reduction of bonded debt is attributable to making required debt service payments. The balance on the County's capital lease was \$144 thousand at the end of 2016. The County had the following long-term debt outstanding. Additional information can be found in Note 6 of the Notes to the Financial Statement beginning on page 60.

<b>Davis County</b>							
<b>Long-term Liabilities</b>							
<b>December 31,</b>							
	<b>Governmental</b>		<b>Business-type</b>		<b>Total Primary</b>		<b>Total</b>
	<b>Activities</b>		<b>Activities</b>		<b>Government</b>		
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>Percentage</b>
							<b>Change</b>
							<b>2015 to 2016</b>
General Obligation Bonds, net of premiums	\$ 14,780,075	\$ 16,260,573	\$ -	\$ -	\$ 14,780,075	\$ 16,260,573	-9.1%
Sales Tax Revenue Bonds, net of premiums	31,624,656	33,696,126	-	-	31,624,656	33,696,126	-6.1%
Lease Revenue Bonds	18,653,000	19,353,000	-	-	18,653,000	19,353,000	-3.6%
Capital Lease	143,720	222,113	-	-	143,720	222,113	-35.3%
Compensated Absences	3,515,169	3,430,503	111,081	119,380	3,626,250	3,549,883	2.2%
OPEB	19,947,185	17,976,727	371,789	339,622	20,318,974	18,316,349	10.9%
Net Pension Liability	27,190,188	19,848,384	507,847	400,138	27,698,035	20,248,522	36.8%
<b>Total</b>	<b>\$ 115,853,993</b>	<b>\$ 110,787,426</b>	<b>\$ 990,717</b>	<b>\$ 859,140</b>	<b>\$ 116,844,710</b>	<b>\$ 111,646,566</b>	<b>4.7%</b>

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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

**Fund Balances**

At December 31, 2016, Davis County's governmental funds reported combined fund balances of almost \$57.6 million. Of this amount, \$0.7 million or 1.2 percent is nonspendable due to its form and approximately \$16.2 million or 28.2 percent is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional \$8.6 million or 14.9 percent of total fund balance has been committed to specific purposes. Committed amounts cannot be used for any other purpose unless approved by the Commissioners. An additional \$13.7 million or 23.8 percent of total fund balance has been assigned to specific purposes, as expressed by management's intent. The remaining \$18.4 million or 31.9 percent of fund balance is unassigned and available for appropriation. The following chart presents the County's 2016 ending fund balances.

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

	2016					Total	2015 Total	% Change from prior year
	Nonspendable	Restricted	Committed	Assigned	Unassigned			
General Fund	\$ 329,836	\$ -	\$ -	\$ -	\$ 18,402,051	\$ 18,731,887	\$ 19,728,333	-5.1%
Health Fund	224,876	2,087	-	2,273,056	-	2,500,019	2,363,052	5.8%
Library Fund	9,340	-	-	2,425,968	-	2,435,308	2,990,056	-18.6%
Transportation/Pass-Through	-	7,895,823	-	-	-	7,895,823	5,127,140	54.0%
Capital Projects Fund	-	-	8,557,045	-	-	8,557,045	4,300,693	99.0%
NonMajor Funds	147,560	8,354,265	-	9,021,262	-	17,523,087	19,529,973	-10.3%
Total	<u>\$ 711,612</u>	<u>\$ 16,252,175</u>	<u>\$ 8,557,045</u>	<u>\$ 13,720,286</u>	<u>\$ 18,402,051</u>	<u>\$ 57,643,169</u>	<u>\$ 54,039,247</u>	<u>6.7%</u>

**General Fund**

During 2016, the fund balance in the General Fund decreased by almost \$1 million or 5.1 percent. General Fund revenues increased by \$1 million or 1.5 percent when compared to the prior year. Property tax revenues for the General Fund increased by \$1.2 million or 3.1 percent. General Fund sales taxes increased by \$622 thousand or 4.6 percent. As previously mentioned, the increase in sales tax revenues is the result of the economy continuing to recover from the downturn that occurred a few years ago, while the increase in property tax was due to continued development of residential and commercial real estate throughout the County. Non-tax revenues of the General Fund experienced a net decrease of almost \$840 thousand. As already discussed in the Governmental Activities section above, this was the net effect of multiple minor increases and decreases in various revenue sources.

Total General Fund expenditures increased by \$1.4 million or 2.4 percent from 2015. Most of this increase (\$827 thousand) is attributable to the aforementioned increase in employee wages and associated benefits. An additional \$386 thousand was the result of a one-time legal settlement over a longstanding property tax appeal. The remaining increase of approximately \$217 thousand was the result of various smaller increases in expenses rather than resulting from any specific item.

For the year ended December 31, 2016, transfers in were almost \$1.3 million. Transfers of nearly \$1.1 from the Special Service Area Fund accounted for the majority of transfers in.

The Commission authorized a total of a little over \$9.8 million in transfers out of the General Fund in 2016. This is approximately \$2.8 million more than the previous year. Approximately \$0.9 million was transferred to the MBA debt service fund for bond payments and an additional \$4 million was transferred to the Flood Control Fund for flood projects. A one-time transfer of \$1.9 million was made to the Golf Courses Fund to return money that had been transferred to the General Fund between the years 1998 and 2001. The remaining \$3 million went to support County operations in Health Services, Aging Services, and Emergency 911 dispatch. A complete list of transfer activity can be found in Note 4 of the Notes to the Financial Statements.

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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**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 property tax revenue budget was decreased overall by approximately \$95 thousand to better match the revenues projected through the certified tax rate process.
- Various other revenue sources had a total decrease of almost \$142 thousand to better reflect revenue projections.
- The General Fund's expenditure budget was increased by \$1.1 million during the year ended December 31, 2016. This was primarily an increase in employee wages and benefits as discussed previously. Other budget changes were the result of normal day to day activities to meet the needs of the departments.
- The General Fund's transfer out budget was increased by \$1.9 million to return this amount to the Golf Courses Fund, from which it was originally taken between the years of 1998-2001.

Actual General Fund revenues were approximately \$69.4 million, which was \$1.4 million, or 2.1 percent above the final budgeted revenues. The most significant differences between budgeted and actual revenues occurred because current general property taxes were \$581 thousand above what was budgeted and jail fees were \$410 thousand above what was budgeted. As the result of fiscally responsible management, General Fund expenditures were approximately \$61.9 million, which was \$3 million (4.6 percent) below the final budgeted expenditures.

**Other Major Governmental Funds**

During 2016, Health Fund revenues increased by \$2.9 million (29.2 percent). This change in revenues was the direct result of closing the Aging Services Fund and now providing aging services through a department of the Health Fund. As is to be expected, expenditures also increased with the addition of the aging services function. In total, Health Fund Expenditures increased by \$4.5 million (40.6 percent). Aging services accounts for \$3.9 million of the expenditures. County transfers from the General Fund of just over \$2.6 million included \$1.4 million for health services and \$1.2 million for aging services. The Health Fund also received a transfer in of almost \$1.5 million to close out the Aging Services Fund. A total of \$1 million was transferred to the Capital Projects Fund to pay for future health related capital projects. The net change in fund balance resulted in a slight increase in fund balance of \$137 thousand to approximately \$2.5 million at December 31, 2016.

The fund balance in the Library Fund decreased approximately \$0.6 million (18.6 percent) to \$2.4 million. Before transfers out totaling almost \$1.3 million, the Library had an excess of revenues over expenditures of \$0.7 million. A total of \$1 million was transferred to the Capital Projects Fund to pay for future library related capital projects. An additional transfer of \$275 thousand was made to the pay the library portion of debt service payments.

The Transportation and Pass-Through Taxes Fund reported an increase in fund balance of \$2.8 million, bringing the ending fund balance to \$7.9 million. Of this fund balance, \$6.2 million is restricted to reimburse UDOT for purchases of land to be used for future transportation corridors through the County. The remaining \$1.7 million is the County's portion of Proposition 1 local option sales and use tax, all of which is restricted for transportation projects within the County. All other taxes accounted for in this fund were passed through to other governments.

The Capital Projects Fund received transfers in of \$4.4 million, of which \$2 million came from the Library and the Health Funds with each of them transferring \$1 million. The other \$2.4 million came from Tourism Fund. The ending fund balance of \$8.6 million is fully committed to future capital projects or retirement of debt service for prior capital projects specific to the funds that contributed to this balance.

**Proprietary Funds**

The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Golf Courses Fund at the end of the year was \$145 thousand and Commissary's unrestricted net position was \$1 million. The total change in net position for the two funds was almost \$1.9 million increase for

**DAVIS COUNTY, UTAH**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
For the Fiscal Year Ended December 31, 2016

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Golf and a \$0.5 million increase for the Commissary. Other factors concerning the finances of these two funds, including the \$1.9 million transfer from the General Fund, have already been addressed in the discussion of the County's business-type activities.

**OTHER MATTERS**

Changes that may impact Davis County's future financial position include the following:

- The Veteran Abatement's ceiling was increased to \$253,264 of taxable value for personal and primary residence in 2016. This amount will continue to be adjusted in the future by the consumer price index (CPI) of the preceding year. For 2017, the Veteran Abatement's ceiling will be \$255,301.
- On January 1, 2017, House Bill 25 - Property Tax Changes went into effect. This bill made modifications to how property tax rates are calculated by breaking out real property, personal property, and centrally assessed property. While the law continues to allow for new growth in real property it significantly changes how new growth for other property is calculated. For centrally assessed property, new growth only occurs if the value reported surpasses the baseline of the 2015 reported value. As values rise year over year the baseline will rise to be the high mark. Personal property has been entirely eliminated as a factor in the new growth calculation. As the economy expands and more personal property exists in the County, the tax burden that would have been assessed to personal property will shift to real and centrally assessed property.
- The County proposed and passed tax increases in the 2017 budget year for the General Fund (\$7 million) and Library Fund (\$1.25 million). The increases will allow the County to stop the strategic spend down of fund balance in the General Fund, adjust employee wages to remain competitive in the labor market, address County technology needs, fund flood control projects and various capital needs including renovation and replacement of Library facilities.

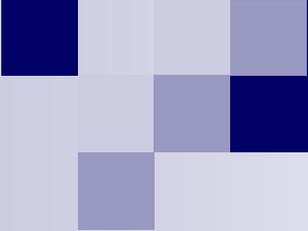
**REQUESTS FOR INFORMATION**

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. It is available on the County Clerk/Auditor's website at [www.daviscountyutah.gov](http://www.daviscountyutah.gov). 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



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



***BASIC FINANCIAL STATEMENTS***



**Davis**  
COUNTY



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



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DAVIS COUNTY

EXHIBIT A

STATEMENT OF NET POSITION  
DECEMBER 31, 2016

	Primary Government			Component Units (as of June 30, 2016)	
	Governmental	Business-Type	Total	Davis	Wasatch
	Activities	Activities		Behavioral Health	Integrated Waste
<b>ASSETS</b>					
CURRENT:					
Cash and cash equivalents	\$ 55,212,638	\$ 1,765,173	\$ 56,977,811	\$ 4,644,288	\$ 822,392
Investments	-	-	-	68,918	15,452,495
Accounts receivable	9,794,482	234,294	10,028,776	3,842,923	1,416,779
Taxes receivable	1,100,546	-	1,100,546	-	-
Internal balances	(91,561)	91,561	-	-	-
Inventory	211,956	-	211,956	12,271	1,859,472
Prepays and other	563,677	88,448	652,125	781,083	120,424
Total current assets	66,791,738	2,179,476	68,971,214	9,349,483	19,671,562
NONCURRENT:					
Net pension asset	37,847	50	37,897	-	144
Capital assets:					
Land and related non-depreciable assets	46,885,660	3,760,513	50,646,173	2,217,216	32,429,825
Construction-in-progress	234,713	-	234,713	-	3,687,731
Depreciable infrastructure	32,544,534	-	32,544,534	-	-
Buildings, equipment, and other depreciable assets	148,592,139	4,567,165	153,159,304	14,705,236	73,645,232
Less accumulated depreciation	(72,924,799)	(3,433,631)	(76,358,430)	(5,842,962)	(67,554,044)
Total capital assets, net of depreciation	155,332,247	4,894,047	160,226,294	11,079,490	42,208,744
Total noncurrent assets	155,370,094	4,894,097	160,264,191	11,079,490	42,208,888
TOTAL ASSETS	222,161,832	7,073,573	229,235,405	20,428,973	61,880,450
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows of resources relating to pensions	17,220,888	298,251	17,519,139	-	1,014,305
Deferred charge on refunding	1,233,825	-	1,233,825	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	18,454,713	298,251	18,752,964	-	1,014,305
<b>LIABILITIES</b>					
CURRENT:					
Accounts payable	1,394,855	134,068	1,528,923	735,858	544,434
Accrued liabilities	1,059,637	5,697	1,065,334	594,014	808,963
Unearned revenue	52,236	-	52,236	878,595	-
Bonds and lease payable	4,272,393	-	4,272,393	131,819	-
Compensated absences	667,882	21,105	688,987	307,278	-
Total current liabilities	7,447,003	160,870	7,607,873	2,647,564	1,353,397
LONG-TERM:					
Landfill closure and postclosure care costs	-	-	-	-	5,893,347
Bonds and lease payable	60,929,058	-	60,929,058	4,579,835	-
Net OPEB obligation	19,947,185	371,789	20,318,974	-	-
Compensated absences	2,847,288	89,976	2,937,264	742,574	-
Net pension liability	27,190,190	507,845	27,698,035	-	2,013,922
Total long-term liabilities	110,913,721	969,610	111,883,331	5,322,409	7,907,269
TOTAL LIABILITIES	118,360,724	1,130,480	119,491,204	7,969,973	9,260,666
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows of resources relating to pensions	3,596,133	68,666	3,664,799	-	248,297
<b>NET POSITION</b>					
Net investment in capital assets	91,364,621	4,894,047	96,258,668	6,367,836	42,208,744
Restricted for:					
Corridor Preservation and other transportation	7,895,823	-	7,895,823	-	-
Car seats and bike helmets	2,087	-	2,087	-	-
Class B-Roads	2,428,073	-	2,428,073	-	-
Debt Service	5,926,192	-	5,926,192	-	-
Closure and post-closure costs	-	-	-	-	5,468,125
Unrestricted	11,042,892	1,278,631	12,321,523	6,091,164	5,708,923
TOTAL NET POSITION	\$ 118,659,688	\$ 6,172,678	\$ 124,832,366	\$ 12,459,000	\$ 53,385,792

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

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Direct Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units	
					Governmental Activities	Business-Type Activities	Total	Davis Behavioral Health	Wasatch Integrated Waste
<b>Primary Government:</b>									
Governmental activities:									
General government	\$ 79,896,567	\$ 5,442,728	\$ 3,094,998	\$ 414,366	\$ (70,944,475)	\$ -	\$ (70,944,475)	\$ -	\$ -
Public safety	37,215,293	10,730,516	610,973	39,067	(25,834,737)	-	(25,834,737)	-	-
Public health	11,884,295	3,621,673	6,877,544	-	(1,385,078)	-	(1,385,078)	-	-
Public works	3,795,913	298,791	1,277,143	354,285	(1,865,694)	-	(1,865,694)	-	-
Interest on long-term debt	3,065,058	-	-	-	(3,065,058)	-	(3,065,058)	-	-
Total governmental activities	135,857,126	20,093,708	11,860,658	807,718	(103,095,042)	-	(103,095,042)	-	-
Business-type activities:									
Golf	2,358,060	2,343,642	-	-	-	(14,418)	(14,418)	-	-
Inmates Commissary	563,592	1,082,516	-	-	-	518,924	518,924	-	-
Total business-type activities	2,921,652	3,426,158	-	-	-	504,506	504,506	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 138,778,778</b>	<b>\$23,519,866</b>	<b>\$11,860,658</b>	<b>\$ 807,718</b>	<b>(103,095,042)</b>	<b>504,506</b>	<b>(102,590,536)</b>	<b>-</b>	<b>-</b>
<b>Component Unit:</b>									
Davis behavioral health	\$ 20,801,884	\$ 2,173,376	\$20,188,756	\$ -	-	-	-	1,560,248	-
Wasatch integrated waste	16,388,114	17,951,552	-	-	-	-	-	-	1,563,438
<b>TOTAL COMPONENT UNIT</b>	<b>\$ 37,189,998</b>	<b>\$20,124,928</b>	<b>\$20,188,756</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,560,248</b>	<b>1,563,438</b>
General revenues:									
Taxes:									
Property taxes	-	-	-	-	54,788,984	-	54,788,984	-	-
Sales taxes	-	-	-	-	53,880,557	-	53,880,557	-	-
Total taxes	-	-	-	-	108,669,541	-	108,669,541	-	-
Unrestricted investment earnings	-	-	-	-	327,996	6,737	334,733	43,873	103,086
Gain on sale of capital assets	-	-	-	-	162,614	1,000	163,614	55,500	537,407
Special item-Disposal of assets related to Box Elder Co. landfill	-	-	-	-	-	-	-	-	(138,008)
Transfers	-	-	-	-	(1,901,687)	1,901,687	-	-	-
Total general revenues, special items, and transfers	-	-	-	-	107,258,464	1,909,424	109,167,888	99,373	502,485
Change in net position	-	-	-	-	4,163,422	2,413,930	6,577,352	1,659,621	2,065,923
Net position - beginning	-	-	-	-	114,496,266	3,758,748	118,255,014	10,799,379	51,319,869
Net position - ending	-	-	-	-	\$ 118,659,688	\$6,172,678	\$ 124,832,366	\$12,459,000	\$53,385,792

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



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

## **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 Special Revenue Fund**

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

### **Library Special Revenue Fund**

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

### **Transportation and Pass-Through Taxes Special Revenue Fund**

This fund accounts for corridor preservation taxes, which are levied by the County and then held to reimburse the Utah Department of Transportation for its purchases of land for future transportation corridors through the County. This fund also accounts for mass transit and transportation taxes which are levied by the County but are mostly distributed directly to the Utah Transit Authority and city governments for transportation projects. Finally, this fund accounts for the County's share of tax increment financing provided to various economic, redevelopment, and community development agencies.

### **Capital Projects Fund**

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

### **Nonmajor Governmental Funds**

Nonmajor governmental funds are presented individually beginning on page 91.

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2016**

	Major Special Revenue Funds						Total Governmental Funds
	General Fund	Health Fund	Library Fund	Transportation and Pass-Through Taxes	Capital Projects Fund	Nonmajor Governmental Funds	
<b>ASSETS</b>							
Cash and cash equivalents	\$ 13,193,691	\$ 1,591,634	\$ 2,514,007	\$ 7,117,206	\$ 8,569,482	\$ 15,745,508	\$ 48,731,528
Accounts receivable	6,176,473	863,187	-	778,617	-	1,957,315	9,775,592
Taxes receivable	931,509	-	159,049	-	-	9,988	1,100,546
Inventory	49,095	162,861	-	-	-	-	211,956
Prepays and other	280,741	62,015	9,340	-	-	147,560	499,656
Total assets	<u>\$ 20,631,509</u>	<u>\$ 2,679,697</u>	<u>\$ 2,682,396</u>	<u>\$ 7,895,823</u>	<u>\$ 8,569,482</u>	<u>\$ 17,860,371</u>	<u>\$ 60,319,278</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 699,634	\$ 132,610	\$ 65,106	\$ -	\$ 12,437	\$ 289,094	\$ 1,198,881
Accrued liabilities	243,307	47,068	22,933	-	-	22,302	335,610
Unearned revenue	25,172	-	-	-	-	15,900	41,072
Total liabilities	<u>968,113</u>	<u>179,678</u>	<u>88,039</u>	<u>-</u>	<u>12,437</u>	<u>327,296</u>	<u>1,575,563</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue-property taxes	<u>931,509</u>	<u>-</u>	<u>159,049</u>	<u>-</u>	<u>-</u>	<u>9,988</u>	<u>1,100,546</u>
<b>FUND BALANCES</b>							
Nonspendable:							
Inventory	49,095	162,861	-	-	-	-	211,956
Prepays and other	280,741	62,015	9,340	-	-	147,560	499,656
Restricted	-	2,087	-	7,895,823	-	8,354,265	16,252,175
Committed	-	-	-	-	8,557,045	-	8,557,045
Assigned	-	2,273,056	2,425,968	-	-	9,021,262	13,720,286
Unassigned	18,402,051	-	-	-	-	-	18,402,051
Total fund balances	<u>18,731,887</u>	<u>2,500,019</u>	<u>2,435,308</u>	<u>7,895,823</u>	<u>8,557,045</u>	<u>17,523,087</u>	<u>57,643,169</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,631,509</u>	<u>\$ 2,679,697</u>	<u>\$ 2,682,396</u>	<u>\$ 7,895,823</u>	<u>\$ 8,569,482</u>	<u>\$ 17,860,371</u>	<u>\$ 60,319,278</u>

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

**DAVIS COUNTY**

**EXHIBIT D**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2016**

---

Total fund balances--governmental funds \$ 57,643,169

Amounts reported for governmental activities in the statement of net position are different because:

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

Land and related non-depreciable assets	\$ 46,885,660	
Construction-in-progress	234,713	
Depreciable infrastructure	32,544,534	
Buildings, equipment, and other depreciable assets	147,442,409	
Accumulated depreciation	<u>(71,835,501)</u>	
Total capital assets		155,271,815

Deferred outflows of resources are not reported in the governmental funds:

Amount on refunding of bonded debt	1,233,825	
Related to pensions	<u>16,728,390</u>	
Total deferred outflows of resources		17,962,215

Some of the county's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable in the funds. 1,100,546

An internal charge between the governmental and business-type activities is not recorded at the fund level. (91,561)

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 position. 5,368,970

Deferred inflows of resources relating to pensions are not reported in the governmental funds. (3,499,949)

Net pension assets are not available in the current period and are therefore not reported in governmental funds. 37,847

Long-term liabilities, including bonds and capital leases payable, are not due and payable in the current period and therefore are not reported in the funds. The details of these differences are as follows:

Bonds and lease payable	(65,201,451)	
Net OPEB obligation	(19,366,801)	
Compensated absences	(3,458,187)	
Net pension liability	(26,393,958)	
Accrued interest on bonds	<u>(712,967)</u>	
Total long-term liabilities		<u>(115,133,364)</u>

**Total net position--governmental activities** **\$ 118,659,688**

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
 GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Major Special Revenue Funds						Total Governmental Funds
	General Fund	Health Fund	Library Fund	Transportation and Pass-Through Taxes	Capital Projects Fund	Nonmajor Governmental Funds	
REVENUES:							
Taxes:							
General property taxes-current	\$ 38,823,022	\$ -	\$ 6,869,968	\$ 5,208,280	\$ -	\$ 2,021,180	\$ 52,922,450
General property taxes-delinquent	1,100,328	-	194,919	-	-	69,675	1,364,922
Penalties and interest on delinquent taxes	744,419	-	61,269	-	-	42,216	847,904
Sales taxes	14,018,545	-	-	32,747,410	-	7,114,602	53,880,557
Total taxes	54,686,314	-	7,126,156	37,955,690	-	9,247,673	109,015,833
Licenses and permits	252,788	-	-	-	-	-	252,788
Fines and forfeitures	1,076,525	-	174,466	-	-	-	1,250,991
Intergovernmental and grant revenue	1,178,749	9,095,812	50,150	-	-	2,244,138	12,568,849
Charges for services	11,023,793	3,142,900	-	-	-	2,227,967	16,394,660
Interest	56,880	15,731	7,507	50,588	50,219	100,020	280,945
Other	1,099,185	478,772	16,575	-	-	544,537	2,139,069
Total revenues	69,374,234	12,733,215	7,374,854	38,006,278	50,219	14,364,335	141,903,135
EXPENDITURES:							
Current:							
General government	27,442,621	3,859,509	6,525,229	35,237,595	-	3,747,246	76,812,200
Public safety	33,238,103	-	-	-	-	1,743,508	34,981,611
Public health	5,321	11,467,243	-	-	-	-	11,472,564
Public works	396,339	-	-	-	-	1,882,901	2,279,240
Capital outlay	710,093	385,340	117,963	-	112,693	2,511,995	3,838,084
Debt service:							
Principal retirement	78,393	-	-	-	-	4,082,000	4,160,393
Interest and fiscal charges	-	-	-	-	-	2,953,814	2,953,814
Total expenditures	61,870,870	15,712,092	6,643,192	35,237,595	112,693	16,921,464	136,497,906
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,503,364	(2,978,877)	731,662	2,768,683	(62,474)	(2,557,129)	5,405,229
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	77,519	16,700	-	-	-	90,637	184,856
Transfers in	1,290,524	4,119,304	-	-	4,400,000	9,043,890	18,853,718
Transfers out	(9,867,853)	(1,020,160)	(1,286,410)	-	(81,174)	(8,584,284)	(20,839,881)
Total other financing sources (uses), net	(8,499,810)	3,115,844	(1,286,410)	-	4,318,826	550,243	(1,801,307)
NET CHANGE IN FUND BALANCES	(996,446)	136,967	(554,748)	2,768,683	4,256,352	(2,006,886)	3,603,922
FUND BALANCES:							
Beginning of year	19,728,333	2,363,052	2,990,056	5,127,140	4,300,693	19,529,973	54,039,247
End of year	\$ 18,731,887	\$ 2,500,019	\$ 2,435,308	\$ 7,895,823	\$ 8,557,045	\$ 17,523,087	\$ 57,643,169

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

---

Net change in fund balances--total governmental funds	\$ 3,603,922
Amounts 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. This is the amount by which depreciation (\$6,179,749) exceeded capital purchases (\$3,838,084) and donated capital assets (\$7,500) during the current period.	(2,334,165)
In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus, the change in net position differs from the change in fund balance by the basis of the assets sold.	(22,241)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements.	(346,292)
Expenditures are recognized in the governmental funds when paid or due for interest on long term debt, but the statement of activities is presented on the accrual basis and expenses and liabilities are reported when incurred, regardless of when financial resources are available or expenses are paid or due. This is the amount by which the net amortization on bond premiums and refundings (\$142,682) exceeded the decrease in accrued interest on bonds payable (\$31,438) during the year.	(111,244)
The liabilities for pensions, OPEB, and compensated absences are not recorded in the governmental funds, but are reported in the statement of net position. This is the current year increase in OPEB (\$1,899,490) and compensated absences (\$79,630) less the decrease in net pension costs (976,236). These amounts are reported as adjustments to expense in the statement of activities.	(1,002,884)
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	4,160,393
The change in internal balances between the governmental activities and the business-type activities relating to internal service funds are reflected in governmental activities but not in the governmental funds.	(6,208)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of internal service funds is reported with governmental activities.	<u>222,141</u>
Change in net position of governmental activities	<u>\$ 4,163,422</u>

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



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

## **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 operations of a commissary available to 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 Security System, and Buildings and Grounds.

## DAVIS COUNTY

EXHIBIT G

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds			Governmental
	Golf Courses	Commissary	Total	Activities - Internal Service Funds
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents	\$ 731,115	\$ 1,034,058	\$ 1,765,173	\$ 6,481,110
Accounts receivable	1,944	232,350	234,294	18,890
Prepays and other	79,972	8,476	88,448	64,021
Total current assets	813,031	1,274,884	2,087,915	6,564,021
<b>NONCURRENT:</b>				
Net pension asset	34	16	50	-
Capital assets:				
Land	754,259	-	754,259	-
Buildings	2,001,952	-	2,001,952	-
Improvements other than buildings	3,006,254	-	3,006,254	-
Furniture, fixtures, and equipment	2,565,213	-	2,565,213	1,149,730
Less accumulated depreciation	(3,433,631)	-	(3,433,631)	(1,089,298)
Total noncurrent assets	4,894,081	16	4,894,097	60,432
<b>TOTAL ASSETS</b>	<b>5,707,112</b>	<b>1,274,900</b>	<b>6,982,012</b>	<b>6,624,453</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources relating to pensions	217,331	80,920	298,251	492,498
<b>LIABILITIES</b>				
<b>CURRENT:</b>				
Accounts payable	43,184	90,884	134,068	195,974
Accrued liabilities	4,831	866	5,697	11,060
Unearned revenues	-	-	-	11,164
Obligations for compensated absences	21,105	-	21,105	10,827
Total current liabilities	69,120	91,750	160,870	229,025
<b>LONG-TERM:</b>				
Net OPEB obligation	309,707	62,082	371,789	580,384
Obligations for compensated absences	89,976	-	89,976	46,156
Net pension liability	369,837	138,008	507,845	796,232
Total long-term liabilities	769,520	200,090	969,610	1,422,772
<b>TOTAL LIABILITIES</b>	<b>838,640</b>	<b>291,840</b>	<b>1,130,480</b>	<b>1,651,797</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources relating to pensions	46,734	21,932	68,666	96,184
<b>NET POSITION</b>				
Net investment in capital assets	4,894,047	-	4,894,047	60,432
Unrestricted	145,022	1,042,048	1,187,070	5,308,538
<b>TOTAL NET POSITION</b>	<b>\$ 5,039,069</b>	<b>\$ 1,042,048</b>	<b>\$ 6,081,117</b>	<b>\$ 5,368,970</b>
<b>Total net position--enterprise funds</b>			\$ 6,081,117	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			91,561	
<b>Total net position--business-type activities</b>			<u>\$ 6,172,678</u>	

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

**DAVIS COUNTY**

**EXHIBIT H**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Business-type Activities - Enterprise Funds</u>			<b>Governmental</b>
	<u>Golf</u>			<b>Activities -</b>
	<u>Courses</u>	<u>Commissary</u>	<u>Total</u>	<b>Internal</b>
				<b>Service Funds</b>
<b>OPERATING REVENUES:</b>				
Golf course fees	\$ 2,024,499	\$ -	\$ 2,024,499	\$ -
Commissary sales	-	1,082,516	1,082,516	-
Charges to other funds	-	-	-	5,256,105
Other revenue	319,143	-	319,143	148,227
Total operating revenue	<u>2,343,642</u>	<u>1,082,516</u>	<u>3,426,158</u>	<u>5,404,332</u>
<b>OPERATING EXPENSES:</b>				
Salaries, wages, and employee benefits	1,552,256	238,334	1,790,590	2,089,803
Other operating expenses	677,675	325,562	1,003,237	3,196,436
Depreciation	134,033	-	134,033	27,479
Total operating expenses	<u>2,363,964</u>	<u>563,896</u>	<u>2,927,860</u>	<u>5,313,718</u>
<b>OPERATING INCOME</b>	<u>(20,322)</u>	<u>518,620</u>	<u>498,298</u>	<u>90,614</u>
<b>NON-OPERATING REVENUES:</b>				
Interest income	-	6,737	6,737	47,051
Gain on disposal of capital assets	1,000	-	1,000	-
Total non-operating revenues	<u>1,000</u>	<u>6,737</u>	<u>7,737</u>	<u>47,051</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>(19,322)</u>	<u>525,357</u>	<u>506,035</u>	<u>137,665</u>
Transfers in	1,923,287	-	1,923,287	84,476
Transfers out	<u>(21,600)</u>	<u>-</u>	<u>(21,600)</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	<u>1,882,365</u>	<u>525,357</u>	<u>2,407,722</u>	<u>222,141</u>
<b>NET POSITION:</b>				
Beginning of year	<u>3,156,704</u>	<u>516,691</u>		<u>5,146,829</u>
End of year	<u>\$ 5,039,069</u>	<u>\$ 1,042,048</u>		<u>\$ 5,368,970</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			<u>6,208</u>	
Change in net position of business-type activities			<u>\$ 2,413,930</u>	

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

DAVIS COUNTY

EXHIBIT I

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds			Governmental
	Golf Courses	Commissary	Total	Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 2,356,372	\$ 862,174	\$ 3,218,546	\$ 162,995
Receipts for interfund services provided	-	-	-	5,256,105
Payments to suppliers	(670,335)	(369,755)	(1,040,090)	(2,439,055)
Payments to employees	(1,539,345)	(236,411)	(1,775,756)	(2,031,336)
Net cash provided by (used in) operating activities	<u>146,692</u>	<u>256,008</u>	<u>402,700</u>	<u>948,709</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash paid to other funds	(1,215,455)	-	(1,215,455)	-
Transfers in	1,923,287	-	1,923,287	84,476
Transfers out	(21,600)	-	(21,600)	-
Net cash provided by (used in) noncapital financing activities	<u>686,232</u>	<u>-</u>	<u>686,232</u>	<u>84,476</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	(103,909)	-	(103,909)	(6,091)
Proceeds from sale of capital assets	1,000	-	1,000	-
Net cash provided by (used in) capital and related financing activities	<u>(102,909)</u>	<u>-</u>	<u>(102,909)</u>	<u>(6,091)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	-	6,737	6,737	47,051
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>730,015</b>	<b>262,745</b>	<b>992,760</b>	<b>1,074,145</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	<u>1,100</u>	<u>771,313</u>	<u>772,413</u>	<u>5,406,965</u>
End of year	<u>\$ 731,115</u>	<u>\$ 1,034,058</u>	<u>\$ 1,765,173</u>	<u>\$ 6,481,110</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ (20,322)	\$ 518,620	\$ 498,298	\$ 90,614
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	134,033	-	134,033	27,479
Net changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
Accounts receivable	12,730	(220,342)	(207,612)	3,604
Other assets	18,351	(8,476)	9,875	677,699
Net pension asset	97	49	146	145
Deferred outflows of resources	(94,395)	(30,239)	(124,634)	(241,962)
Accounts payable	(11,011)	(35,717)	(46,728)	79,682
Accrued liabilities	4,831	866	5,697	11,060
Unearned revenues	-	-	-	11,164
Obligation for OPEB	27,536	4,631	32,167	70,968
Obligation for compensated absences	(8,299)	-	(8,299)	5,037
Net pension liability	81,588	26,119	107,707	209,239
Deferred inflows of resources	1,553	497	2,050	3,980
Net cash provided by (used in) operating activities	<u>\$ 146,692</u>	<u>\$ 256,008</u>	<u>\$ 402,700</u>	<u>\$ 948,709</u>

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

## **Fiduciary Fund Financial Statements**

### **Agency Funds**

These funds account for assets held by the County as an agent for individuals, organizations, and other governments. These funds are custodial in nature and do not involve measuring the results of operations. Individual agency funds are presented in Supplemental Schedule 16 beginning on page 112.

# DAVIS COUNTY

# EXHIBIT J

## STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS DECEMBER 31, 2016

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### ASSETS

Cash and cash equivalents	\$ 62,441,654
Accounts receivable	<u>4,106</u>

TOTAL ASSETS	<u><u>\$ 62,445,760</u></u>
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### LIABILITIES

Due to individuals, organizations, and other governments	<u><u>\$ 62,445,760</u></u>
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The notes to the financial statements are an integral part of this statement.

Under paragraph 110 of GASB 34, agency funds should not be reported in the statement of changes in fiduciary net position. Davis County only has agency funds in the Statement of Fiduciary Net Position. Thus, no Statement of Changes in Fiduciary Net Position is required.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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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). 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 (referred to as the "primary government" for reporting purposes) and its "component units". Component units are separate legal entities for which the County is considered to be financially accountable. The Governmental Accounting Standards Board (GASB) has set forth criteria to be considered in determining financial accountability. The primary criteria for including a board or agency in the CAFR is financial accountability, meaning the County appoints a voting 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.

Where the County does not appoint a voting majority of an organization's governing body, GASB standards require inclusion in the reporting entity if: 1) an organization is fiscally dependent on the County because its resources are held for the direct benefit of the County or can be accessed by the County; and 2) the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the financial statements to be misleading.

Blended component units, although legally separate, 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***

A component unit should be reported as part of the primary government and blended into the appropriate funds if: 1) services are provided entirely or almost entirely to the primary government; 2) the governing body is substantively the same as the governing body of the primary government; or 3) the component unit's total outstanding debt is expected to be repaid entirely or almost entirely by the primary government.

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 unit 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 2016

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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were \$1,680,500 and pass through grants were \$8,005,083. Related party items at December 31, 2016 consisted of \$1,263,057 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, 934 South Main Street #6, Layton, Utah 84041.

**Wasatch Integrated Waste Management District (WIWMD)** – Wasatch Integrated Waste Management District (WIWMD) is a regional refuse incinerator. It serves the entire area of Davis County (except Bountiful City) and 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 the financial statements may be misleading if WIWMD were not included. Separate financial statements for WIWMD may be obtained from Wasatch Integrated Waste Management District, P.O. Box 900, Layton, Utah 84041-0900.

The determination that a component unit is “major” is based on the nature and significance of its relationship to the primary government. Both Davis Behavioral Health and Wasatch Integrated Waste Management District are considered to be major component units and are presented as of their fiscal year-ends, June 30, 2016.

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.

**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 financial statements (the statement of net position and the statement of activities) report 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 Position* presents the County's non-fiduciary assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Net position is restricted when constraints placed upon it 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 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 financial statements are provided for *governmental*, *proprietary*, and *fiduciary funds*, even though the latter are excluded from the government-wide financial

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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statements. For governmental and enterprise funds, the emphasis is on *major funds*, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

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 to provide health and aging services. The Health Fund’s principal revenue source is grants.
- **Library Fund** – This special revenue fund accounts for the operations of the County’s main library and six branches. The Library Fund’s principal revenue source is property taxes.
- **Transportation and Pass-Through Taxes Fund** – This special revenue fund accounts for corridor preservation taxes, which are levied by the County and then held to reimburse the Utah Department of Transportation for its purchases of land for future transportation corridors through the County. This fund also accounts for mass transit and transportation taxes which are levied by the County but are mostly distributed directly to the Utah Transit Authority and to the cities residing within the County for transportation projects. A portion of these transportation taxes remains in the County and is restricted for usage in County transportation projects. This fund also accounts for the County’s share of foregone property taxes that are distributed to the Redevelopment Agencies.
- **Capital Projects Fund** – This fund accounts for funds accumulated and spent for capital projects.

The County’s nonmajor governmental funds account for specific revenue sources that are legally restricted to expenditures for specific purposes. Funds included are Tourism, Aging Services, Emergency 911 Dispatch, Municipal Building Authority (MBA) Operations, Special Service Area, Flood Control, General Government Debt Service, MBA Debt Service, and Sales Tax Revenue Bonds Debt Service 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 major enterprise fund accounts for the operations of the County owned golf courses.
- **Commissary Fund** – This major enterprise 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 and security systems, and buildings and grounds operations. Internal service funds are reported in a single 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 payroll, taxes, insurance, bonds, etc.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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**C. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurements focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are 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 related 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 imposed by the provider have been met.

The proprietary fund statements are also prepared using the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds do not have a measurement focus due to their custodial nature, but are prepared using 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.

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. "Measurable" means that amounts can be reasonably determined within the current period. Expenditures are generally recorded when the related liability is incurred, as under accrual accounting. More specific details concerning revenues and expenditures can be found below in section E.

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

***Cash, Cash Equivalents, and Investments***

Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term, highly liquid 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 except where there is no material difference between cost and 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 before June 22 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 a deferred inflow of resources 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 Prepaid Items***

Inventories are valued at cost using either the first-in, first out (FIFO) or average cost method and consist of expendable supplies and merchandise. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors for goods and services reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**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.

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	20 - 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.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County reports a deferred charge (\$1,233,825) on refunding on the government-wide statement of net position, which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has one item, which arises only under the modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes (\$1,100,546). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The County also reports both deferred outflows and inflows of resources relating to pensions on the statement of net position for both the government-wide and the proprietary fund statements. See Note 8 for further information on deferred outflows and inflows of resources relating to pension reporting.

**Compensated Absences**

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.

**DAVIS COUNTY, UTAH**  
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Vacation and compensatory leave are recorded as expenditures 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 Position and proprietary funds.

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.

***Long-term Obligations***

In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums and discounts are netted against the debt payable. Debt premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old debt).

In the governmental fund financial statements, bond premiums and discounts are recognized 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. The face amount of debt issued is reported as other financing sources.

Bond issuance costs are recognized as an outflow of resources in the reporting period in which they are incurred for both the government-wide and fund statements.

***Pensions***

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

***Net Position and Fund Balances***

The difference between assets/deferred outflows and liabilities/deferred inflows is *net position* on the government-wide and proprietary fund statements, and *fund balance* on the governmental fund statements. Note 7 provides more information on the County's policies and classifications related to net position and fund balances.

**E. Revenues and Expenditures/Expenses**

Following are the County's significant policies related to recognition and reporting of certain revenues and expenditures/expenses:

***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. For this purpose, the 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.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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***Expenditure/Expense Recognition***

In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to pensions, compensated absences, OPEB, and claims and judgments, are recorded only when payment is due. Capital asset acquisitions are reported as expenditures.

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.

**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. Transfers between governmental and business-type activities are reported at the net amount in the government-wide statement of activities. Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities, which are shown as "internal balances" and offset each other to result in a zero balance in the total column.

***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 County 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 budget is reviewed, considered, and adopted by the County Commission in a regular or specially scheduled meeting on or before November 1st.

Prior to December 31, the County Commission shall hold 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.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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***Modifying the Adopted Budget***

Transfers of unexpended operational 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 by resolution of the Commission in accordance with state law. Expenditure appropriations of any fund may be increased by resolution only after a public hearing. Notice of such hearing must be published at least five days in advance of the meeting in accordance with state law.

**H. Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**NOTE 2. NEW ACCOUNTING PRONOUNCEMENTS**

The Governmental Accounting Standards Board (GASB) issued Statement No. 77, *Tax Abatement Disclosures*. This Statement Requires governments that enter into tax abatement agreements to disclose specific information about these agreements. Although this standard was implemented by the County for the fiscal year ended December 31, 2016, it was determined that no such agreements existed as of that time.

**NOTE 3. DEPOSITS AND INVESTMENTS**

Deposits and investments for Davis County are regulated by the Utah Money Management Act (*Utah Code*, 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 investment activities.

**A. Custodial Credit Risk**

*Deposits.* Custodial credit risk for deposits is the risk that 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 with 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 with rules of the Utah Money Management Council. The County’s deposits in financial institutions in excess of the amounts insured by the Federal Deposit Insurance Corporation (FDIC) are uninsured and are not collateralized, nor are they required to be collateralized by state statutes. The County’s deposits on December 31, 2016 were \$14,393,692, of which \$14,143,692 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.

**DAVIS COUNTY, UTAH**  
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**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 investment transactions to be done only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits with 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 & Poor’s; 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 defined 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 is not rated. 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. The County’s investments as of December 31, 2016 are shown below:

	<b>Fair Value</b>	<b>Weighted Average Maturity (Days)</b>	<b>Quality/Rating</b>
Utah Public Treasurer's Investment Fund	\$ 105,022,030	59*	not rated

\*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.

**NOTE 4. 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. Interfund transfers for the year ended December 31, 2016 are on the next page.

**DAVIS COUNTY, UTAH**  
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	<u>Transfer In</u>		<u>Transfer Out</u>
<b>Major Funds:</b>			
General Fund .....	\$ 1,290,524	a, c, f	\$ 9,867,853
Health Fund .....	4,119,304	b, j	1,020,160
Library Fund .....	-		1,286,410
Capital Projects Fund .....	4,400,000	d	81,174
Golf Course Fund .....	1,923,287	i	21,600
<b>Nonmajor Funds:</b>			
Tourism Fund .....	-		3,690,222
Aging Services Fund .....	-		1,479,400
Emergency 911 Dispatch Fund.....	380,000	b	-
MBA Operating Fund .....	-		243,732
Special Service Area Fund .....	190,768	h	1,077,500
Flood Control Fund .....	4,000,000	b	2,093,430
MBA Debt Service Fund .....	1,283,540	b, f, g	-
Sales Tax Revenue Bonds Debt Service Fund ....	3,189,582	e	-
Total Nonmajor Funds .....	9,043,890		8,584,284
<b>Internal Service Funds:</b>			
Building and Grounds.....	84,476	k	-
<b>Total Transfers In and Transfers Out .....</b>	<u>\$ 20,861,481</u>		<u>\$ 20,861,481</u>

- a) The Health, Library, and Golf Courses Funds transferred \$20,160, \$11,410, and \$21,600, respectively, to the General Fund to pay for administrative expenses.
- b) The General Fund transferred general tax monies of the County totaling \$3,019,904 to support health programs, senior service programs, and emergency 911 dispatch. The General Fund also transferred \$4,000,000 to the Flood Control Fund for flood projects and \$924,662 to the MBA Debt Service Fund for debt service payments.
- c) The Special Service Area Fund transferred \$1,077,500 to the General Fund to pay for administrative, animal control and public safety services.
- d) The Health and Library Funds each transferred \$1,000,000 and the Tourism Fund transferred \$2,400,000 to the Capital Projects Fund to pay for health, library, and tourism related capital projects.
- e) The Tourism Fund transferred \$1,286,920 and the Flood Control Fund transferred \$1,902,662 to the Sales Tax Revenue Bonds Debt Service Fund for debt service payments.
- f) The MBA Operating Fund transferred \$83,878 to the MBA Debt Service Fund for the 2016 debt service payments and \$159,854 to reimburse the general fund for debt service payments made on the DMV out of that fund in prior years.
- g) The Library Fund transferred \$275,000 to the MBA Debt Service Fund for debt service payments.
- h) The Flood Control Fund transferred \$190,768 to the Special Service Area Fund to rent heavy equipment.
- i) The General Fund transferred \$1,923,287 to the Golf Courses Fund as repayment of transfers to the General Fund which occurred between the years 1998-2001.
- j) The Aging Services Fund was closed in 2016 and the balance of \$1,479,400 was transferred to the Health Fund. All services formerly administered by Aging Services are now accounted for as a department within the Health Fund.
- k) The Tourism and Capital Projects Funds transferred \$3,302 and \$81,174, respectively, to the Buildings and Grounds Fund for specific one-time projects.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2016 was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 15,262,145	\$ -	\$ -	\$ 15,262,145
Land under infrastructure	31,127,347	496,168	-	31,623,515
Construction in progress	5,452	234,713	(5,452)	234,713
Total capital assets not being depreciated	<u>46,394,944</u>	<u>730,881</u>	<u>(5,452)</u>	<u>47,120,373</u>
Capital assets being depreciated:				
Buildings and improvements	127,542,974	822,196	-	128,365,170
Furniture, fixtures, and equipment	20,032,642	1,398,794	(1,204,467)	20,226,969
Infrastructure	31,980,308	899,805	(335,579)	32,544,534
Total capital assets being depreciated	<u>179,555,924</u>	<u>3,120,795</u>	<u>(1,540,046)</u>	<u>181,136,673</u>
Less accumulated depreciation for:				
Buildings and improvements	(38,406,251)	(3,291,982)	-	(41,698,233)
Furniture, fixtures, and equipment	(16,598,924)	(1,657,489)	1,187,677	(17,068,736)
Infrastructure	(13,235,652)	(1,257,757)	335,579	(14,157,830)
Total accumulated depreciation	<u>(68,240,827)</u>	<u>(6,207,228)</u>	<u>1,523,256</u>	<u>(72,924,799)</u>
Total capital assets being depreciated, net	<u>111,315,097</u>	<u>(3,086,433)</u>	<u>(16,790)</u>	<u>108,211,874</u>
Governmental activity capital assets, net	<u>\$ 157,710,041</u>	<u>\$ (2,355,552)</u>	<u>\$ (22,242)</u>	<u>\$ 155,332,247</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land and land improvements	\$ 3,760,513	\$ -	\$ -	\$ 3,760,513
Total capital assets not being depreciated	<u>3,760,513</u>	<u>-</u>	<u>-</u>	<u>3,760,513</u>
Capital assets being depreciated:				
Buildings and improvements	1,977,345	24,607	-	2,001,952
Furniture, fixtures, and equipment	2,517,781	79,302	(31,870)	2,565,213
Total capital assets being depreciated	<u>4,495,126</u>	<u>103,909</u>	<u>(31,870)</u>	<u>4,567,165</u>
Less accumulated depreciation for:				
Buildings and improvements	(1,078,967)	(43,679)	-	(1,122,646)
Furniture, fixtures, and equipment	(2,252,501)	(90,354)	31,870	(2,310,985)
Total accumulated depreciation	<u>(3,331,468)</u>	<u>(134,033)</u>	<u>31,870</u>	<u>(3,433,631)</u>
Total capital assets being depreciated, net	<u>1,163,658</u>	<u>(30,124)</u>	<u>-</u>	<u>1,133,534</u>
Business-type activity capital assets, net	<u>\$ 4,924,171</u>	<u>\$ (30,124)</u>	<u>\$ -</u>	<u>\$ 4,894,047</u>

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

<b>Governmental activities:</b>		
General government		\$ 2,496,509
Public safety		1,943,317
Public Health		260,455
Public works		1,479,468
Depreciation on capital assets of the County's internal service funds is charged to the various functions based on their usage of the assets		<u>27,479</u>
Total depreciation expense—governmental activities		<u>\$ 6,207,228</u>
<b>Business-type activities:</b>		
Golf		<u>\$ 134,033</u>

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

**NOTE 6. LONG-TERM LIABILITIES**

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

Changes in long-term liabilities for the year ended December 31, 2016 were as follows:

	<u>Balance January 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2016</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
General obligation bonds:					
Davis County general obligation refunding					
bonds, series 2012	\$ 15,510,000	\$ -	\$ (1,325,000)	\$ 14,185,000	\$ 1,345,000
Unamortized premiums	<u>750,573</u>	<u>-</u>	<u>(155,498)</u>	<u>595,075</u>	<u>-</u>
Total general obligation bonds	<u>16,260,573</u>	<u>-</u>	<u>(1,480,498)</u>	<u>14,780,075</u>	<u>1,345,000</u>
Sales tax revenue bonds:					
Davis County sales tax revenue bonds,					
series 2006	290,000	-	(290,000)	-	-
Davis County sales tax revenue bonds,					
series 2009A	1,175,000	-	(1,175,000)	-	-
Davis County taxable build America bonds,					
series 2009B	19,450,000	-	-	19,450,000	1,225,000
Davis County sales tax revenue refunding					
bonds, series 2009C	4,720,000	-	(515,000)	4,205,000	535,000
Davis County sales tax revenue refunding					
bonds, series 2015	8,006,000	-	(77,000)	7,929,000	377,000
Unamortized premiums	<u>55,126</u>	<u>-</u>	<u>(14,470)</u>	<u>40,656</u>	<u>-</u>
Total sales tax revenue bonds	<u>33,696,126</u>	<u>-</u>	<u>(2,071,470)</u>	<u>31,624,656</u>	<u>2,137,000</u>
Lease revenue bonds:					
Municipal Building Authority lease revenue					
bonds, series 2001	413,000	-	(75,000)	338,000	77,000
Municipal Building Authority taxable recovery					
zone lease revenue bonds, series 2010B	<u>18,940,000</u>	<u>-</u>	<u>(625,000)</u>	<u>18,315,000</u>	<u>635,000</u>
Total lease revenue bonds	<u>19,353,000</u>	<u>-</u>	<u>(700,000)</u>	<u>18,653,000</u>	<u>712,000</u>
Capital lease obligations	<u>222,113</u>	<u>-</u>	<u>(78,393)</u>	<u>143,720</u>	<u>78,393</u>
Compensated absences	<u>3,430,503</u>	<u>2,311,251</u>	<u>(2,226,585)</u>	<u>3,515,169</u>	<u>667,882</u>
OPEB obligation	<u>17,976,727</u>	<u>2,457,585</u>	<u>(487,127)</u>	<u>19,947,185</u>	<u>-</u>
Net pension liability	<u>19,848,384</u>	<u>15,357,221</u>	<u>(8,015,417)</u>	<u>27,190,188</u>	<u>-</u>
Total governmental activity long-term debt	<u>\$ 110,787,426</u>	<u>\$ 20,126,057</u>	<u>\$ (15,059,490)</u>	<u>\$ 115,853,993</u>	<u>\$ 4,940,275</u>
<b>Business-type activities:</b>					
Compensated absences	<u>\$ 119,380</u>	<u>\$ 62,062</u>	<u>\$ (70,361)</u>	<u>\$ 111,081</u>	<u>\$ 21,105</u>
OPEB obligation	<u>339,622</u>	<u>40,119</u>	<u>(7,952)</u>	<u>371,789</u>	<u>-</u>
Net pension liability	<u>400,138</u>	<u>225,301</u>	<u>(117,592)</u>	<u>507,847</u>	<u>-</u>
Total business-type long-term debt	<u>\$ 859,140</u>	<u>\$ 327,482</u>	<u>\$ (195,905)</u>	<u>\$ 990,717</u>	<u>\$ 21,105</u>

**DAVIS COUNTY, UTAH**  
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The compensated absence, OPEB liabilities, and net pension liabilities of governmental activities are liquidated in the General Fund or the fund where the related employing department operates.

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

**B. General Obligation Bonds**

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the County. The County is subject to a statutory limitation, by the State of Utah, of bonded general obligation indebtedness of two percent of the most recent adjusted fair market value of taxable property. The limit for the County as of December 31, 2016 was \$632,477,795, providing a debt margin of \$617,697,720. General Obligation Bonds Payable at December 31, 2016 consisted 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, 2016</b>
2012 Refunding Bonds	5/10/2012	2/1/2025	1.50%-5.00%	\$ 15,750,000	\$ 14,185,000
					Total General Obligation Bonds Outstanding..... 14,185,000
					Add Unamortized Premium..... <u>595,075</u>
					Total General Obligation Bonds Payable..... <u><u>\$ 14,780,075</u></u>

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

<b>Year</b>	<b>Refunding Series 2012</b>	
	<b>Principal</b>	<b>Interest</b>
2017	\$ 1,345,000	\$ 470,825
2018	1,385,000	433,037
2019	1,445,000	369,213
2020	1,520,000	295,088
2021	1,600,000	217,087
2022-2025	6,890,000	379,594
Total	<u>\$ 14,185,000</u>	<u>\$ 2,164,844</u>

**DAVIS COUNTY, UTAH**  
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**C. Sales Tax Revenue Bonds**

The County issues sales tax revenue bonds to provide funds for the acquisition, construction, and expansion of major capital facilities. These bonds are not considered general obligations of the County, but are special limited obligations secured by and payable solely from the County's Sales Tax receipts. Pursuant to the American Recovery and Reinvestment Act of 2009, the County will receive cash subsidy payments from the United States Treasury equal to 35% of the interest payable on the 2009B Build America Bonds. During 2016, the US Treasury reduced the cash subsidy dollar amount by 6.8% on payments through September 30, 2016 and 6.9% starting October 1, 2016 through September 30, 2017. It is unknown if similar actions will be taken beyond this date. Sales Tax Revenue Bonds Payable at December 31, 2016 consisted of the following:

Sales Tax Revenue Bonds Payable					Balance
Issue Date	Maturity Date	Interest Rate	Original Amount	December 31, 2016	
2009B Taxable Build America Bonds	9/23/2009	4/1/2029	4.20%-6.000%	\$ 19,450,000	\$ 19,450,000
2009C Refunding Bonds	9/23/2009	4/1/2023	2.00%-4.000%	4,925,000	4,205,000
2015 Refunding Bonds	4/14/2015	10/1/2027	0.75%-3.400%	8,036,000	7,929,000
Total Sales Tax Revenue Bonds Outstanding.....					31,584,000
Add Unamortized Premium.....					40,656
Total Sales Tax Revenue Bonds Payable.....					\$ 31,624,656

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

Year	Build America Bonds Series 2009B				Refunding Series 2009C	
	Principal	Interest	BAB Subsidy	Interest Net of BAB Subsidy	Principal	Interest
2017	\$ 1,225,000	\$ 1,010,412	\$ (329,243)	\$ 681,169	\$ 535,000	\$ 149,587
2018	1,250,000	956,563	(334,797)	621,766	555,000	129,125
2019	1,300,000	897,888	(314,261)	583,627	575,000	106,525
2020	1,325,000	835,206	(292,322)	542,884	600,000	83,025
2021	1,375,000	768,356	(268,925)	499,431	625,000	58,525
2022-2026	7,650,000	2,673,606	(935,762)	1,737,844	1,315,000	46,463
2027-2029	5,325,000	484,313	(169,510)	314,803	-	-
Total	\$ 19,450,000	\$ 7,626,344	\$ (2,644,820)	\$ 4,981,524	\$ 4,205,000	\$ 573,250

**Sales Tax Revenue Bonds-Debt Service Requirement to Maturity (Continued)**

Year	Refunding Series 2015		Total			Interest Net of BAB Subsidy
	Principal	Interest	Principal	Interest	BAB Subsidy	
2017	\$ 377,000	\$ 213,575	\$ 2,137,000	\$ 1,373,574	\$ (329,243)	\$ 1,044,331
2018	384,000	209,239	2,189,000	1,294,927	(334,797)	960,130
2019	391,000	204,248	2,266,000	1,208,661	(314,261)	894,400
2020	393,000	198,383	2,318,000	1,116,614	(292,322)	824,292
2021	400,000	191,112	2,400,000	1,017,993	(268,925)	749,068
2022-2026	4,632,000	736,557	13,597,000	3,456,626	(935,762)	2,520,864
2027-2029	1,352,000	45,968	6,677,000	530,281	(169,510)	360,771
Total	\$ 7,929,000	\$ 1,799,082	\$ 31,584,000	\$ 9,998,676	\$ (2,644,820)	\$ 7,353,856

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**D. Lease Revenue Bonds**

Lease revenue bonds are issued by the Municipal Building Authority of Davis County, a blended component unit of the County. These bonds are not considered general obligations of the County, but are special limited obligations payable from the lease revenues derived from the assets acquired or constructed with bond proceeds. Pursuant to the American Recovery and Reinvestment Act of 2009, the bonds are designated as "Recovery Zone Bonds", and the County will receive cash subsidy payments from the United States Treasury equal to 45% of the interest payable on the 2010B Bonds. During 2016, the US Treasury reduced the cash subsidy dollar amount by 6.8% on payments through September 30, 2016 and 6.9% starting October 1, 2016 through September 30, 2017. It is unknown if similar actions will be taken beyond this date. Lease Revenue Bonds Payable at December 31, 2016 consists of the following:

Lease Revenue Bonds Payable					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31,
2001 Wasatch Front Regional Council	9/4/2001	9/4/2019	1.49%	\$ 1,153,000	\$ 338,000
2010B Taxable Recovery Zone Bonds	10/21/2010	11/1/2040	1.85%-6.00%	19,600,000	18,315,000
Total Lease Revenue Bonds Payable.....					\$ 18,653,000

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

Year	Series 2001 WFRC		Taxable Recovery Zone Economic Development Bonds Series 2010B			Interest Net of Subsidy
	Principal	Interest	Principal	Interest	Subsidy	
2017	\$ 77,000	\$ 4,753	\$ 635,000	\$ 972,277	\$ (407,336)	\$ 564,941
2018	81,000	3,591	645,000	952,910	(428,810)	524,100
2019	180,000	2,369	655,000	930,980	(418,941)	512,039
2020	-	-	670,000	905,763	(407,593)	498,170
2021	-	-	685,000	879,297	(395,684)	483,613
2022-2026	-	-	3,550,000	3,918,563	(1,763,353)	2,155,210
2027-2031	-	-	3,530,000	2,986,825	(1,344,071)	1,642,754
2032-2036	-	-	4,130,000	1,895,250	(852,863)	1,042,387
2037-2040	-	-	3,815,000	581,700	(261,765)	319,935
Total	\$ 338,000	\$ 10,713	\$ 18,315,000	\$ 14,023,565	\$ (6,280,416)	\$ 7,743,149

**Total**

	Principal	Interest	Subsidy	Interest Net of Subsidy
2017	\$ 712,000	\$ 977,030	\$ (407,336)	\$ 569,694
2018	726,000	956,501	(428,810)	527,691
2019	835,000	933,349	(418,941)	514,408
2020	670,000	905,763	(407,593)	498,170
2021	685,000	879,297	(395,684)	483,613
2022-2026	3,550,000	3,918,563	(1,763,353)	2,155,210
2027-2031	3,530,000	2,986,825	(1,344,071)	1,642,754
2032-2036	4,130,000	1,895,250	(852,863)	1,042,387
2037-2040	3,815,000	581,700	(261,765)	319,935
Total	\$ 18,653,000	\$ 14,034,278	\$ (6,280,416)	\$ 7,753,862

**DAVIS COUNTY, UTAH**  
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**E Defeased Bonds**

The County has defeased certain General Obligation and Sales Tax Revenue Bonds by placing the proceeds of the new refunding bonds in an irrevocable trust escrow account to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Statement of Net Assets. At December 31, 2016, \$14,000,000 of General Obligation and \$11,550,000 of Sales Tax Revenue Bonds outstanding are considered defeased.

**F. Capital Lease**

The County has a lease agreement that is accounted for as a capital lease in governmental activity long-term debt and capital assets. This lease is for 18 "Lifepaks", equipment used by the Sheriff's department and was valued at \$482,315 at the time the lease was incurred. The portion financed by the lease agreement was \$391,965, which represents the fair market value of the equipment less the trade-in value of the old equipment. The lease has a remaining lease period of 2 years at zero percent interest. There is also a maintenance agreement that is paid on a monthly basis in conjunction with the equipment lease, but that has not been accounted for as part of the lease since it is a service agreement independent of the value of the assets.

The assets acquired through capital lease are as follows:

	<b>Governmental Activities</b>
Lifepak equipment	\$ 482,315
Less accumulated depreciation	<u>(385,853)</u>
 Total	 <u>\$ 96,462</u>

The following is a schedule of future minimum lease payments under capital lease in governmental activity long-term debt, together with the present value of the net minimum lease payments as of December 31, 2016:

<b>Year</b>		
2017	\$	96,987
2018		<u>80,821</u>
 Total net minimum lease payments		 177,808
Less amount representing maintenance agreement		(34,088)
Less amount representing interest		<u>-</u>
 Present value of net minimum lease payments	 \$	 <u>143,720</u>

**DAVIS COUNTY, UTAH**  
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**NOTE 7. NET POSITION AND FUND BALANCES**

**A. Net Position**

The net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. The net position component “net investment in capital assets” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvement of those assets. Deferred outflows/inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. The net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The government-wide statement of net position reports \$16,252,175 of restricted net position, none of which is restricted by enabling legislation. The balance of the net position is reported as unrestricted. The County’s flow assumption policy is to use restricted net position before using unrestricted net position.

**B. Fund Balance**

Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by grantors, creditors, or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners through the approval of a motion. Only the County Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. The budget officer of the County or his designee has authority to assign fund balance. As defined by County ordinance, the County Clerk/Auditor is the budget officer of the County. The Commissioners may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily, so an additional action does not need to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- **Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

It is the County’s policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the County’s policy to use fund balance in the following order: 1. Committed, 2. Assigned, and 3. Unassigned. The table on the next page summarizes the purposes of the County’s restricted, committed, and assigned fund balances:

**DAVIS COUNTY, UTAH**  
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	<b>Governmental Fund Balances</b>		
	<b>Restricted Purposes</b>	<b>Committed Purposes</b>	<b>Assigned Purposes</b>
Health Fund:			
Car seats and bike helmets	\$ 2,087	\$ -	\$ -
Public Health and Aging Services Programs	-	-	2,273,056
Library Fund	-	-	2,425,968
Transportation and Pass-Through Taxes Fund: Corridor Preservation and other transportation projects	7,895,823	-	-
Capital Projects Fund:			
Future Capital Projects	-	8,557,045	-
Nonmajor Funds:			
Tourism and Convention Activities	-	-	4,100,337
Public Safety Programs	-	-	705,387
Public Works Programs	-	-	1,584,856
Class B-Roads	2,428,073	-	-
Debt Service	5,926,192	-	-
Municipal Building Authority	-	-	295,925
Future Flood Related Capital Projects	-	-	2,334,757
<b>Total, All Governmental Funds</b>	<b>\$ 16,252,175</b>	<b>\$ 8,557,045</b>	<b>\$ 13,720,286</b>

**NOTE 8. RETIREMENT PLANS**

**A. Pension Plans**

***General Information about the Pension Plan***

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following pension trust funds:

**Defined Benefit Plans**

- **Public Employees Noncontributory Retirement System (Noncontributory System)** – Is a multiple employer, cost sharing, public employee retirement system.
- **Public Safety Retirement System (Public Safety System)** – Is a mixed agent and cost sharing, multiple employer retirement systems.
- **Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System)** – Is a multiple employer, cost sharing, public employees, retirement system.
- **Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and Firefighters System)** – Is a multiple employer, cost sharing, public employees, retirement system.

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

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the *Utah Code Annotated*, 1953, as amended. The Systems’ defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State

**DAVIS COUNTY, UTAH**  
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Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing to Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102 or by visiting [www.urs.org](http://www.urs.org).

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

Summary of Benefits by System

	Tier 1		Tier 2	
	Noncontributory System	Public Safety System	Public Employees System	Public Safety and Firefighter System
Final Average Salary	Highest 3 Years	Highest 3 Years	Highest 5 Years	Highest 5 Years
Years of Service Required and/or Age Eligible for Benefit	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	35 years any age 20 years age 60 (a) 10 years age 62 (a) 4 years age 65	25 years any age 20 years age 60 (a) 10 years age 62 (a) 4 years age 65
Benefit Percent per Year of Service	2.0% per year all years	2.5% per year up to 20 2.0% per year over 20 years	1.5% per year all years	1.5% per year all years
Annual Cost of Living Adjustment (b)	up to 4.0%	up to 2.5%	up to 2.5%	up to 2.5%

(a) With actuarial reductions.

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

Contributions: As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of December 31, 2016 are as follows:

**Utah Retirement Systems**

	Employee	Employer	Employer 401(k)
Contributory System			
111 - Local Governmental Division Tier 2	N/A	14.91%	1.78%
Noncontributory System			
15 - Local Governmental Division Tier 1	N/A	18.47%	N/A
Public Safety Retirement System			
Noncontributory			
43 - Other Division A with 2.5% COLA	N/A	34.04%	N/A
Contributory			
122 - Tier 2 DB Hybrid Public Safety	N/A	22.50%	1.33%
Tier 2 DC Only			
211 - Local Government	N/A	6.69%	10.00%
222 - Local Government	N/A	11.83%	12.00%

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

**DAVIS COUNTY, UTAH**  
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For the fiscal year ended December 31, 2016, the employer and employee contributions to the Systems were as follows:

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 4,092,822	N/A
Public Safety Retirement System	3,037,127	-
Tier 2 Public Employees System	575,697	-
Tier 2 Public Safety and Firefighter	437,248	-
Tier 2 DC Only System	39,600	N/A
Tier 2 DC Public Safety and Firefighter System	31,917	N/A
<b>Total Contributions</b>	<b>\$ 8,214,411</b>	<b>\$ -</b>

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

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

At December 31, 2016, we reported a net pension asset of \$37,897 and a net pension liability of \$27,698,035.

	December 31, 2015 (Measurement Date)				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2014	Change (Decrease)
Noncontributory System	\$ -	\$ 15,291,143	2.7023380%	2.6684495%	0.0338885%
Public Safety Retirement System	-	12,406,892	6.9263829%	6.8874065%	0.0389764%
Tier 2 Public Employees System	1,010	-	0.4625418%	0.4500687%	0.0124731%
Tier 2 Public Safety and Firefighter	36,887	-	2.5247234%	2.6760758%	(0.1513524)%
	<u>\$ 37,897</u>	<u>\$ 27,698,035</u>			

The net pension asset and liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2015 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ration of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2016, we recognized pension expense of \$7,194,846.

At December 31, 2016, we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,405	\$ 1,973,497
Changes in assumptions	-	1,691,302
Net difference between projected and actual earnings on pension plan investments	9,166,600	-
Changes in proportion and differences between contributions and proportionate share of contributions	131,723	-
Contributions subsequent to the measurement date	8,214,411	-
<b>Total</b>	<u>\$ 17,519,139</u>	<u>\$ 3,664,799</u>

**DAVIS COUNTY, UTAH**  
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\$8,214,411 was reported as deferred outflows of resources related to pensions resulting from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2015.

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

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2016	\$ 1,055,504
2017	\$ 1,055,504
2018	\$ 1,402,101
2019	\$ 2,134,121
2020	\$ (2,218)
Thereafter	\$ (5,082)

Actuarial assumptions: The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 Percent
Salary increases	3.5 – 10.5 percent, average, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2015, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2013.

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

<u>Asset class</u>	<u>Expected Return Arithmetic Basis</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term expected portfolio real rate of return</u>
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
	<u>Inflation</u>		<u>2.75%</u>
	<u>Expected arithmetic nominal return</u>		<u>7.98%</u>

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The 7.50% assumed investment rate of return is comprised of an inflation rate of 2.75%, and a real return of 4.75% that is net of investment expense.

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentagepoint higher (8.5 percent) than the current rate:

System	1% Decrease (6.5%)	Discount Rate (7.5%)	1 % Increase (8.5%)
Noncontributory System	\$ 32,308,665	\$ 15,291,143	\$ 1,084,921
Public Safety System	26,272,567	12,406,892	1,117,677
Tier 2 Public Employees System	185,166	(1,010)	(142,114)
Tier 2 Public Safety and Firefighter	62,704	\$ (36,887)	(113,364)
Total	\$ 58,829,102	\$ 27,660,138	\$ 1,947,120

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

**B. Defined Contribution Savings Plans**

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

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

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

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

<i>401(k) Plan</i>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer Contributions	\$ 1,525,105	\$ 1,801,708	\$ 1,731,985
Employee Contributions	\$ 1,796,263	\$ 1,807,460	\$ 1,743,558

**DAVIS COUNTY, UTAH**  
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	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>457 Plan</b>			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	\$ 261,916	\$ 273,435	\$ 320,759
<b>Roth IRA Plan</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 183,434	\$ 183,952	\$ 144,020
<b>Traditional IRA</b>			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 1,800	\$ -	\$ -

**NOTE 9. OTHER POSTEMPLOYMENT BENEFITS**

**A. Plan Description**

In addition to the pension benefits described in Note 8, the County provides postemployment health care, through a single employer defined benefit plan, to all employees who have worked for the County for at least eight years and are eligible to retire under Utah Retirement System regulations. The benefits, benefit levels, employee contributions, and employer contributions are governed by County policy, and can be amended at any time. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

**B. Funding Policy**

The County currently pays for postemployment benefits on a “pay-as-you-go” basis. Although the County is studying the establishment of a trust that would be used to accumulate and invest assets necessary to pay for the accumulated liability, these financial statements assume that “pay-as-you-go” funding will continue.

**C. Annual OPEB Cost and Net OPEB Obligation**

The County’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the employer’s annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. For the fiscal year ended December 31, 2016 the County’s annual OPEB cost (expense) was \$2,497,704. The following table shows the components of the County’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County’s net OPEB obligation:

Annual required contribution	\$ 3,032,520
Interest on net OPEB obligation	732,654
Adjustment to annual required contribution	(1,267,470)
Annual OPEB cost (expense)	<u>2,497,704</u>
Contributions made	<u>(495,079)</u>
Increase in net OPEB obligation	2,002,625
Net OPEB obligation-beginning of year	18,316,349
Net OPEB obligation-end of year	<u>\$ 20,318,974</u>

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal years ended December 31, 2014, 2015, and 2016 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2014	\$ 3,115,922	\$ 596,304	19.14%	\$ 15,849,876
December 31, 2015	3,301,552	835,079	25.29%	18,316,349
December 31, 2016	2,497,704	495,079	19.82%	20,318,974

**D. Funded Status and Funding Progress**

The funded status of the plan as of December 31, 2016 was as follows:

Actuarial accrued liability (AAL)	\$ 21,715,764
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	21,715,764
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	37,656,557
UAAL as a percentage of covered payroll	58%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, shown as required supplementary information following the notes to the financial statements, presents the results of OPEB valuations as of December 31, 2016 and earlier and provides multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**E. Actuarial Methods and Assumptions**

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

In the most recent actuarial valuation dated January 1, 2016, the projected unit credit actuarial cost method was used with full accrual at full eligibility age. The actuarial assumptions utilized a 4 percent investment rate of return. Because the plan is unfunded, reference to the general assets, which are short-term in nature, was considered in the selection of the 4 percent rate. The valuation assumes a 5.1 percent health cost trend rate for those under age 65 and 6.8 percent for those 65 and older for 2016, reduced by decrements to an ultimate rate of 4 percent. Covered payroll included a 2.3 percent inflation assumption. The unfunded actuarial accrued liability (UAAL) is being amortized over a closed 30 year period in level dollar amounts.

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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**NOTE 10. 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 finances these risks through membership in the Utah Counties Indemnity Pool (UCIP), which is a self-insurance risk sharing interlocal agency of 22 Utah Counties along with 18 county associate agencies (special service districts), to mitigate the costs of these risks. The County's responsibility extends only to payment of premiums and deductibles. Deductibles are \$500 for damage to equipment, \$1,000 for auto physical damage, and \$100,000 for damage to buildings. UCIP provides Davis County \$5,000,000 per occurrence coverage with no annual aggregate for liability claims. The amount of settlements has not exceeded UCIP coverage since the inception of County membership in 1998.

The County maintains the Risk Management Fund (an internal service fund) to account for the cost of commercial insurance, group self-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 11. 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 12. JOINT VENTURES – South Davis Metro Fire Service Area**

**The South Davis Metro Fire Service Area** was created by Resolution of each of the member entities on December 8, 2015, pursuant Title 17B of Utah Code Annotated. The Service Area provides fire prevention and suppression and emergency medical services to participating entities in southern Davis County, including: Bountiful, Centerville, North Salt Lake, West Bountiful, Woods Cross, and the Davis County Special Service Area (responsible for servicing the municipal needs of the unincorporated portion of the County).

The South Davis Metro Fire Service Area assumed all functions and responsibilities of the South Davis Metro Fire Agency effective July 1, 2016 and the Interlocal entity was dissolved and assets transferred to the Service Area. Pursuant Utah Code Annotated § 59-2-919, the Service Area held a public hearing on August 10, 2016 and passed Resolution 2016-03 levying property taxes at a rate of .00001. Member entities continue to provide an annual assessment to the Service Area in order to fund the day to day operations and certain capital needs of the Service Area.

The Service area is governed by a 6-member Board of Trustees composed of one elected official appointed by each participating entity pursuant Utah Code Annotated § 17B-2a-905. A 6-member Administrative Committee provides advisory assistance to the Board of Trustees and is composed of the city manager, or representative appointed by the governing body of each entity, as well as a designee appointed by the Davis County Board of Commissioners. The Fire Chief serves as the Chief Executive and Administrative Officer of the Service Area, and the Chair of the Administrative Committee serves as the Budget Officer for the Service Area. Separate financial information may be obtained from South Davis Metro Fire Service Area, 255 South 100 West, Bountiful, Utah 84010.

The operations of the Service Area are supported through ad valorem tax levies, impact fees, fees for services, member assessments, and other revenues authorized by law. Member assessments are calculated based on an average assessed value of

**DAVIS COUNTY, UTAH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended December 31, 2016

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each participating entity. In 2016, the County contributed \$427,614 from the Special Service Area Fund to provide services in the participating unincorporated portions of the County.

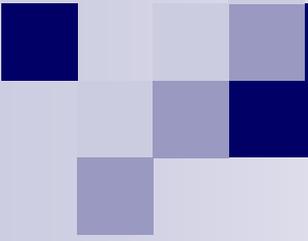
**NOTE 13. CONDUIT DEBT**

The County has issued Facility and Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2016, there were four series of Facility or Industrial Revenue Bonds outstanding for an aggregate principal balance of \$22,069,000.

**NOTE 14. SUBSEQUENT EVENTS**

On March 1, 2017, the board of the Wasatch Integrated Waste Management District (a discretely presented Component Unit of the County) voted to cease operation of the Davis Energy Recovery Facility, also known as the "Burn Plant", by May 31, 2017. The Davis Landfill will remain open for municipal solid waste and special waste disposal.

On June 2, 2017, the balance remaining on the 2001 Wasatch Front Regional Council Lease Revenue Bonds (issued by the Municipal Building Authority of Davis County, a blended component unit of the County) was paid in full. The ownership of the associated building will be transferred to the Wasatch Front Regional Council.



***REQUIRED SUPPLEMENTARY  
INFORMATION***



**Davis**  
COUNTY



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

**DAVIS COUNTY, UTAH**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
For the Fiscal Year Ended December 31, 2016

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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 the General Fund and each of the County's major special revenue funds. Budgetary comparison schedules for the County's other governmental funds are included as Supplementary Information. Original budgets represent the revenue estimates and spending 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 unexpended balances from the prior year because such balances automatically lapse to unreserved fund balance at the end of each year.

**Changes in Assumptions**

The following assumption changes were adopted from the most recent actuarial experience study. There was a decrease in the wage inflation assumption for all employee groups from 3.75% to 3.50%. Also there was a modification to the rate of salary increases for most groups. The payroll growth assumption was decreased from 3.50% to 3.25%. There was an improvement in the post retirement mortality assumption for female educators and minor adjustments to the preretirement mortality assumption.

There were additional changes to certain demographic assumptions that generally resulted in: (1) more members are anticipated to terminate employment prior to retirement, (2) slightly fewer members are expected to become disabled, and (3) members are expected to retire at a slightly later age.

DAVIS COUNTY

EXHIBIT L  
(Page 1 of 3)

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES:				
Taxes:				
General property taxes - current	\$ 35,364,355	\$ 35,269,837	\$ 35,850,515	\$ 580,678
General property taxes - delinquent	1,194,800	1,194,800	1,100,328	(94,472)
Penalties and interest on delinquent taxes	818,850	818,850	744,419	(74,431)
Fee-in-lieu	2,987,000	2,987,000	2,972,507	(14,493)
Sales tax	13,780,000	13,780,000	14,018,545	238,545
Total taxes	<u>54,145,005</u>	<u>54,050,487</u>	<u>54,686,314</u>	<u>635,827</u>
Licenses and permits:				
Marriage licenses	50,000	50,000	58,797	8,797
Animal licenses	220,000	220,000	193,991	(26,009)
Total licenses and permits	<u>270,000</u>	<u>270,000</u>	<u>252,788</u>	<u>(17,212)</u>
Fines and forfeitures				
Justice court	1,106,817	1,106,817	1,076,525	(30,292)
Total fines and forfeitures	<u>1,106,817</u>	<u>1,106,817</u>	<u>1,076,525</u>	<u>(30,292)</u>
Intergovernmental and grant revenue:				
Federal - emergency services	88,500	116,402	86,567	(29,835)
Federal payment in lieu of taxes	75,000	75,000	89,993	14,993
INS grant	75,000	75,000	77,160	2,160
State grants:				
State forest service	7,000	7,000	-	(7,000)
Victim services	95,609	95,609	93,882	(1,727)
EMS per capita	12,500	12,500	-	(12,500)
Children's justice centers	201,643	201,643	215,230	13,587
Drug court grant	100,000	100,000	97,420	(2,580)
DUI grant	191,857	191,857	206,341	14,484
Other	402,961	403,261	312,156	(91,105)
Total intergovernmental and grant revenue	<u>1,250,070</u>	<u>1,278,272</u>	<u>1,178,749</u>	<u>(99,523)</u>
Charges for services:				
Clerk fees	155,000	155,000	166,106	11,106
Recorder fees	1,450,000	1,450,000	1,669,666	219,666
A.L.S. fees	133,000	133,000	142,488	9,488
Sheriff fees	1,267,950	1,267,950	1,222,640	(45,310)
Jail fees	6,087,752	6,087,752	6,498,202	410,450
Drug court participation fees	18,000	18,000	20,693	2,693
Surveyor filing fees	3,600	3,600	4,402	802
Wellness program fees	29,571	29,571	76	(29,495)
Animal shelter fees	887,441	887,441	1,017,557	130,116
Causeway user fees	165,000	165,000	200,213	35,213
Miscellaneous fees	114,500	114,500	81,750	(32,750)
Total charges for services	<u>10,311,814</u>	<u>10,311,814</u>	<u>11,023,793</u>	<u>711,979</u>
Interest	10,500	10,500	56,880	46,380

(Continued)

DAVIS COUNTY

EXHIBIT L  
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GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL (CONTINUED)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Other:				
Rent	228,679	68,825	115,022	46,197
Sundry:				
Public defender	159,000	159,000	196,929	37,929
Information systems	348,500	348,500	412,224	63,724
Clerk/Auditor	500	500	30,919	30,419
Attorney	20,000	38,000	17,517	(20,483)
Human Resources	83,549	83,549	110,694	27,145
Children's Justice Center	19,081	19,081	17,309	(1,772)
Treasurer	300	300	624	324
Surveyor	500	500	392	(108)
S.S. revenues	7,500	7,500	8,200	700
Miscellaneous	250,307	222,105	189,355	(32,750)
Total other revenues	1,117,916	947,860	1,099,185	151,325
<b>TOTAL REVENUES</b>	<b>68,212,122</b>	<b>67,975,750</b>	<b>69,374,234</b>	<b>1,398,484</b>
<b>EXPENDITURES</b>				
General government:				
Commissioners	787,279	812,105	804,893	7,212
Drug court	215,126	225,126	194,639	30,487
Justice court	964,092	945,373	861,074	84,299
Legal defender	1,942,359	1,953,606	1,932,026	21,580
Human Resources	1,021,317	1,021,225	831,668	189,557
Information systems	4,859,134	5,067,978	4,722,702	345,276
Clerk/Auditor	3,121,391	3,121,938	2,971,504	150,434
Treasurer	574,012	581,012	567,073	13,939
Recorder	1,305,656	1,326,238	1,325,718	520
Attorney	4,508,699	4,728,817	4,711,677	17,140
Assessor	2,712,547	2,867,783	2,868,106	(323)
Surveyor	679,794	705,794	691,270	14,524
Victim services	328,425	333,925	313,497	20,428
Children's Justice Center	346,755	349,016	320,994	28,022
Community and Economic Development	625,798	1,286,989	884,885	402,104
Planning	504,735	143,048	134,929	8,119
USU AG Extension	206,605	206,605	206,605	-
Non-departmental	4,341,190	4,291,015	3,099,361	1,191,654
Total general government	29,044,914	29,967,593	27,442,621	2,524,972
Public safety:				
Sheriff	12,377,964	12,415,332	12,401,332	14,000
Paramedic	1,425,900	1,425,900	1,425,900	-
State forest fire protection	50,000	50,000	38,603	11,397
Jail	17,774,541	17,588,051	17,395,536	192,515
Animal care and control	1,893,237	1,982,272	1,976,732	5,540
Total public safety	33,521,642	33,461,555	33,238,103	223,452
Public health - poor and indigent	16,000	16,000	5,321	10,679
Public works - vehicle maintenance	386,127	401,319	396,339	4,980

(Continued)

DAVIS COUNTY

EXHIBIT L  
(Page 3 of 3)

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL (CONTINUED)  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Capital outlay	686,853	911,733	710,093	201,640
Debt service - capital lease	96,996	96,996	78,393	18,603
TOTAL EXPENDITURES	63,752,532	64,855,196	61,870,870	2,984,326
EXCESS OF REVENUES OVER EXPENDITURES	4,459,590	3,120,554	7,503,364	4,382,810
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	25,000	25,000	77,519	52,519
Transfers in	1,099,100	1,290,524	1,290,524	-
Transfers out	(8,293,998)	(10,217,285)	(9,867,853)	349,432
Total other financing sources (uses), net	(7,169,898)	(8,901,761)	(8,499,810)	401,951
NET CHANGE IN FUND BALANCE	(2,710,308)	(5,781,207)	(996,446)	4,784,761
FUND BALANCE - Beginning of year	18,014,385	19,728,333	19,728,333	-
FUND BALANCE - End of year	\$ 15,304,077	\$ 13,947,126	\$ 18,731,887	\$ 4,784,761

(Concluded)

DAVIS COUNTY

EXHIBIT M

HEALTH SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental and grant revenue	\$ 9,643,946	\$ 9,961,749	\$ 9,095,812	\$ (865,937)
Charges for services	3,672,080	3,672,080	3,142,900	(529,180)
Interest	-	-	15,731	15,731
Other	351,200	356,200	478,772	122,572
<b>Total revenues</b>	<b>13,667,226</b>	<b>13,990,029</b>	<b>12,733,215</b>	<b>(1,256,814)</b>
<b>EXPENDITURES</b>				
General government:				
Salaries and benefits	2,092,601	2,159,161	2,159,310	(149)
Operating expenditures	1,609,699	1,702,466	1,700,199	2,267
Public health:				
Salaries and benefits	6,472,750	6,469,326	6,232,140	237,186
Operating expenditures	2,586,275	2,604,849	2,359,864	244,985
Food vouchers	3,924,939	3,924,939	2,875,239	1,049,700
Capital outlay	282,675	424,362	385,340	39,022
<b>Total expenditures</b>	<b>16,968,939</b>	<b>17,285,103</b>	<b>15,712,092</b>	<b>1,573,011</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(3,301,713)</b>	<b>(3,295,074)</b>	<b>(2,978,877)</b>	<b>316,197</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of capital assets	-	-	16,700	16,700
Transfers in	4,318,236	4,466,460	4,119,304	(347,156)
Transfers out	(1,000,000)	(1,020,160)	(1,020,160)	-
<b>Total other financing sources (uses), net</b>	<b>3,318,236</b>	<b>3,446,300</b>	<b>3,115,844</b>	<b>(330,456)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>16,523</b>	<b>151,226</b>	<b>136,967</b>	<b>(14,259)</b>
<b>FUND BALANCE - Beginning of year</b>	<b>2,271,112</b>	<b>2,363,052</b>	<b>2,363,052</b>	<b>-</b>
<b>FUND BALANCE - End of year</b>	<b>\$ 2,287,635</b>	<b>\$ 2,514,278</b>	<b>\$ 2,500,019</b>	<b>\$ (14,259)</b>

**LIBRARY SPECIAL REVENUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
General property taxes:				
Current	\$ 6,608,439	\$ 6,760,451	\$ 6,869,968	\$ 109,517
Delinquent	260,896	260,896	194,919	(65,977)
Penalties and interest on delinquent taxes	27,808	27,808	61,269	33,461
Total taxes	6,897,143	7,049,155	7,126,156	77,001
Fines and forfeitures	165,000	165,000	174,466	9,466
Intergovernmental and grant revenue	52,000	52,000	50,150	(1,850)
Interest	1,000	1,000	7,507	6,507
Other	9,250	9,250	16,575	7,325
<b>Total revenues</b>	<b>7,124,393</b>	<b>7,276,405</b>	<b>7,374,854</b>	<b>98,449</b>
<b>EXPENDITURES:</b>				
General government:				
Salaries and benefits	4,338,548	4,338,548	4,316,984	21,564
Operating expenditures	2,304,905	2,395,375	2,208,245	187,130
Capital outlay	25,000	117,970	117,963	7
<b>Total expenditures</b>	<b>6,668,453</b>	<b>6,851,893</b>	<b>6,643,192</b>	<b>208,701</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>455,940</b>	<b>424,512</b>	<b>731,662</b>	<b>307,150</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(375,000)	(1,286,410)	(1,286,410)	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>80,940</b>	<b>(861,898)</b>	<b>(554,748)</b>	<b>307,150</b>
FUND BALANCE - Beginning of year	2,494,429	2,990,056	2,990,056	-
FUND BALANCE - End of year	\$ 2,575,369	\$ 2,128,158	\$ 2,435,308	\$ 307,150

**TRANSPORTATION AND PASS-THROUGH TAXES  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fee-in-lieu - corridor preservation	\$ 2,650,000	\$ 2,650,000	\$ 3,022,499	\$ 372,499
General property taxes - redevelopment agencies	2,100,000	2,100,000	2,185,781	85,781
Sales tax - mass transit tax	2,250,000	27,250,000	24,178,647	(3,071,353)
Sales tax - local option transportation	-	7,700,000	8,568,763	868,763
Interest	900	900	50,588	49,688
<b>Total revenues</b>	<b>7,000,900</b>	<b>39,700,900</b>	<b>38,006,278</b>	<b>(1,694,622)</b>
<b>EXPENDITURES</b>				
Corridor preservation	4,500,900	4,500,900	2,000,000	2,500,900
Redevelopment Agencies	2,100,000	2,100,000	2,185,781	(85,781)
Utah Transit Authority mass transit and local option transportation taxes	2,250,000	30,150,000	27,606,450	2,543,550
Local option transportation tax distributed to cities	-	3,318,516	3,445,364	(126,848)
<b>Total expenditures</b>	<b>8,850,900</b>	<b>40,069,416</b>	<b>35,237,595</b>	<b>4,831,821</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,850,000)</b>	<b>(368,516)</b>	<b>2,768,683</b>	<b>3,137,199</b>
<b>FUND BALANCE - Beginning of year</b>	<b>5,402,217</b>	<b>5,127,140</b>	<b>5,127,140</b>	<b>-</b>
<b>FUND BALANCE - End of year</b>	<b>\$ 3,552,217</b>	<b>\$ 4,758,624</b>	<b>\$ 7,895,823</b>	<b>\$ 3,137,199</b>

DAVIS COUNTY

EXHIBIT P  
(Page 1 of 2)

SCHEDULE OF CONTRIBUTIONS  
UTAH RETIREMENT SYSTEMS  
FOR THE LAST TEN FISCAL YEARS ENDED DECEMBER 31

	2016	2015	2014	2013	2012
<b><u>Noncontributory System</u></b>					
Contractually required contribution	\$ 4,092,822	\$ 4,217,186	\$ 4,044,332	\$ 3,884,268	\$ 3,640,701
Contributions in relation to the contractually required contribution	(4,092,822)	(4,217,186)	(4,044,332)	(3,884,268)	(3,640,701)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 22,595,371	\$ 23,295,918	\$ 23,219,301	\$ 23,989,259	\$ 25,140,624
Contributions as a percentage of covered employee payroll	18.11%	18.10%	17.42%	16.19%	14.48%
<b><u>Public Safety System</u></b>					
Contractually required contribution	\$ 3,037,127	\$ 3,363,461	\$ 3,259,166	\$ 3,220,363	\$ 2,999,984
Contributions in relation to the contractually required contribution	(3,037,127)	(3,363,461)	(3,259,166)	(3,220,363)	(2,999,984)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 9,256,715	\$ 10,300,907	\$ 10,240,620	\$ 10,675,104	\$ 10,874,657
Contributions as a percentage of covered employee payroll	32.81%	32.65%	31.83%	30.17%	27.59%
<b><u>Tier 2 Public Employees System*</u></b>					
Contractually required contribution	\$ 575,697	\$ 447,007	\$ 320,553	\$ 179,615	\$ 81,374
Contributions in relation to the contractually required contribution	(575,697)	(447,007)	(320,553)	(179,615)	(81,374)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 3,861,145	\$ 2,995,273	\$ 2,208,841	\$ 1,335,471	\$ 683,871
Contributions as a percentage of covered employee payroll	14.91%	14.92%	14.51%	13.45%	11.90%
<b><u>Tier 2 Public Safety and Firefighter System*</u></b>					
Contractually required contribution	\$ 437,248	\$ 338,718	\$ 240,859	\$ -	\$ -
Contributions in relation to the contractually required contribution	(437,248)	(338,718)	(240,859)	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 1,943,326	\$ 1,503,969	\$ 1,106,211	\$ -	\$ -
Contributions as a percentage of covered employee payroll	22.50%	22.52%	21.77%	0.00%	0.00%
<b><u>Tier 2 Public Employees System DC Only*</u></b>					
Contractually required contribution	\$ 39,600	\$ 31,142	\$ 15,103	\$ 6,801	\$ 84
Contributions in relation to the contractually required contribution	(39,600)	(31,142)	(15,103)	(6,801)	(84)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 591,917	\$ 464,524	\$ 245,966	\$ 131,782	\$ 1,950
Contributions as a percentage of covered employee payroll	6.69%	6.70%	6.14%	5.16%	4.33%
<b><u>Tier 2 Public Safety and Firefighter DC Only*</u></b>					
Contractually required contribution	\$ 31,916	\$ 24,157	\$ 13,098	\$ 6,801	\$ 84
Contributions in relation to the contractually required contribution	(31,916)	(24,157)	(13,098)	(6,801)	(84)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 269,792	\$ 204,202	\$ 120,321	\$ 92,615	\$ 5,773
Contributions as a percentage of covered employee payroll	11.83%	11.83%	10.89%	7.34%	1.46%

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

2011	2010	2009	2008	2007
\$ 3,309,611 (3,309,611)	\$ 2,983,751 (2,983,751)	\$ 2,752,014 (2,752,014)	\$ 2,543,596 (2,543,596)	\$ 2,339,234 (2,339,234)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 25,075,221	\$ 23,948,208	\$ 23,639,407	\$ 21,141,775	\$ 20,156,521
13.20%	12.46%	11.64%	12.03%	11.61%
\$ 2,826,273 (2,826,273)	\$ 2,579,795 (2,579,795)	\$ 2,280,128 (2,280,128)	\$ 2,023,960 (2,023,960)	\$ 1,923,760 (1,923,760)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,045,322	\$ 10,525,787	\$ 9,909,850	\$ 8,951,620	\$ 8,758,775
25.59%	24.51%	23.01%	22.61%	21.96%
\$ 6,717 (6,717)				
\$ -				
\$ 65,022				
10.33%				
\$ -				
\$ -				
\$ -				
0.00%				
\$ -				
\$ -				
\$ -				
0.00%				
\$ -				
\$ -				
\$ -				
0.00%				

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
UTAH RETIREMENT SYSTEMS  
FOR THE FISCAL YEARS ENDED DECEMBER 31\***

	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b><u>Noncontributory System</u></b>			
Proportion of the net pension liability (asset)	2.7023380%	2.6684495%	2.6684495%
Proportionate share of the net pension liability (asset)	\$ 15,291,143	\$ 11,587,036	\$ 14,400,334
Covered employee payroll	\$ 23,295,918	\$ 23,219,301	\$ 23,989,259
Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	65.64%	49.9%	60.0%
Plan fiduciary net position as a percentage of the total pension liability	87.8%	90.2%	N/A
<b><u>Public Safety System</u></b>			
Proportion of the net pension liability (asset)	6.9263829%	6.8874065%	6.8874065%
Proportionate share of the net pension liability (asset)	\$ 12,406,892	\$ 8,661,486	\$ 11,277,320
Covered employee payroll	\$ 10,300,907	\$ 10,240,620	\$ 10,675,104
Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	120.44%	84.6%	105.6%
Plan fiduciary net position as a percentage of the total pension liability	87.1%	90.5%	N/A
<b><u>Tier 2 Public Employees System</u></b>			
Proportion of the net pension liability (asset)	0.4625418%	0.4500687%	0.4500687%
Proportionate share of the net pension liability (asset)	\$ (1,010)	\$ (13,639)	\$ 2,706
Covered employee payroll	\$ 2,988,403	\$ 2,208,841	\$ 1,335,471
Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	-0.03%	-0.6%	0.2%
Plan fiduciary net position as a percentage of the total pension liability	100.2%	103.5%	N/A
<b><u>Tier 2 Public Safety System</u></b>			
Proportion of the net pension liability (asset)	2.5247234%	2.6760758%	2.6684495%
Proportionate share of the net pension liability (asset)	\$ (36,887)	\$ (39,588)	\$ (15,803)
Covered employee payroll	\$ 1,502,553	\$ 1,106,211	N/A
Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll	-2.45%	-3.6%	N/A
Plan fiduciary net position as a percentage of the total pension liability	110.7%	120.5%	N/A

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

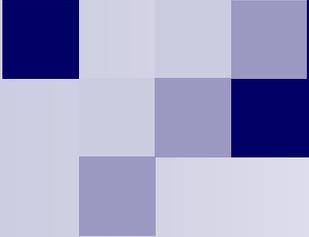
**DAVIS COUNTY****EXHIBIT R****INFORMATION ABOUT OTHER POSTEMPLOYMENT BENEFIT PLAN****Schedule of Funding Progress**

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>Unfunded Actuarial Accrued Liability (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a Percentage of Covered Payroll ((b-a)/c)</b>
December 31, 2014	\$ -	\$ 24,322,666	\$ 24,322,666	0%	\$ 36,774,973	66%
December 31, 2015	-	26,549,213	26,549,213	0%	38,096,066	70%
December 31, 2016	-	21,715,764	21,715,764	0%	37,656,557	58%



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***SUPPLEMENTARY INFORMATION***



**Davis**  
C O U N T Y



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## **Nonmajor Governmental Funds**

### **Tourism Special Revenue Fund**

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

### **Aging Services Special Revenue Fund**

This fund was used to account for all activities of the Aging Services Department. It was closed out at the beginning of 2016 and is now included as a department in the Health Fund.

### **Emergency 911 Dispatch Special Revenue Fund**

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

### **Municipal Building Authority Special Revenue Fund**

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

### **Special Services Area Special Revenue Fund**

This special revenue fund accounts for revenues and expenditures related to providing municipal type services in the unincorporated areas of Davis County. In addition, it includes the County's B-Roads. The Special Services Area Fund's principal revenue sources include property taxes, sales taxes, and intergovernmental revenues.

### **Flood Control Capital Projects Fund**

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

### **General Obligation Debt Service 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.

### **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.

### **Sales Tax Revenue Bonds Debt Service Fund**

This fund accounts for the revenues and expenditures related to the long-term debt of the County's Sales Tax Revenue Bonds.

**DAVIS COUNTY**

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2016**

	<b>Special Revenue Funds</b>				
	<b>Tourism Fund</b>	<b>Aging Services</b>	<b>Emergency 911 Dispatch</b>	<b>Municipal Building Authority</b>	<b>Special Service Area</b>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 3,291,289	\$ -	\$ 164,846	\$ 378,727	\$ 3,732,121
Accounts receivable	957,659	-	637,552	13,336	348,768
Taxes receivable	-	-	-	-	4,872
Prepays and other	139,347	-	8,213	-	-
Total assets	<u>\$ 4,388,295</u>	<u>\$ -</u>	<u>\$ 810,611</u>	<u>\$ 392,063</u>	<u>\$ 4,085,761</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 128,015	\$ -	\$ 90,137	\$ -	\$ 67,960
Accrued liabilities	4,696	-	6,874	-	-
Unearned revenue	15,900	-	-	-	-
Total liabilities	<u>148,611</u>	<u>-</u>	<u>97,011</u>	<u>-</u>	<u>67,960</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue-property taxes	-	-	-	-	4,872
<b>FUND BALANCES</b>					
Nonspendable-prepays	139,347	-	8,213	-	-
Restricted	-	-	-	96,138	2,428,073
Committed	-	-	-	-	-
Assigned	4,100,337	-	705,387	295,925	1,584,856
Total fund balances	<u>4,239,684</u>	<u>-</u>	<u>713,600</u>	<u>392,063</u>	<u>4,012,929</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,388,295</u>	<u>\$ -</u>	<u>\$ 810,611</u>	<u>\$ 392,063</u>	<u>\$ 4,085,761</u>

(Continued)

**DAVIS COUNTY**

**COMBINING BALANCE SHEET (Continued)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2016**

	<b>Flood Control Capital Projects Fund</b>	<b>Debt Service Funds</b>			<b>Total Nonmajor Governmental Funds</b>
		<b>General Government</b>	<b>Municipal Building Authority</b>	<b>Sales Tax Revenue Bonds</b>	
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,348,471	\$ 4,628,871	\$ -	\$ 1,201,183	\$ 15,745,508
Accounts receivable	-	-	-	-	1,957,315
Taxes receivable	-	5,116	-	-	9,988
Prepays and other	-	-	-	-	147,560
<b>Total assets</b>	<b>\$ 2,348,471</b>	<b>\$ 4,633,987</b>	<b>\$ -</b>	<b>\$ 1,201,183</b>	<b>\$ 17,860,371</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 2,982	\$ -	\$ -	\$ -	\$ 289,094
Accrued liabilities	10,732	-	-	-	22,302
Unearned revenue	-	-	-	-	15,900
<b>Total liabilities</b>	<b>13,714</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>327,296</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue-property taxes	-	5,116	-	-	9,988
<b>FUND BALANCES</b>					
Nonspendable-prepays	-	-	-	-	147,560
Restricted	-	4,628,871	-	1,201,183	8,354,265
Committed	-	-	-	-	-
Assigned	2,334,757	-	-	-	9,021,262
<b>Total fund balances</b>	<b>2,334,757</b>	<b>4,628,871</b>	<b>-</b>	<b>1,201,183</b>	<b>17,523,087</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 2,348,471</b>	<b>\$ 4,633,987</b>	<b>\$ -</b>	<b>\$ 1,201,183</b>	<b>\$ 17,860,371</b>

(Concluded)

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 2**  
(Page 1 of 2)

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Special Revenue Funds				
	Tourism Fund	Aging Services	Emergency 911 Dispatch	Municipal Building Authority	Special Service Area
REVENUES:					
Taxes:					
General property taxes - current	\$ -	\$ -	\$ -	\$ -	\$ 481,562
General property taxes - delinquent	-	-	-	-	11,505
Penalties and interest on delinquent taxes	-	-	-	-	25,052
Sales taxes	6,365,514	-	-	-	749,088
Total taxes	6,365,514	-	-	-	1,267,207
Intergovernmental and grant revenue	26,198	-	172,145	-	1,293,441
Charges for services	597,562	-	1,553,257	-	77,148
Interest	23,094	-	2,439	2,378	28,832
Other	60,997	-	49,191	212,706	-
Total revenues	7,073,365	-	1,777,032	215,084	2,666,628
EXPENDITURES:					
Current:					
General government	2,884,560	-	-	-	838,883
Public safety	-	-	1,743,508	-	-
Public works	-	-	-	-	959,623
Capital outlay	610,397	-	110,794	-	770,988
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	3,494,957	-	1,854,302	-	2,569,494
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,578,408	-	(77,270)	215,084	97,134
OTHER FINANCING SOURCES (USES):					
Sale of capital assets	10,485	-	-	-	80,152
Transfers in	-	-	380,000	-	190,768
Transfers out	(3,690,222)	(1,479,400)	-	(243,732)	(1,077,500)
Total other financing sources (uses), net	(3,679,737)	(1,479,400)	380,000	(243,732)	(806,580)
NET CHANGE IN FUND BALANCES	(101,329)	(1,479,400)	302,730	(28,648)	(709,446)
FUND BALANCE:					
Beginning of year	4,341,013	1,479,400	410,870	420,711	4,722,375
End of year	\$ 4,239,684	\$ -	\$ 713,600	\$ 392,063	\$ 4,012,929

(Continued)

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 2**

(Page 2 of 2)

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Flood Control Capital Projects Fund	Debt Service Funds			Total Nonmajor Governmental Funds
		General Government	Municipal Building Authority	Sales Tax Revenue Bonds	
<b>REVENUES:</b>					
Taxes:					
General property taxes - current	\$ -	\$ 1,539,618	\$ -	\$ -	\$ 2,021,180
General property taxes - delinquent	-	58,170	-	-	69,675
Penalties and interest on delinquent taxes	-	17,164	-	-	42,216
Sales taxes	-	-	-	-	7,114,602
Total taxes	-	1,614,952	-	-	9,247,673
Intergovernmental and grant revenue	-	-	414,366	337,988	2,244,138
Charges for services	-	-	-	-	2,227,967
Interest	16,106	25,917	-	1,254	100,020
Other	221,643	-	-	-	544,537
Total revenues	237,749	1,640,869	414,366	339,242	14,364,335
<b>EXPENDITURES:</b>					
Current:					
General government	-	23,803	-	-	3,747,246
Public safety	-	-	-	-	1,743,508
Public works	923,278	-	-	-	1,882,901
Capital outlay	1,019,816	-	-	-	2,511,995
Debt service:					
Principal retirement	-	1,325,000	700,000	2,057,000	4,082,000
Interest and fiscal charges	-	492,850	997,906	1,463,058	2,953,814
Total expenditures	1,943,094	1,841,653	1,697,906	3,520,058	16,921,464
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	(1,705,345)	(200,784)	(1,283,540)	(3,180,816)	(2,557,129)
<b>OTHER FINANCING SOURCES (USES):</b>					
Sale of capital assets	-	-	-	-	90,637
Transfers in	4,000,000	-	1,283,540	3,189,582	9,043,890
Transfers out	(2,093,430)	-	-	-	(8,584,284)
Total other financing sources (uses), net	1,906,570	-	1,283,540	3,189,582	550,243
<b>NET CHANGE IN FUND BALANCES</b>	201,225	(200,784)	-	8,766	(2,006,886)
<b>FUND BALANCE:</b>					
Beginning of year	2,133,532	4,829,655	-	1,192,417	19,529,973
End of year	\$ 2,334,757	\$ 4,628,871	\$ -	\$ 1,201,183	\$ 17,523,087

(Concluded)

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 3**

**CAPITAL PROJECTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
REVENUES - Interest earnings	\$ -	\$ 50,219	\$ 50,219
EXPENDITURES - Capital outlay	212,700	112,693	100,007
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(212,700)	(62,474)	150,226
OTHER FINANCING SOURCES (USES):			
Transfers in	4,400,000	4,400,000	-
Transfers out	(178,825)	(81,174)	97,651
Total other financing sources (uses), net	4,221,175	4,318,826	97,651
NET CHANGE IN FUND BALANCE	4,008,475	4,256,352	247,877
FUND BALANCE - Beginning of year	4,300,693	4,300,693	-
FUND BALANCE - End of year	<u>\$ 8,309,168</u>	<u>\$ 8,557,045</u>	<u>\$ 247,877</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 4**

**TOURISM SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>REVENUES:</b>			
Sales tax	\$ 6,032,225	\$ 6,365,514	\$ 333,289
Intergovernmental and grant revenue	26,198	26,198	-
Charges for services	563,000	597,562	34,562
Interest	2,500	23,094	20,594
Other	93,000	60,997	(32,003)
	<u>6,716,923</u>	<u>7,073,365</u>	<u>356,442</u>
<b>EXPENDITURES:</b>			
General government:			
Salaries and benefits	887,566	888,405	(839)
Operating expenditures	3,484,138	1,996,155	1,487,983
Capital outlay	379,351	610,397	(231,046)
	<u>4,751,055</u>	<u>3,494,957</u>	<u>1,256,098</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>1,965,868</b>	<b>3,578,408</b>	<b>1,612,540</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Sale of capital assets	10,000	10,485	485
Transfers out	(3,874,300)	(3,690,222)	184,078
Total other financing sources (uses), net	<u>(3,864,300)</u>	<u>(3,679,737)</u>	<u>184,563</u>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,898,432)</b>	<b>(101,329)</b>	<b>1,797,103</b>
<b>FUND BALANCE - Beginning of year</b>	<u>4,341,013</u>	<u>4,341,013</u>	<u>-</u>
<b>FUND BALANCE - End of year</b>	<u>\$ 2,442,581</u>	<u>\$ 4,239,684</u>	<u>\$ 1,797,103</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 5**

**AGING SERVICES SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
REVENUES:			
Total revenues	-	-	-
EXPENDITURES:			
Total expenditures	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES):			
Transfers out	(1,479,400)	(1,479,400)	-
NET CHANGE IN FUND BALANCE	(1,479,400)	(1,479,400)	-
FUND BALANCE - Beginning of year	1,479,400	1,479,400	-
FUND BALANCE - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 6**

**EMERGENCY 911 DISPATCH SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>REVENUES:</b>			
Intergovernmental and grant revenue	\$ 182,224	\$ 172,145	\$ (10,079)
Charges for services	1,485,000	1,553,257	68,257
Interest	-	2,439	2,439
Other	2,900	49,191	46,291
	<u>1,670,124</u>	<u>1,777,032</u>	<u>106,908</u>
<b>EXPENDITURES - Public safety:</b>			
Public safety:			
Salaries and benefits	1,436,737	1,413,242	23,495
Operating expenditures	263,987	330,266	(66,279)
Capital outlay	205,000	110,794	94,206
	<u>1,905,724</u>	<u>1,854,302</u>	<u>51,422</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(235,600)	(77,270)	158,330
OTHER FINANCING SOURCES - Transfers in	<u>380,000</u>	<u>380,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	144,400	302,730	158,330
FUND BALANCE - Beginning of year	<u>410,870</u>	<u>410,870</u>	<u>-</u>
FUND BALANCE - End of year	<u>\$ 555,270</u>	<u>\$ 713,600</u>	<u>\$ 158,330</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 7**

**MUNICIPAL BUILDING AUTHORITY SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
REVENUES:			
Interest	\$ -	\$ 2,378	\$ 2,378
Other	237,805	212,706	(25,099)
Total revenues	237,805	215,084	(22,721)
EXPENDITURES - General government	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	237,805	215,084	(22,721)
OTHER FINANCING USES - Transfers out	(243,732)	(243,732)	-
NET CHANGE IN FUND BALANCE	(5,927)	(28,648)	(22,721)
FUND BALANCE - Beginning of year	420,711	420,711	-
FUND BALANCE - End of year	<u>\$ 414,784</u>	<u>\$ 392,063</u>	<u>\$ (22,721)</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 8**

**SPECIAL SERVICE AREA SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>REVENUES:</b>			
General property taxes:			
Current	\$ 658,485	\$ 481,562	\$ (176,923)
Delinquent	5,000	11,505	6,505
Penalties and interest on delinquent taxes	5,000	25,052	20,052
Sales taxes	725,000	749,088	24,088
Total taxes	<u>1,393,485</u>	<u>1,267,207</u>	<u>(126,278)</u>
Intergovernmental and grant revenue	1,238,242	1,293,441	55,199
Charges for services	52,000	77,148	25,148
Interest	<u>18,000</u>	<u>28,832</u>	<u>10,832</u>
Total revenues	<u>2,701,727</u>	<u>2,666,628</u>	<u>(35,099)</u>
<b>EXPENDITURES:</b>			
General government-operating expenditures	<u>920,319</u>	<u>838,883</u>	<u>81,436</u>
Public works			
Salaries and benefits	650,000	589,744	60,256
Operating expenditures	<u>501,717</u>	<u>369,879</u>	<u>131,838</u>
	<u>1,151,717</u>	<u>959,623</u>	<u>192,094</u>
Capital outlay	<u>773,750</u>	<u>770,988</u>	<u>2,762</u>
Total expenditures	<u>2,845,786</u>	<u>2,569,494</u>	<u>276,292</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(144,059)	97,134	241,193
<b>OTHER FINANCING SOURCES (USES):</b>			
Sale of capital assets	147,000	80,152	(66,848)
Transfers in	325,000	190,768	(134,232)
Transfers out	<u>(1,077,500)</u>	<u>(1,077,500)</u>	<u>-</u>
Total other financing sources (uses), net	<u>(605,500)</u>	<u>(806,580)</u>	<u>(201,080)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(749,559)	(709,446)	40,113
<b>FUND BALANCE - Beginning of year</b>	<u>4,722,375</u>	<u>4,722,375</u>	<u>-</u>
<b>FUND BALANCE - End of year</b>	<u>\$ 3,972,816</u>	<u>\$ 4,012,929</u>	<u>\$ 40,113</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 9**

**FLOOD CONTROL CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
REVENUES:			
Interest	\$ 8,000	\$ 16,106	\$ 8,106
Other	210,000	221,643	11,643
Total revenues	<u>218,000</u>	<u>237,749</u>	<u>19,749</u>
EXPENDITURES:			
Public works			
Salaries and benefits	974,286	815,271	159,015
Operating expenditures	148,382	108,007	40,375
Capital outlay	<u>1,109,000</u>	<u>1,019,816</u>	<u>89,184</u>
Total expenditures	<u>2,231,668</u>	<u>1,943,094</u>	<u>288,574</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,013,668)	(1,705,345)	308,323
OTHER FINANCING SOURCES (USES):			
Transfers in	4,000,000	4,000,000	-
Transfers out	<u>(2,227,662)</u>	<u>(2,093,430)</u>	<u>134,232</u>
Total other financing sources (uses), net	<u>1,772,338</u>	<u>1,906,570</u>	<u>134,232</u>
NET CHANGE IN FUND BALANCE	(241,330)	201,225	442,555
FUND BALANCE - Beginning of year	<u>2,133,532</u>	<u>2,133,532</u>	<u>-</u>
FUND BALANCE - End of year	<u>\$ 1,892,202</u>	<u>\$ 2,334,757</u>	<u>\$ 442,555</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 10**

**GENERAL OBLIGATION DEBT SERVICE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>REVENUES:</b>			
Taxes - general property taxes - current	\$ 1,526,000	\$ 1,539,618	\$ 13,618
Taxes - general property taxes - delinquent	70,000	58,170	(11,830)
Penalties and interest on delinquent taxes	15,000	17,164	2,164
Interest earnings	12,000	25,917	13,917
 Total revenues	 <u>1,623,000</u>	 <u>1,640,869</u>	 <u>17,869</u>
<b>EXPENDITURES</b>			
General government-legal settlements	24,200	23,803	397
Principal retirement	1,325,000	1,325,000	-
Interest expense and fiscal charges	493,850	492,850	1,000
 Total expenditures	 <u>1,843,050</u>	 <u>1,841,653</u>	 <u>1,397</u>
 DEFICIENCY OF REVENUES UNDER EXPENDITURES	 (220,050)	 (200,784)	 19,266
 FUND BALANCE - Beginning of year	 <u>4,829,655</u>	 <u>4,829,655</u>	 <u>-</u>
 FUND BALANCE - End of year	 <u>\$ 4,609,605</u>	 <u>\$ 4,628,871</u>	 <u>\$ 19,266</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 11**

**MUNICIPAL BUILDING AUTHORITY DEBT SERVICE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
REVENUES - Intergovernmental revenue - Bond interest subsidy	\$ 414,590	\$ 414,366	\$ (224)
EXPENDITURES:			
Wasatch Front Debt			
Principal retirement	75,000	75,000	-
Interest expense and fiscal charges	11,878	5,878	6,000
Total Wasatch Front Debt	<u>86,878</u>	<u>80,878</u>	<u>6,000</u>
Campus Construction Recovery Zone Bonds			
Principal retirement	625,000	625,000	-
Interest expense and fiscal charges	992,026	992,028	(2)
Total Campus Construction Recovery Zone Debt	<u>1,617,026</u>	<u>1,617,028</u>	<u>(2)</u>
Total expenditures	<u>1,703,904</u>	<u>1,697,906</u>	<u>5,998</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,289,314)	(1,283,540)	5,774
OTHER FINANCING SOURCES - Transfers in	<u>1,285,816</u>	<u>1,283,540</u>	<u>(2,276)</u>
NET CHANGE IN FUND BALANCE	(3,498)	-	3,498
FUND BALANCE - Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - End of year	<u>\$ (3,498)</u>	<u>\$ -</u>	<u>\$ 3,498</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 12**

**SALES TAX REVENUE BONDS DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
<b>REVENUES:</b>			
Intergovernmental revenue - Bond interest subsidy	\$ 337,988	\$ 337,988	\$ -
Interest earnings	-	1,254	1,254
<b>Total revenues</b>	<u>337,988</u>	<u>339,242</u>	<u>1,254</u>
<b>EXPENDITURES:</b>			
<b>Conference Center and Refundings</b>			
Principal retirement	882,000	882,000	-
Interest expense and fiscal charges	405,420	400,420	5,000
<b>Total Conference Center</b>	<u>1,287,420</u>	<u>1,282,420</u>	<u>5,000</u>
<b>Flood Projects</b>			
Principal retirement	1,175,000	1,175,000	-
Interest expense and fiscal charges	26,500	24,000	2,500
<b>Total Flood Projects</b>	<u>1,201,500</u>	<u>1,199,000</u>	<u>2,500</u>
<b>Flood Projects-Build America Bonds</b>			
Principal retirement	-	-	-
Interest expense and fiscal charges	1,039,150	1,038,638	512
<b>Total Flood Projects-Build America Bonds</b>	<u>1,039,150</u>	<u>1,038,638</u>	<u>512</u>
<b>Total expenditures</b>	<u>3,528,070</u>	<u>3,520,058</u>	<u>8,012</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(3,190,082)	(3,180,816)	9,266
<b>OTHER FINANCING SOURCES - Transfers in</b>	<u>3,189,582</u>	<u>3,189,582</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(500)	8,766	9,266
<b>FUND BALANCE - Beginning of year</b>	<u>1,192,417</u>	<u>1,192,417</u>	<u>-</u>
<b>FUND BALANCE - End of year</b>	<u>\$ 1,191,917</u>	<u>\$ 1,201,183</u>	<u>\$ 9,266</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 and Security System Fund**

This fund accounts for the services provided by the county-wide telephone and security systems.

### **Building and Grounds Fund**

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

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 13**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2016**

	<u>Insurance</u>	<u>Telephone and Security System</u>	<u>Building and Grounds</u>	<u>Total Internal Service Funds</u>
<b>ASSETS</b>				
<b>CURRENT:</b>				
Cash and cash equivalents	\$ 1,443,083	\$ 774,498	\$ 4,263,529	\$ 6,481,110
Accounts receivables	-	15,148	3,742	18,890
Prepaid Expense	-	60,999	3,022	64,021
Total current assets	<u>1,443,083</u>	<u>850,645</u>	<u>4,270,293</u>	<u>6,564,021</u>
<b>NONCURRENT:</b>				
Capital assets				
Furniture, fixtures, and equipment	574,028	170,810	404,892	1,149,730
Less accumulated depreciation	<u>(574,028)</u>	<u>(154,541)</u>	<u>(360,729)</u>	<u>(1,089,298)</u>
Total noncurrent assets	<u>-</u>	<u>16,269</u>	<u>44,163</u>	<u>60,432</u>
<b>TOTAL ASSETS</b>	<u>1,443,083</u>	<u>866,914</u>	<u>4,314,456</u>	<u>6,624,453</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources relating to pensions	<u>24,699</u>	<u>21,596</u>	<u>446,203</u>	<u>492,498</u>
<b>LIABILITIES</b>				
<b>CURRENT:</b>				
Accounts payable	3,545	3,794	188,635	195,974
Accrued liabilities	706	483	9,871	11,060
Unearned revenues	-	-	11,164	11,164
Obligations for compensated absences	-	-	10,827	10,827
Total current liabilities	<u>4,251</u>	<u>4,277</u>	<u>220,497</u>	<u>229,025</u>
<b>LONG-TERM:</b>				
Net OPEB obligation	32,701	25,279	522,404	580,384
Obligations for compensated absences	-	-	46,156	46,156
Net pension liability	<u>41,184</u>	<u>36,698</u>	<u>718,350</u>	<u>796,232</u>
Total long-term liabilities	<u>73,885</u>	<u>61,977</u>	<u>1,286,910</u>	<u>1,422,772</u>
<b>TOTAL LIABILITIES</b>	<u>78,136</u>	<u>66,254</u>	<u>1,507,407</u>	<u>1,651,797</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources relating to pensions	<u>5,096</u>	<u>4,618</u>	<u>86,470</u>	<u>96,184</u>
<b>NET POSITION</b>				
Net investment in capital assets	-	16,269	44,163	60,432
Unrestricted	<u>1,384,550</u>	<u>801,369</u>	<u>3,122,619</u>	<u>5,308,538</u>
<b>TOTAL NET POSITION</b>	<u>\$ 1,384,550</u>	<u>\$ 817,638</u>	<u>\$ 3,166,782</u>	<u>\$ 5,368,970</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 14**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Insurance</u>	<u>Telephone and Security System</u>	<u>Building and Grounds</u>	<u>Total Internal Service Funds</u>
<b>OPERATING REVENUES:</b>				
Charges to other funds	\$ 993,831	\$ 365,893	\$ 3,896,381	\$ 5,256,105
Other revenues	105	94,177	53,945	148,227
Total operating revenues	<u>993,936</u>	<u>460,070</u>	<u>3,950,326</u>	<u>5,404,332</u>
<b>OPERATING EXPENSES:</b>				
Salaries, wages, and benefits	123,529	87,901	1,878,373	2,089,803
Insurance premiums	745,054	-	-	745,054
Line charges	-	86,852	-	86,852
Other operating expenses	8,710	141,002	2,214,818	2,364,530
Depreciation	-	10,153	17,326	27,479
Total operating expenses	<u>877,293</u>	<u>325,908</u>	<u>4,110,517</u>	<u>5,313,718</u>
<b>OPERATING INCOME (LOSS)</b>	<u>116,643</u>	<u>134,162</u>	<u>(160,191)</u>	<u>90,614</u>
<b>NONOPERATING REVENUES</b>				
Interest income	<u>8,301</u>	<u>5,684</u>	<u>33,066</u>	<u>47,051</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	124,944	139,846	(127,125)	137,665
Transfers in	<u>-</u>	<u>-</u>	<u>84,476</u>	<u>84,476</u>
<b>CHANGE IN NET POSITION</b>	124,944	139,846	(42,649)	222,141
<b>NET POSITION - Beginning of year</b>	<u>1,259,606</u>	<u>677,792</u>	<u>3,209,431</u>	<u>5,146,829</u>
<b>NET POSITION - End of year</b>	<u>\$ 1,384,550</u>	<u>\$ 817,638</u>	<u>\$ 3,166,782</u>	<u>\$ 5,368,970</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 15**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Insurance</u>	<u>Telephone and Security System</u>	<u>Building and Grounds</u>	<u>Total Internal Service Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 105	\$ 93,935	\$ 68,955	\$ 162,995
Receipts from interfund services provided	993,831	365,893	3,896,381	5,256,105
Payments to suppliers	(73,220)	(227,888)	(2,137,947)	(2,439,055)
Payments to employees	(121,156)	(86,029)	(1,824,151)	(2,031,336)
Net cash provided by (used in) operating activities	<u>799,560</u>	<u>145,911</u>	<u>3,238</u>	<u>948,709</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in	-	-	84,476	84,476
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of capital assets	-	(6,091)	-	(6,091)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	<u>8,301</u>	<u>5,684</u>	<u>33,066</u>	<u>47,051</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>807,861</b>	<b>145,504</b>	<b>120,780</b>	<b>1,074,145</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	<u>635,222</u>	<u>628,994</u>	<u>4,142,749</u>	<u>5,406,965</u>
End of year	<u>\$ 1,443,083</u>	<u>\$ 774,498</u>	<u>\$ 4,263,529</u>	<u>\$ 6,481,110</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 116,643	\$ 134,162	\$ (160,191)	\$ 90,614
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation expense	-	10,153	17,326	27,479
Net changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:				
Accounts receivables	-	(242)	3,846	3,604
Other assets	677,568	(38)	169	677,699
Net pension asset	-	-	145	145
Deferred outflows of resources	(11,314)	(9,428)	(221,220)	(241,962)
Accounts payable	2,976	4	76,702	79,682
Accrued liabilities	706	483	9,871	11,060
Unearned revenues	-	-	11,164	11,164
Obligation for OPEB	3,004	2,503	65,461	70,968
Obligation for compensated absences	-	-	5,037	5,037
Net pension liability	9,791	8,159	191,289	209,239
Deferred inflows of resources	186	155	3,639	3,980
Net cash provided by (used in) operating activities	<u>\$ 799,560</u>	<u>\$ 145,911</u>	<u>\$ 3,238</u>	<u>\$ 948,709</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 FIDUCIARY ASSETS AND LIABILITIES****AGENCY FUNDS****DECEMBER 31, 2016**

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	<u>County Agency Fund</u>	<u>Treasurer's Tax Collection Agency Fund</u>	<u>Employee Benefits Agency Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 965,341	\$ 58,218,558	\$ 3,257,755	\$ 62,441,654
Accounts receivable	4,106	-	-	4,106
<b>TOTAL ASSETS</b>	<u>\$ 969,447</u>	<u>\$ 58,218,558</u>	<u>\$ 3,257,755</u>	<u>\$ 62,445,760</u>
<b>LIABILITIES</b>				
Due to individuals, organizations, and other governments	<u>\$ 969,447</u>	<u>\$ 58,218,558</u>	<u>\$ 3,257,755</u>	<u>\$ 62,445,760</u>

**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 17**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Balance at January 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2016</u>
<b>COUNTY AGENCY FUND</b>				
ASSETS				
Cash and cash equivalents	\$ 134,209	\$ 11,542,170	\$ 10,711,038	\$ 965,341
Accounts receivable	566,750	4,106	566,750	4,106
<b>TOTAL ASSETS</b>	<u>\$ 700,959</u>	<u>\$ 11,546,276</u>	<u>\$ 11,277,788</u>	<u>\$ 969,447</u>
LIABILITIES				
Due to individuals, organizations, and other governments	\$ 700,959	\$ 11,546,276	\$ 11,277,788	\$ 969,447
<b>TREASURER'S TAX COLLECTION AGENCY FUND</b>				
ASSETS				
Cash and cash equivalents	<u>\$ 55,648,245</u>	<u>\$ 311,055,693</u>	<u>\$ 308,485,380</u>	<u>\$ 58,218,558</u>
LIABILITIES				
Due to individuals, organizations, and other governments	<u>\$ 55,648,245</u>	<u>\$ 311,055,693</u>	<u>\$ 308,485,380</u>	<u>\$ 58,218,558</u>
<b>EMPLOYEE BENEFITS AGENCY FUND</b>				
ASSETS				
Cash and cash equivalents	<u>\$ 3,074,249</u>	<u>\$ 69,622,345</u>	<u>\$ 69,438,839</u>	<u>\$ 3,257,755</u>
LIABILITIES				
Due to individuals, organizations, and other governments	<u>\$ 3,074,249</u>	<u>\$ 69,622,345</u>	<u>\$ 69,438,839</u>	<u>\$ 3,257,755</u>



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## **Other Schedules**

### **Schedule 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.

### **Treasurer's Tax Collection Agency Fund – Schedule of 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.



**DAVIS COUNTY**

**SUPPLEMENTAL SCHEDULE 18**  
(continued - page 2 of 2)

**TREASURER'S TAX COLLECTION FUND  
SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISBURSED  
FOR THE YEAR ENDED DECEMBER 31, 2016**

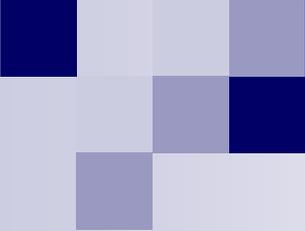
ENTITY	TAXES CHARGED	TREASURER'S RELIEF			TAXES COLLECTED	PERCENTAGE COLLECTED	OTHER COLLECTIONS							Total, All Collections / Disbursed
		Unpaid Taxes	Abatements	Other			Total	Realloc Property	Fee-in-lieu based	Misc. Collection	Redemptions	Delinquent Interests/ Penalties	Less Tax Increment Paid	
Davis School District	34,364,605	778,970	690,028	64,080	1,533,078	95.5%	-	2,457,938	742,746	87,1831	3,1914	(1,568,972)	(336,230)	35,030,754
Statewide School	132,615,828	2,999,616	2,657,122	246,754	5,903,492	95.5%	(16,248)	9,464,895	2,850,073	3,357,200	122,894	(5,902,323)	(1,264,865)	135,333,962
Davis County	36,629,041	827,336	732,872	68,058	1,628,266	95.6%	(7,1590)	2,610,550	762,800	925,963	413,899	(1,837,236)	(380,945)	37,424,216
County Library	7,030,515	159,049	140,889	13,084	315,022	95.5%	(2,607)	501,860	152,558	178,010	6,516	(348,545)	(71,612)	7,133,673
County Assess & Coll	4,603,832	104,173	92,278	8,569	205,020	95.5%	(758)	328,703	81,014	116,591	4,268	-	(28,995)	4,899,635
State Assess & Coll	2,396,984	5,116	4,532	4,21	10,069	95.6%	(1,460)	188,272	33,382	73,529	2,491	(89,154)	-	2,204,68
Bountiful City	1,147,938	6,1384	30,174	2,778	94,336	96.1%	(2,306)	89,489	15,070	29,834	1,205	(160,311)	(108,2968)	2,509,708
Centerville City	1,479,984	26,255	11,081	615	37,951	96.7%	(1,47)	168,954	171,246	134,700	5,009	(456,140)	(2,869,951)	1,082,968
Clearfield City	2,949,204	59,323	65,705	16,217	141,245	95.2%	32,223	168,954	171,246	134,700	5,009	(456,140)	(2,869,951)	2,869,951
Clinton City	1,802,900	29,272	88,486	2,496	120,254	93.3%	(147)	158,942	44,351	29,347	10,54	(10,871)	(19,053,22)	1,905,322
Farmington City	3,420,229	54,021	29,807	17,013	100,841	97.1%	914	212,938	77,113	74,937	2,042	(64,128)	(3,046,204)	3,046,204
Fruit Heights City	867,829	30,016	11,626	497	42,139	95.1%	107	67,132	6,024	32,203	1,335	-	(932,491)	932,491
Kaysville City	2,864,378	75,228	4,1350	929	117,507	95.9%	815	246,633	41,664	80,571	2,483	(12,094)	(3,106,943)	3,106,943
Layton City	7,297,145	174,130	227,657	13,788	415,575	94.3%	(6,126)	548,446	169,392	182,467	6,890	(128,053)	(7,654,586)	7,654,586
North Salt Lake City	2,763,101	64,208	19,817	1,356	85,381	96.9%	48,038	172,713	66,909	59,829	2,324	(47,618)	(2,979,915)	2,979,915
South Weber City	336,163	4,781	12,617	328	17,226	94.7%	(66)	31,903	10,764	4,999	165	-	(366,202)	366,202
Sunset City	344,950	17,348	11,899	247	29,494	91.4%	(190)	28,466	2,768	14,214	592	-	(361,306)	361,306
Syracuse City	2,015,011	59,801	84,062	4,694	148,557	92.6%	515	189,571	39,636	46,102	1,608	(69,604)	(2,074,282)	2,074,282
West Bountiful City	1,745,270	17,838	7,731	630	26,199	98.5%	(20,400)	47,874	13,704	20,303	576	(51,962)	(1,729,166)	1,729,166
West Point City	427,615	5,238	20,045	2,282	27,565	93.6%	(3)	40,220	6,884	4,172	169	-	(451,492)	451,492
Woods Cross City	823,566	33,179	6,673	384	40,236	95.1%	12,972	57,017	17,515	21,157	1,348	(26,761)	(866,578)	866,578
Benchland Water Distr	498,879	9,987	5,757	232	15,976	96.8%	(14)	38,002	6,343	13,156	421	(12,410)	(528,401)	528,401
Bountiful Irrigation Water	240,145	6,661	2,833	266	9,760	95.9%	(346)	17,647	3,702	6,674	227	(13,457)	(244,832)	244,832
Central Davis Sewer	725,937	16,772	8,415	1,819	27,006	96.3%	242	53,846	12,934	19,609	606	(64,014)	(722,154)	722,154
Central Weber Sewer	288,145	4,113	10,856	283	15,252	94.7%	(20)	27,336	9,253	4,301	142	-	(313,905)	313,905
Hooper Water Improv	41,140	676	1,956	502	3,134	92.4%	-	3,917	10,40	442	17	-	(43,422)	43,422
Mosquito Abatement	2,383,494	53,926	47,786	4,438	106,150	95.5%	65	170,221	50,921	60,341	2,209	(118,220)	(20,729)	2,422,152
North Davis Fire Dist.	2,491,469	45,247	67,225	13,390	125,862	94.9%	(18,911)	159,259	139,863	93,465	3,493	(283,458)	(2,459,318)	2,459,318
North Davis Sewer	8,900,870	204,088	294,942	24,221	523,251	94.1%	32,937	690,830	267,725	240,832	8,960	(368,747)	(9,250,156)	9,250,156
South Davis Recr. Dist.	2,439,959	54,799	21,081	1,644	77,524	96.8%	(17,253)	151,803	29,323	56,234	2,191	(107,502)	(70,616)	2,406,615
South Davis Sewer	2,265,124	5,128	19,771	1,550	72,849	96.8%	(1,541)	142,267	27,326	52,939	2,059	(100,827)	(13,851)	2,300,647
South Davis Water	117,572	1,692	1,675	153	3,520	97.0%	(38)	9,939	891	4,741	177	(8,235)	(12,1527)	12,1527
South Davis Metro Fire	64,258	1,795	689	54	2,538	96.1%	15,013	4,962	11,551	1,845	72	-	(95,163)	95,163
Special Serv Area	639,892	4,872	1,627	545	7,044	98.9%	15,557	17,786	26,569	6,081	212	161	(180,411)	518,803
Weber Basin Water	3,840,921	86,933	77,035	7,154	171,122	95.5%	1,541	274,409	83,384	97,273	3,561	(190,573)	(39,266)	3,900,123
	271,610,868	6,129,371	5,548,099	521,471	12,198,941		-	19,390,882	5,986,423	6,921,617	633,339	(12,618,059)	(2,429,089)	277,297,040

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 19

TREASURER'S TAX COLLECTION FUND  
 SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2016

	Treasurer's Balance		Apportionments			Totals	Disbursements	Treasurer's Balance 12/31/2016
	1/1/2016	Receipts	Current Taxes	Delinquent Taxes	Other Collections			
Current 2016 taxes	\$ -	\$ 270,751,613	\$ (270,751,613)	\$ -	\$ -	\$ -	\$ -	\$ -
Prior year redemptions and rollbacks	-	8,951,965	-	(8,951,965)	-	-	-	-
Other taxes - "Class D"	373,508	4,401,871	-	-	(4,454,844)	320,535	-	320,535
Interest received	-	633,339	-	-	(633,339)	-	-	-
Fee in lieu	-	19,390,883	-	-	(19,390,883)	-	-	-
Miscellaneous collections	-	5,982,599	-	-	(5,982,599)	-	-	-
Taxes held for refund & prepayments	293,039	943,423	-	-	-	1,236,462	790,999	445,463
<b>Total</b>	<b>666,547</b>	<b>311,055,693</b>	<b>(270,751,613)</b>	<b>(8,951,965)</b>	<b>(30,461,665)</b>	<b>1,556,997</b>	<b>790,999</b>	<b>765,998</b>
Davis County:								
County funds	-	-	39,399,587	1,347,777	4,201,234	44,948,598	44,948,598	-
County library	-	-	6,717,492	230,125	660,934	7,608,551	7,608,551	-
Special service area	-	-	632,848	19,996	44,566	697,410	697,410	-
<b>Total Davis County</b>	<b>-</b>	<b>-</b>	<b>46,749,927</b>	<b>1,597,898</b>	<b>4,906,734</b>	<b>53,254,559</b>	<b>53,254,559</b>	<b>-</b>
Davis County School District	33,759,258	-	159,543,862	5,467,144	15,670,459	214,440,723	179,590,672	34,850,051
Cities and towns:								
Bountiful	500,177	-	2,299,353	76,199	224,145	3,099,874	2,609,934	489,940
Centerville	149,271	-	1,110,248	33,474	106,024	1,399,017	1,263,553	135,464
Clearfield	221,844	-	2,747,030	142,163	347,116	3,458,153	3,024,187	433,966
Clinton	378,608	-	1,680,827	56,966	210,691	2,327,092	1,921,469	405,623
Farmington	292,303	-	3,319,389	121,693	292,093	4,025,478	3,881,185	144,293
Fruit Heights	258,256	-	825,690	32,204	74,491	1,190,641	981,686	208,955
Kaysville	662,208	-	2,734,527	96,331	291,839	3,784,905	3,088,214	696,691
Layton	1,643,820	-	6,868,760	282,010	724,728	9,519,318	7,850,803	1,668,515
North Salt Lake	642,387	-	2,665,771	72,816	241,946	3,622,920	2,903,891	719,029
South Weber City	98,824	-	318,437	12,881	42,832	472,974	374,274	98,700
Sunset	73,030	-	308,191	14,214	32,290	427,725	354,578	73,147
Syracuse	356,556	-	1,865,921	58,229	230,815	2,511,521	2,150,016	361,505
West Bountiful	211,385	-	1,710,343	20,543	62,154	2,004,425	1,679,875	324,550
West Point	85,944	-	400,051	7,113	47,274	540,382	441,833	98,549
Woods Cross	147,177	-	779,246	21,174	75,881	1,023,478	797,333	226,145
<b>Total cities and towns</b>	<b>5,721,790</b>	<b>-</b>	<b>29,633,784</b>	<b>1,048,010</b>	<b>3,004,319</b>	<b>39,407,903</b>	<b>33,322,831</b>	<b>6,085,072</b>
Other taxing districts:								
Benchland Water Dist	110,231	-	482,904	15,128	44,767	653,030	553,470	99,560
Bountiful Irrigation Water District	46,730	-	230,357	6,674	2,051,591	2,335,352	2,287,476	47,876
Central Davis Sewer	119,547	-	698,931	26,103	67,387	911,968	802,969	108,999
Central Weber Sewer	80,909	-	272,892	11,083	36,731	401,615	316,660	84,955
Hooper Water Improv	8,645	-	38,006	1,173	4,974	52,798	43,929	8,869
Mosquito Abatement	441,923	-	2,277,343	78,017	223,352	3,020,635	2,531,686	488,949
North Davis Fire Dist	261,194	-	2,365,607	101,898	302,615	3,031,314	2,648,293	383,021
North Davis Sewer	1,604,996	-	8,377,619	340,611	967,515	11,290,741	9,369,037	1,921,704
South Davis Metro Fire	-	-	61,719	1,993	16,585	80,297	34,972	45,325
South Davis Recreation	458,203	-	2,362,434	60,784	183,317	3,064,738	2,563,224	501,514
South Davis Sewer	428,291	-	2,192,274	57,207	472,084	3,149,856	2,615,837	534,019
South Davis Water	18,584	-	114,052	5,071	17,621	155,328	135,194	20,134
South Weber Water	34	-	-	-	6,116	6,150	6,150	-
State Treasurer (State A&C)	52,808	-	216,890	7,402	20,336	297,436	271,065	26,371
Weber Basin Water	701,987	-	3,669,797	125,769	2,465,162	6,962,715	6,179,889	782,826
<b>Total other taxing districts</b>	<b>4,334,082</b>	<b>-</b>	<b>23,360,825</b>	<b>838,913</b>	<b>6,880,153</b>	<b>35,413,973</b>	<b>30,359,851</b>	<b>5,054,122</b>
Redevelopment agencies:								
Bountiful	1,040,916	-	1,097,450	-	-	2,138,366	1,040,916	1,097,450
Centerville	1,449,745	-	1,549,347	-	-	2,999,092	1,449,745	1,549,347
Clearfield	2,418,339	-	1,391,019	-	-	3,809,358	2,418,339	1,391,019
Clinton	74,372	-	71,302	-	-	145,674	74,372	71,302
Farmington	3,181,393	-	3,775,275	-	-	6,956,668	3,181,393	3,775,275
Kaysville	-	-	87,864	-	-	87,864	-	87,864
Layton	997,022	-	946,771	-	-	1,943,793	997,022	946,771
Military Instillation Development Auth	480,468	-	642,524	-	-	1,122,992	480,468	642,524
North Salt Lake	317,942	-	490,558	-	-	808,500	317,942	490,558
Syracuse	448,918	-	581,747	-	-	1,030,665	448,918	581,747
West Bountiful	423,314	-	431,264	-	-	854,578	423,314	431,264
Woods Cross	138,626	-	157,123	-	-	295,749	138,626	157,123
Woods Cross/West Bountiful	195,413	-	240,971	-	-	436,384	195,413	240,971
<b>Total redevelopment agencies</b>	<b>11,166,468</b>	<b>-</b>	<b>11,463,215</b>	<b>-</b>	<b>-</b>	<b>22,629,683</b>	<b>11,166,468</b>	<b>11,463,215</b>
<b>GRAND TOTAL</b>	<b>\$ 55,648,145</b>	<b>\$ 311,055,693</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 366,703,838</b>	<b>\$ 308,485,380</b>	<b>\$ 58,218,458</b>



### ***III. Statistical Section***



**Davis**  
COUNTY



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## Statistical Section

The Statistical Section provides additional historical context and detail to aid in using the information in Davis County's financial statements and in understanding and assessing the County's overall financial health.

### Financial Trends Information

These schedules present trend information to help the reader understand how the County's financial performance and fiscal health have changed.

Net Position by Component .....	122
Changes in Net Position.....	124
Fund Balances – Governmental Funds .....	126
Changes in Fund Balances – Governmental Funds.....	128

### Revenue Capacity Information

These schedules contain information to help the reader assess the County's capacity to raise revenue from the County's most significant revenue source, property tax.

Assessed Value and Estimated Actual Value of Taxable Property.....	130
Direct and Overlapping Property Tax Rates .....	132
Principal Property Taxpayers.....	133
Property Tax Levies and Collections .....	134

### Debt Capacity Information

These Schedules present information to help the reader understand and assess the County's levels of outstanding debt and the County's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type.....	135
Ratios of General Bonded Debt Outstanding .....	136
Computation of Direct and Overlapping Debt .....	137
Legal Debt Margin.....	138
Pledged Revenue Coverage .....	139

### Demographic and Economic Information

These schedules present demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Demographic and Economic Statistics .....	140
Principal Employers.....	141

### Operating Information

These schedules offer operating data to help the reader understand how the information in the County's financial report relates to the services it provides and the activities it performs.

Full Time Equivalent County Government Employees .....	142
Operating Indicators by Function/Program.....	143
Capital Asset Statistics by Function/program .....	144

Sources: Unless otherwise noted, the information in the following schedules is derived from Davis County's Comprehensive Annual Financial Reports for the years indicated.

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 1  
NET POSITION BY COMPONENT - LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<b>2016</b>	<b>2015</b>	<b>Restated 2014</b>	<b>2013</b>
Governmental activities:				
Net investment in capital assets	\$ 91,364,621	\$ 89,724,704	\$ 86,466,593	\$ 85,304,816
Restricted	16,252,175	13,457,162	7,499,737	6,873,325
Unrestricted	11,042,892	11,314,400	26,677,822	31,934,720
Total government activities net position	<u>\$ 118,659,688</u>	<u>\$ 114,496,266</u>	<u>\$ 120,644,152</u>	<u>\$ 124,112,861</u>
Business-type activities:				
Net investment in capital assets	\$ 4,894,047	\$ 4,924,171	\$ 4,849,984	\$ 4,819,354
Restricted	-	-	-	-
Unrestricted	1,278,631	(1,165,423)	(1,196,404)	(1,452,641)
Total business-type activities net position	<u>\$ 6,172,678</u>	<u>\$ 3,758,748</u>	<u>\$ 3,653,580</u>	<u>\$ 3,366,713</u>
Primary government:				
Net investment in capital assets	\$ 96,258,668	\$ 94,648,875	\$ 91,316,577	\$ 90,124,170
Restricted	16,252,175	13,457,162	7,499,737	6,873,325
Unrestricted	12,321,523	10,148,977	25,481,418	30,482,079
Total primary government net position	<u>\$ 124,832,366</u>	<u>\$ 118,255,014</u>	<u>\$ 124,297,732</u>	<u>\$ 127,479,574</u>

Note: Beginning fiscal year 2012, the term "net assets" was replaced by the term "net position" as a result of implementing GASB Statement 63. Also, net position was restated for 2011 to comply with GASB Statement 65.

Net position was restated for 2014 to comply with GASB Statement 68.

Net position was restated for 2011 and 2012 to correct an inventory error which occurred during those years.

Net position has not been restated for years prior to 2011.

<b>Restated 2012</b>	<b>Restated 2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 82,993,856	\$ 81,947,428	\$ 83,234,732	\$ 49,323,126	\$ 70,794,633	\$ 65,565,679
6,423,979	20,499,016	27,391,189	40,833,438	9,979,541	14,663,159
<u>36,115,358</u>	<u>20,383,230</u>	<u>9,224,736</u>	<u>26,184,917</u>	<u>29,177,532</u>	<u>20,296,195</u>
<u>\$ 125,533,193</u>	<u>\$ 122,829,674</u>	<u>\$ 119,850,657</u>	<u>\$ 116,341,481</u>	<u>\$ 109,951,706</u>	<u>\$ 100,525,033</u>
\$ 4,920,283	\$ 5,098,487	\$ 5,397,435	\$ 5,523,989	\$ 5,021,973	\$ 4,696,201
-	-	-	-	-	-
<u>(1,451,213)</u>	<u>(1,453,061)</u>	<u>(1,579,793)</u>	<u>(1,231,369)</u>	<u>(755,083)</u>	<u>(543,467)</u>
<u>\$ 3,469,070</u>	<u>\$ 3,645,426</u>	<u>\$ 3,817,642</u>	<u>\$ 4,292,620</u>	<u>\$ 4,266,890</u>	<u>\$ 4,152,734</u>
\$ 87,914,139	\$ 87,045,915	\$ 88,632,167	\$ 54,847,115	\$ 75,816,606	\$ 70,261,880
6,423,979	20,499,016	27,391,189	40,833,438	9,979,541	14,663,159
<u>34,664,145</u>	<u>18,930,169</u>	<u>7,644,943</u>	<u>24,953,548</u>	<u>28,422,449</u>	<u>19,752,728</u>
<u>\$ 129,002,263</u>	<u>\$ 126,475,100</u>	<u>\$ 123,668,299</u>	<u>\$ 120,634,101</u>	<u>\$ 114,218,596</u>	<u>\$ 104,677,767</u>

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 2  
CHANGES IN NET POSITION - LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

Expenses	Year Ended December 31,			
	2016	2015	2014	2013
<b>Government activities:</b>				
General governmental	\$ 79,896,567	\$ 69,704,635	\$ 52,816,933	\$ 43,166,989
Public safety	37,215,293	36,000,767	38,010,920	37,633,934
Public health	11,884,295	11,358,078	11,544,831	11,680,397
Public works	3,795,913	3,605,074	4,287,391	4,211,655
Interest on long-term debt	3,065,058	3,195,564	3,377,286	3,494,637
Total governmental activities	135,857,126	123,864,118	110,037,361	100,187,612
<b>Business-type activities:</b>				
Golf Course	2,358,060	2,254,582	2,332,239	2,276,146
Inmates Commissary	563,592	704,667	577,658	443,139
Total business-type activities	2,921,652	2,959,249	2,909,897	2,719,285
Total primary government expenses	\$ 138,778,778	\$ 126,823,367	\$ 112,947,258	\$ 102,906,897
<b>Program Revenues</b>				
<b>Government activities:</b>				
Charges for services:				
General governmental	\$ 5,442,728	\$ 6,291,905	\$ 5,325,796	\$ 6,577,072
Public safety	10,730,516	11,060,023	10,502,366	10,462,088
Public health	3,621,673	3,474,998	3,112,150	3,341,099
Public works	298,791	274,897	656,068	49,249
Operating grants and contributions	11,860,658	11,090,303	11,684,940	11,928,302
Capital grants and contributions	807,718	835,297	843,659	799,850
Total governmental activities program revenues	32,762,084	33,027,423	32,124,979	33,157,660
<b>Business-type activities:</b>				
Charges for services:				
Golf Course	2,343,642	2,455,258	2,489,984	2,320,522
Inmates Commissary	1,082,516	880,640	707,656	1,026,160
Total business-type activities program revenues	3,426,158	3,335,898	3,197,640	3,346,682
Total primary government program revenues	\$ 36,188,242	\$ 36,363,321	\$ 35,322,619	\$ 36,504,342
<b>Net (Expense)/Revenue</b>				
Governmental activities	\$ (103,095,042)	\$ (90,836,695)	\$ (77,912,382)	\$ (67,029,952)
Business-type activities	504,506	376,649	287,743	627,397
Total primary government net expenses	\$ (102,590,536)	\$ (90,460,046)	\$ (77,624,639)	\$ (66,402,555)
<b>General Revenues and Other Changes in Net Position</b>				
<b>Governmental activities:</b>				
Taxes				
Property taxes	\$ 54,788,984	\$ 58,455,145	\$ 54,924,710	\$ 47,116,760
Sales taxes	53,880,557	43,449,029	19,369,384	17,591,414
Investment earnings	327,996	272,680	133,579	160,446
Miscellaneous	162,614	-	-	-
Sale of capital assets	-	-	-	-
Transfers	(1,901,687)	(64,895)	16,000	741,000
Total governmental activities	107,258,464	102,111,959	74,443,673	65,609,620
<b>Business-type activities:</b>				
Investment earnings	6,737	3,474	2,424	3,958
Sale of capital assets	1,000	8,806	12,700	7,288
Transfers	1,901,687	64,895	(16,000)	(741,000)
Total business-type activities	1,909,424	77,175	(876)	(729,754)
Total primary government	\$ 109,167,888	\$ 102,189,134	\$ 74,442,797	\$ 64,879,866
<b>Changes in Net Position</b>				
Governmental activities	4,163,422	11,275,264	(3,468,709)	(1,420,332)
Business-type activities	2,413,930	453,824	286,867	(102,357)
Total primary government	\$ 6,577,352	\$ 11,729,088	\$ (3,181,842)	\$ (1,522,689)

Note: Beginning fiscal year 2012, the term "net assets" was replaced by the term "net position" as a result of implementing GASB Statement 63. Also, the numbers were restated for 2011 to comply with GASB Statement 65 and for 2011 and 2012 to correct an inventory error which occurred during those years. Numbers have not been restated for years prior to 2011.

2012 (Restated)	2011 (Restated)	2010	2009	2008	2007
\$ 42,270,996	\$ 40,130,429	\$ 39,406,125	\$ 38,282,727	\$ 35,180,227	\$ 32,609,337
36,905,270	35,577,640	34,241,872	33,054,829	30,904,112	28,996,517
12,447,487	12,048,718	12,037,386	12,232,929	11,785,783	11,503,649
4,072,629	3,908,616	3,938,669	2,791,754	4,506,001	3,107,421
3,431,611	3,836,966	3,079,963	2,024,496	1,925,416	2,211,960
99,127,993	95,502,369	92,704,015	88,386,735	84,301,539	78,428,884
2,328,423	2,422,690	2,409,586	2,358,484	2,360,640	1,962,402
524,585	582,734	529,040	321,386	201,464	224,855
2,853,008	3,005,424	2,938,626	2,679,870	2,562,104	2,187,257
\$ 101,981,001	\$ 98,507,793	\$ 95,642,641	\$ 91,066,605	\$ 86,863,643	\$ 80,616,141
\$ 6,303,616	\$ 6,811,617	\$ 6,196,860	\$ 6,825,863	\$ 7,782,162	\$ 8,723,667
11,647,177	12,314,622	12,561,950	12,308,071	11,124,802	8,720,283
4,027,561	3,890,624	3,742,446	3,889,556	3,685,802	3,317,563
66,261	58,675	129,059	75,823	42,990	32,024
12,542,601	12,642,377	12,597,575	12,110,452	10,479,540	10,450,647
891,064	1,794,609	1,164,996	1,496,789	611,539	358,648
35,478,280	37,512,524	36,392,886	36,706,554	33,726,835	31,602,832
2,461,843	2,033,729	2,055,001	2,062,591	2,255,855	1,936,108
1,216,022	1,343,807	1,073,918	902,144	671,473	560,210
3,677,865	3,377,536	3,128,919	2,964,735	2,927,328	2,496,318
\$ 39,156,145	\$ 40,890,060	\$ 39,521,805	\$ 39,671,289	\$ 36,654,163	\$ 34,099,150
\$ (63,649,713)	\$ (57,989,845)	\$ (56,311,129)	\$ (51,680,181)	\$ (50,574,704)	\$ (46,826,052)
824,857	372,112	190,293	284,865	365,224	309,061
\$ (62,824,856)	\$ (57,617,733)	\$ (56,120,836)	\$ (51,395,316)	\$ (50,209,480)	\$ (46,516,991)
\$ 46,727,996	\$ 45,490,304	\$ 44,199,765	\$ 43,017,735	\$ 42,848,970	\$ 38,961,134
16,772,100	15,779,389	14,657,381	14,352,182	15,949,104	16,052,114
288,708	296,803	292,159	348,457	858,912	1,437,070
-	-	-	-	-	-
1,548,428	102,583	-	85,582	78,391	-
1,016,000	550,100	671,000	266,000	266,000	327,206
66,353,232	62,219,179	59,820,305	58,069,956	60,001,377	56,777,524
9,487	5,772	5,729	6,865	14,932	10,059
5,300	-	-	-	-	-
(1,016,000)	(550,100)	(671,000)	(266,000)	(266,000)	(327,206)
(1,001,213)	(544,328)	(665,271)	(259,135)	(251,068)	(317,147)
\$ 65,352,019	\$ 61,674,851	\$ 59,155,034	\$ 57,810,821	\$ 59,750,309	\$ 56,460,377
2,703,519	4,229,334	3,509,176	6,389,775	9,426,673	9,951,472
(176,356)	(172,216)	(474,978)	25,730	114,156	(8,086)
\$ 2,527,163	\$ 4,057,118	\$ 3,034,198	\$ 6,415,505	\$ 9,540,829	\$ 9,943,386

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 3  
FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

Fiscal year	2016	2015	2014	2013
General Fund				
Nonspendable:				
Inventories	\$ 49,095	\$ 42,678	\$ 53,050	\$ 53,707
Prepays and other	280,741	541,902	187,960	162,272
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	2,710,309	1,854,877	2,747,786
Unassigned	18,402,051	16,433,444	12,884,660	13,493,988
Total General Fund	<u>\$ 18,731,887</u>	<u>\$ 19,728,333</u>	<u>\$ 14,980,547</u>	<u>\$ 16,457,753</u>
All Other Governmental Funds				
Nonspendable:				
Inventories	\$ 162,861	\$ 242,999	\$ 105,608	\$ 105,163
Prepays and other	218,915	252,613	160,052	319,139
Restricted	16,252,175	13,457,162	7,499,737	6,873,325
Committed	8,557,045	171,429	171,429	171,429
Assigned	13,720,286	20,186,711	22,094,349	24,004,526
Total All Other Governmental Funds	<u>\$ 38,911,282</u>	<u>\$ 34,310,914</u>	<u>\$ 30,031,175</u>	<u>\$ 31,473,582</u>
General fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Total general fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital project funds	-	-	-	-
Debt service funds	-	-	-	-
Total all other governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Davis County Balance Sheet(s) 2007-2016

Note: Beginning fiscal year 2011, the fund balance categories were reclassified as a result of implementing GASB Statement 54.

Fund balance has been restated for 2011 and 2012 to correct an inventory error which occurred during those years.

Fund balance has not been restated for years prior to 2011.

<u>Restated 2012</u>	<u>Restated 2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
\$ 53,364	\$ 58,900	\$ -	\$ -	\$ -	\$ -
149,454	246,215	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,114,988	5,921,045	-	-	-	-
14,844,659	13,633,241	-	-	-	-
<u>\$ 18,162,465</u>	<u>\$ 19,859,401</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 100,550	\$ 161,257	\$ -	\$ -	\$ -	\$ -
252,578	264,852	-	-	-	-
6,423,979	20,499,016	-	-	-	-
171,429	410,194	-	-	-	-
23,968,107	19,518,154	-	-	-	-
<u>\$ 30,916,643</u>	<u>\$ 40,853,473</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	19,820,821	16,298,104	18,286,835	11,055,808
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,820,821</u>	<u>\$ 16,298,104</u>	<u>\$ 18,286,835</u>	<u>\$ 11,055,808</u>
\$ -	\$ -	\$ 800,804	\$ 725,764	\$ 673,274	\$ 1,410,031
-	-	29,477,885	37,791,322	9,602,582	7,147,748
-	-	22,194,664	8,957,275	5,622,782	10,870,068
-	-	4,395,721	4,128,494	3,683,485	2,383,060
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,869,074</u>	<u>\$ 51,602,855</u>	<u>\$ 19,582,123</u>	<u>\$ 21,810,907</u>

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 4  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year	2016	2015	2014	2013
<b>Revenues</b>				
Taxes	\$ 109,015,833	\$ 101,865,732	\$ 74,641,080	\$ 65,382,608
Licenses, fees, and permits	252,788	254,965	253,870	284,412
Intergovernmental revenue	12,568,849	11,597,388	12,119,166	12,668,219
Charges for services	16,394,660	17,128,155	15,888,800	16,281,356
Fines and forfeitures	1,250,991	1,457,809	1,531,225	1,496,812
Interest	280,945	238,663	106,522	130,792
Other revenues	2,139,069	2,440,376	2,178,722	2,277,699
Total revenues	<u>141,903,135</u>	<u>134,983,088</u>	<u>106,719,385</u>	<u>98,521,898</u>
<b>Expenditures</b>				
General government	\$ 76,812,200	\$ 67,145,739	\$ 47,794,965	\$ 39,430,329
Public Safety	34,981,611	35,208,908	35,506,587	34,846,742
Public health	11,472,564	11,135,905	11,065,807	11,136,428
Public works	2,279,240	2,079,430	2,466,806	2,450,704
Capital Outlay	3,838,084	5,939,545	5,752,100	6,091,499
Debt Service				
Principal retirement	4,160,393	3,974,393	3,821,926	3,620,000
Interest and fiscal charges	2,953,814	3,140,324	3,337,715	3,457,320
Bond issuance costs	-	56,955	-	-
Total expenditures	<u>136,497,906</u>	<u>128,681,199</u>	<u>109,745,906</u>	<u>101,033,022</u>
Excess of revenues over (under) expenditures	<u>5,405,229</u>	<u>6,301,889</u>	<u>(3,026,521)</u>	<u>(2,511,124)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from sale of Capital Assets	184,856	85,657	90,908	230,386
Sales tax revenue and Build America bonds issued	-	-	-	-
Refunding bonds issued	-	8,036,000	-	-
Premium on bonds issued	-	-	-	-
MBA Lease Rev./Recovery Zone bonds issued	-	-	-	-
Capital lease	-	-	-	391,965
Transfers in	18,853,718	16,120,032	15,623,222	13,994,153
Transfers out	(20,839,881)	(13,537,367)	(15,607,222)	(13,253,153)
Refunded bonds redeemed	-	-	-	-
Payment to refunded bond escrow agent	-	(7,978,686)	-	-
Total other financing sources (uses)	<u>(1,801,307)</u>	<u>2,725,636</u>	<u>106,908</u>	<u>1,363,351</u>
Net change in fund balances before special item	3,603,922	9,027,525	(2,919,613)	(1,147,773)
Special item	-	-	-	-
Net change in fund balances	<u>\$ 3,603,922</u>	<u>\$ 9,027,525</u>	<u>\$ (2,919,613)</u>	<u>\$ (1,147,773)</u>
Debt service as a percentage of noncapital expenditures	5.4%	5.8%	6.9%	7.5%

Sources: Davis County Statement of Revenues, Expenditures, and Changes in Fund Balances 2007-2016  
The numbers were restated for 2011 and 2012 to correct an inventory error which occurred during those years.

<b>Restated 2012</b>	<b>Restated 2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 62,714,686	\$ 61,601,396	\$ 58,989,801	\$ 57,598,744	\$ 58,135,168	\$ 54,332,406
317,417	249,767	252,732	245,852	260,010	243,822
13,368,627	14,327,645	13,119,927	12,124,516	10,985,979	10,704,851
18,124,040	18,411,815	18,861,739	19,021,171	18,539,585	16,019,006
1,571,946	1,961,996	1,923,871	1,963,453	1,952,672	1,817,327
251,473	272,029	268,634	308,101	751,765	1,306,478
1,916,621	2,399,752	1,581,287	1,854,450	1,889,260	2,727,825
<u>98,264,810</u>	<u>99,224,400</u>	<u>94,997,991</u>	<u>93,116,287</u>	<u>92,514,439</u>	<u>87,151,715</u>
\$ 39,771,040	\$ 37,930,408	\$ 37,173,921	\$ 36,222,968	\$ 33,207,764	\$ 31,462,380
33,909,392	32,894,660	31,807,064	30,255,383	28,412,212	27,580,416
11,918,184	11,516,922	11,569,818	11,819,066	11,374,251	11,417,388
2,235,092	2,251,044	2,443,846	3,002,249	2,660,187	2,571,468
20,011,201	24,115,927	17,175,246	5,396,113	8,086,052	11,101,771
3,314,264	3,487,286	3,334,401	2,190,359	2,133,508	2,076,281
3,504,374	3,875,229	2,967,283	1,764,389	2,001,272	1,884,238
243,852	-	250,657	-	-	-
<u>114,907,399</u>	<u>116,071,476</u>	<u>106,722,236</u>	<u>90,650,527</u>	<u>87,875,246</u>	<u>88,093,942</u>
(16,642,589)	(16,847,076)	(11,724,245)	2,465,760	4,639,193	(942,227)
106,028	319,955	225,135	98,768	97,050	192,607
-	-	-	27,000,000	-	-
15,750,000	-	1,335,000	4,925,000	-	-
1,474,979	-	52,977	454,620	-	-
-	-	19,600,000	-	-	-
-	-	-	-	-	-
17,885,646	13,996,946	17,546,652	22,397,614	13,360,616	16,111,204
(16,869,646)	(13,446,846)	(16,875,652)	(22,131,614)	(13,094,616)	(15,783,998)
-	-	(1,370,931)	-	-	-
(17,121,128)	-	-	(5,178,147)	-	-
<u>1,225,879</u>	<u>870,055</u>	<u>20,513,181</u>	<u>27,566,241</u>	<u>363,050</u>	<u>519,813</u>
(15,416,710)	(15,977,021)	8,788,936	30,032,001	5,002,243	(422,414)
3,782,944	-	-	-	-	-
<u>\$ (11,633,766)</u>	<u>\$ (15,977,021)</u>	<u>\$ 8,788,936</u>	<u>\$ 30,032,001</u>	<u>\$ 5,002,243</u>	<u>\$ (422,414)</u>
7.2%	8.0%	7.0%	4.6%	5.2%	5.1%

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 5**

**ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

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<b>December 31,</b>	<b>Residential Property</b>	<b>Commercial and Industrial Property</b>	<b>Agricultural Property</b>	<b>Mobile and Personal Property</b>	<b>Centrally Assessed Property</b>
2016	\$ 13,172,061,449	\$ 4,420,949,580	\$ 116,721,149	\$ 2,136,054,321	\$ 600,247,124
2015	12,137,403,230	4,056,727,388	124,107,984	1,982,261,211	576,650,891
2014	11,769,131,872	3,879,303,467	128,848,651	1,718,928,896	514,590,370
2013	10,574,438,844	3,628,542,669	115,058,346	1,621,119,209	523,398,238
2012	10,124,228,191	3,583,071,829	119,949,215	1,471,722,453	502,545,497
2011	10,127,751,543	3,507,953,650	117,895,470	1,441,813,546	485,292,602
2010	10,657,206,804	3,717,208,859	144,417,417	1,185,481,355	493,463,739
2009	11,031,774,065	3,622,873,532	157,847,356	1,307,517,190	412,551,226
2008	11,483,109,031	3,649,547,749	195,089,731	1,206,790,087	370,416,894
2007	9,955,671,253	2,820,842,899	123,379,683	1,059,363,010	321,003,481

Source: Davis County Assessor's Office.

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<b>Fee in lieu property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Market Value</b>	<b>Ratio of Taxable Assessed Value to Estimated Market Value</b>
\$ 1,292,725,501	\$ 20,446,033,623	0.002356	\$ 31,623,889,734	64.7%
1,258,418,555	18,877,150,704	0.002514	29,257,820,639	64.5%
1,181,154,351	18,010,803,256	0.002522	28,052,491,146	64.2%
1,181,530,533	16,462,557,306	0.002720	24,965,085,765	65.9%
1,174,052,533	15,801,517,185	0.002787	24,023,945,974	65.8%
1,192,245,935	15,680,706,811	0.002775	25,595,666,942	61.3%
1,219,363,049	16,197,778,174	0.002576	25,058,738,383	64.6%
1,361,982,489	16,532,563,369	0.002456	25,477,711,753	64.9%
1,353,063,017	16,904,953,492	0.002329	26,372,578,441	64.1%
1,347,035,643	14,280,260,326	0.002564	22,432,352,520	63.7%

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 6**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

**LAST TEN FISCAL YEARS**

<b>Fiscal year</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>County direct rates</b>										
County Basic Rate	0.001703	0.001795	0.001797	0.001935	0.001977	0.001960	0.001817	0.001739	0.001653	0.001863
General Obligation Debt Service	0.000076	0.000110	0.000114	0.000126	0.000131	0.000137	0.000128	0.000126	0.000123	0.000142
County Assess & Collect	0.000224	0.000236	0.000237	0.000112	0.000115	0.000114	0.000106	0.000101	0.000100	0.000063
State Assess & Collect	0.000011	0.000012	0.000013	0.000158	0.000168	0.000172	0.000162	0.000142	0.000121	0.000121
County Library	0.000342	0.000361	0.000361	0.000389	0.000396	0.000392	0.000363	0.000348	0.000332	0.000375
Total direct rate	0.002356	0.002514	0.002522	0.002720	0.002787	0.002775	0.002576	0.002456	0.002329	0.002564
<b>County school districts' rates</b>										
Davis County School District	0.006450	0.006819	0.006840	0.007175	0.007290	0.007270	0.006365	0.005685	0.005514	0.005865
<b>City Rates</b>										
Bountiful	0.000890	0.000957	0.000946	0.001063	0.001094	0.001093	0.001037	0.000948	0.000903	0.000912
Centerville	0.000116	0.001088	0.001072	0.001141	0.001165	0.001173	0.001102	0.000997	0.000923	0.001233
Clearfield	0.001664	0.001800	0.001800	0.001800	0.001800	0.001800	0.001548	0.001548	0.001548	0.001580
Clinton	0.002082	0.002198	0.002253	0.001831	0.001871	0.001866	0.001752	0.001729	0.001623	0.001906
Farmington	0.002132	0.002226	0.002127	0.002290	0.002269	0.002283	0.002109	0.002051	0.001982	0.002000
Fruit Heights	0.002295	0.002369	0.001863	0.002023	0.002054	0.002071	0.002006	0.001845	0.001925	0.001959
Kaysville	0.001717	0.001782	0.001826	0.000999	0.001028	0.001035	0.000987	0.000907	0.000829	0.000925
Layton	0.001842	0.001928	0.001896	0.002046	0.002084	0.002068	0.001933	0.001876	0.001771	0.002047
North Salt Lake	0.001475	0.001517	0.001541	0.001613	0.001637	0.001637	0.001520	0.001396	0.001258	0.001459
South Weber	0.000881	0.000941	0.000954	0.000993	0.000998	0.000927	0.000827	0.000840	0.000883	0.001057
Special Service Area	0.000980	0.000992	0.001003	0.000968	0.000901	0.000918	0.000899	0.000844	0.000794	0.000869
Sunset	0.002121	0.002290	0.002258	0.002357	0.002492	0.002297	0.002138	0.001483	0.001253	0.001209
Syracuse	0.001573	0.001639	0.001659	0.001787	0.001832	0.001821	0.001631	0.001613	0.001500	0.001500
West Bountiful	0.001684	0.001806	0.001788	0.001946	0.001951	0.001997	0.001366	0.001384	0.001204	0.001457
West Point	0.000984	0.001036	0.001036	0.001111	0.001111	0.001008	0.000936	0.000876	0.000895	0.000834
Woods Cross	0.000848	0.000927	0.000913	0.001007	0.001058	0.001049	0.000840	0.000690	0.000646	0.000833
<b>Overlapping Rates</b>										
Weber Basin Water	0.000187	0.000196	0.000199	0.000210	0.000215	0.000217	0.000207	0.000188	0.000181	0.000200
Mosquito Abatement	0.000116	0.000122	0.000124	0.000103	0.000105	0.000104	0.000097	0.000093	0.000088	0.000099
North Davis Sewer	0.001025	0.001025	0.001025	0.001025	0.000993	0.000928	0.000864	0.000763	0.000763	0.000763
Bountiful Irrigation 1	0.000110	0.000120	0.000120	0.000128	0.000131	0.000130	0.000122	0.000113	0.000110	0.000115
South Davis Water	0.000234	0.000250	0.000246	0.000264	0.000253	0.000248	0.000240	0.000243	0.000228	0.000236
Central Davis Sewer	0.000208	0.000216	0.000217	0.000237	0.000237	0.000237	0.000227	0.000212	0.000200	0.000220
South Davis Sewer	0.000287	0.000303	0.000301	0.000324	0.000330	0.000329	0.000315	0.000290	0.000270	0.000305
Benchland Water	0.000411	0.000433	0.000430	0.000475	0.000488	0.000483	0.000451	0.000427	0.000408	0.000421
Hooper Water	0.000369	0.000387	0.000415	0.000446	0.000455	0.000433	0.000404	0.000396	0.000379	0.000404
South Weber Water	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Central Weber Sewer	0.000758	0.000802	0.000838	0.000866	0.000880	0.000854	0.000833	0.000811	0.000800	0.000519
South Davis Recreation	0.000306	0.000334	0.000338	0.000374	0.000399	0.000407	0.000379	0.000356	0.000340	0.000390
North Davis Fire	0.001182	0.001301	0.001379	0.001444	0.001467	0.001316	0.001148	0.001194	0.001179	0.001400

Source: Utah State Tax Commission

Note:

1. Bountiful Water Subconservancy District was changed to Bountiful Irrigation District in 2009.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayers	2016			2007		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value \$20,438,391,365	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value \$13,959,256,845
Woods Cross Refining Comp - LLC	600,905,703	1	2.94%	n/a	n/a	n/a
Chevron U.S. Inc	\$ 427,809,945	2	2.09%	\$ 171,165,852	1	1.23%
PacifiCorp	217,530,995	3	1.06%	91,612,165	3	0.66%
Station Park Centercal LLC	206,653,630	4	1.01%	n/a	n/a	n/a
Freeport Center Associates	180,541,400	5	0.88%	155,685,824	2	1.12%
ATK Aerospace	161,462,657	6	0.79%	n/a	n/a	n/a
Big West Oil	121,830,118	7	0.60%	74,422,084	5	0.53%
Smith's Food King Properties	119,562,077	8	0.58%	70,355,447	6	0.50%
Layton Hills Mall CMBS LLC	103,885,510	9	0.51%	90,340,886	4	0.65%
Questar Gas	97,754,453	10	0.48%	48,821,642	9	0.35%
Albertson's	n/a	n/a	n/a	51,593,534	8	0.37%
Lifetime Products	n/a	n/a	n/a	43,859,596	10	0.31%
Qwest Communications	n/a	n/a	n/a	65,558,589	7	0.47%
Totals	<u>\$ 2,237,936,488</u>		<u>10.94%</u>	<u>\$ 863,415,619</u>		<u>6.2%</u>

Source: Davis County Clerk/Auditor's Office.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 8

### PROPERTY TAX LEVIES AND COLLECTIONS

#### LAST TEN FISCAL YEARS

Year Ended December 31,	Taxes Levied for the Year	Collected within the Fiscal Year of Levy		Collections of Previous Years Taxes	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 36,629,041	\$ 35,000,775	95.6%	\$ 925,963	\$ 35,926,738	98.1%
2015	35,959,256	33,971,549	94.5%	1,020,248	34,991,797	97.3%
2014	34,664,397	32,666,408	94.2%	1,050,247	33,716,655	97.3%
2013	32,629,005	30,692,132	94.1%	1,649,752	32,341,884	99.1%
2012	31,885,077	29,858,919	93.6%	1,162,950	31,021,869	97.3%
2011	31,526,528	29,202,258	92.6%	1,660,659	30,862,917	97.9%
2010	30,395,866	27,831,487	91.6%	1,472,074	29,303,561	96.4%
2009	29,768,232	27,701,054	93.1%	1,325,097	29,026,151	97.5%
2008	29,367,615	27,161,056	92.5%	987,992	28,149,048	95.9%
2007	27,391,552	25,259,259	92.2%	733,770	25,993,029	94.9%

Source: Davis County Treasurer's Office.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 9 RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

December 31,	Governmental Activities						
	General Obligation Bonds	Revenue Bonds	Municipal Building Revenue Bonds	Lease/ Purchase line of credit	Total Primary Government	Percentage of Personal Income(1)	Per Capita(1)
2016	\$ 14,780,075	\$ 31,624,656	\$ 18,653,000	\$ 143,720	\$ 65,201,451	0.5%	190
2015	16,260,573	33,696,126	19,353,000	222,113	69,531,812	0.5%	207
2014	17,724,100	35,140,985	20,044,000	307,039	73,216,124	0.6%	222
2013	19,155,656	37,011,342	20,713,378	385,432	77,265,808	0.6%	240
2012	20,555,240	38,846,199	21,371,941	-	80,773,380	0.7%	256
2011 (2)	19,805,000	40,645,555	21,542,732	358,264	82,351,551	0.8%	263
2010	20,835,000	41,830,086	21,685,028	981,550	85,331,664	0.8%	278
2009	21,835,000	43,460,342	2,261,000	1,494,801	69,051,143	0.7%	224
2008	22,805,000	16,835,000	2,428,000	1,973,160	44,041,160	0.4%	146
2007	23,745,000	17,400,000	2,640,000	2,389,668	46,174,668	0.5%	156

Source: For outstanding debt details, see the notes to the financial statement.

Notes:

- (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (2) Beginning in 2012, deferred amounts on refundings are no longer included in the debt computations as per GASB 65. 2011 debt numbers have been restated to be consistent with future years. Years prior to 2011 have not been restated.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 10 RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

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<u>December 31,</u>	<u>General Obligation Bonds</u>	<u>Adjusted Taxable Valuation</u>	<u>Less Amount In Debt Service Reserves</u>	<u>Percentage of Actual Taxable Value of Property</u>	<u>Population</u>	<u>Per Capita</u>
2016	\$ 14,780,075	\$ 20,446,033,623	-	0.07%	342,281	\$ 43
2015	16,260,573	18,877,150,704	-	0.09%	336,043	48
2014	17,724,100	18,010,803,256	-	0.10%	329,692	54
2013	19,155,656	16,462,557,306	-	0.12%	322,094	59
2012	20,555,240	15,801,517,185	-	0.13%	315,809	65
2011	19,805,000	15,680,706,811	-	0.13%	312,603	63
2010	20,835,000	16,197,778,174	-	0.13%	306,479	68
2009	21,835,000	16,532,563,369	-	0.13%	307,656	71
2008	22,805,000	16,904,953,492	-	0.13%	301,915	76
2007	23,745,000	13,959,256,845	-	0.17%	296,029	80

Source: For outstanding debt details, see the notes to the financial statements.

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 11  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
DECEMBER 31, 2016**

Taxing Entity	2016 Year-End Taxable Valuation 1	County's Portion of Taxable Valuation	County's Percentage	Entity's Outstanding G.O. Debt	Davis County Overlapping Debt
Overlapping:					
State of Utah	\$ 240,124,539,695	\$ 20,391,317,626	8.5%	\$ 2,173,985,000	\$ 184,788,725
Davis County School District	20,446,033,623	20,446,033,623	100.0%	460,010,000	460,010,000
Total Overlapping G.O. Debt					<u>644,798,725</u>
Underlying:					
Weber Basin Water Conservatory District 2,3	51,936,625,431	20,444,518,431	39.4%	19,862,674	7,825,894
Clearfield City 3	1,641,526,469	1,641,526,469	100.0%	4,455,000	-
Farmington City	1,601,841,968	1,601,841,968	100.0%	7,982,000	7,982,000
South Davis Recreation District 4	7,844,791,297	7,844,791,297	100.0%	10,590,000	10,590,000
North Salt Lake City 3	1,720,554,314	1,720,554,314	100.0%	560,000	-
North Davis County Sewer District	10,099,388,073	8,688,284,620	86.0%	26,970,000	23,194,200
Total Underlying					<u>49,592,094</u>
Total Overlapping & Underlying Debt					<u>\$ 694,390,819</u>
Total Overlapping Debt (Excluding the State) 5					\$ 460,010,000
Total Direct Debt					65,201,451
Total Direct and Overlapping Debt (Excluding the State) 5					<u>\$ 525,211,451</u>
Total Underlying Debt					\$ 49,592,094
Total Direct Debt					65,201,451
Total Direct and Underlying Debt					<u>\$ 114,793,545</u>
Total Overlapping & Underlying Debt (Excluding the State) 5					\$ 509,602,094
Total Direct Debt					65,201,451
Total Direct, Overlapping and Underlying Debt (Excl. the State) 5					<u>\$ 574,803,545</u>

Notes:

- 1 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 self-supporting except for a maximum .000199 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

## STATISTICAL SCHEDULE 12 LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

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<u>Fiscal Year</u>	<u>Estimated Actual Market Value</u>	<u>Debt Limit</u>	<u>Total net debt applicable to limit</u>	<u>Legal debt margin</u>	<u>Total net debt applicable to the limit as a percentage of debt limit</u>
2016	\$ 31,623,889,734	\$ 632,477,795	\$ 14,780,075	\$ 617,697,720	2.34%
2015	29,257,820,639	585,156,413	16,260,573	568,895,840	2.78%
2014	28,052,491,146	561,049,823	17,724,100	543,325,723	3.16%
2013	24,965,085,765	499,301,715	19,155,656	480,146,059	3.84%
2012	24,023,945,974	480,478,919	20,555,240	459,923,679	4.28%
2011	25,595,666,942	511,913,339	19,805,000	492,108,339	3.87%
2010	25,058,738,383	501,174,768	20,835,000	480,339,768	4.16%
2009	25,477,711,753	509,554,235	21,835,000	487,719,235	4.29%
2008	26,372,578,441	527,451,569	22,805,000	504,646,569	4.32%
2007	22,432,352,520	448,647,050	23,745,000	424,902,050	5.29%

Note: The General Obligation Indebtedness of the County is limited by Utah Law to two percent of the "reasonable fair cash value" of taxable property in the County.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 13

### PLEDGED - REVENUE COVERAGE

#### LAST TEN FISCAL YEARS

Fiscal Year Ended December 31,	Lease Revenue Bonds				Sales Tax Revenue Bonds			
	Lease Revenue Collection	Principal	Interest	Coverage	Total Pledged Taxes	Principal	Interest	Coverage
2016	\$ 80,878	\$ 75,000	\$ 5,878	100%	\$ 14,720,513	\$ 2,057,000	\$ 1,463,058	418%
2015	77,951	71,000	6,951	100%	14,194,393	1,915,000	1,599,118	404%
2014	74,964	67,000	7,964	100%	13,364,291	1,830,000	1,729,655	375%
2013	73,940	65,000	8,940	100%	12,615,253	1,780,000	1,781,758	354%
2012	70,864	61,000	9,864	100%	12,015,480	1,730,000	1,830,120	338%
2011	94,578	59,000	35,578	100%	11,183,227	1,680,000	1,875,032	315%
2010	135,675	55,000	80,675	100%	10,411,345	1,630,000	1,948,808	291%
2009	293,516	167,000	126,516	100%	10,161,709	575,000	635,632	839%
2008	350,713	212,000	138,713	100%	11,484,426	565,000	770,318	860%
2007	331,345	203,000	146,790	95%	12,038,549	540,000	783,439	910%

# DAVIS COUNTY

## STATISTICAL SCHEDULE 14 DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population</u>	<u>Births</u>	<u>Deaths</u>	<u>Personal Income</u>	<u>Per Capita Personal Income*</u>	<u>Unemployment Rate</u>	<u>Total Public School Enrollment</u>
2016	342,281	5,687	1,762	n/a	n/a	3.3%	71,021
2015	336,043	5,870	1,710	13,441,720,000	40,000	3.3%	69,879
2014	329,692	5,772	1,684	12,782,158,840	38,770	3.6%	69,139
2013	322,094	5,720	1,612	12,359,390,968	38,372	4.2%	68,571
2012	315,809	5,844	1,544	11,724,093,316	37,124	5.0%	68,342
2011	312,603	5,704	1,514	10,864,517,265	34,755	6.2%	71,232
2010	306,479	5,799	1,329	10,364,200,343	33,817	7.3%	66,019
2009	307,656	6,069	1,339	10,184,644,224	33,104	7.0%	65,452
2008	301,915	6,203	1,359	10,048,636,945	33,283	3.2%	65,014
2007	296,029	6,148	1,357	9,798,559,900	33,100	2.5%	64,553

Source: Utah Department of Workforce Services, Utah Population Estimates Committee, Davis County School District, Davis County Vital Statistics, Bureau of Economic Analysis, Census.gov.

\* Note: 2016 per capita personal income, and personal income information was not available at the time this was released.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 15 PRINCIPAL EMPLOYERS PRIOR YEAR AND NINE YEARS AGO

Employer	2015			2007		
	Employees	Rank	Percentage of Total County Employment 153,493	Employees	Rank	Percentage of Total County Employment 146,771
Hill Air Force Base	10,000 - 14,999	1	9.8%	10,000 - 14,999	1	10.2%
Davis County School District	7,000 - 9,999	2	6.5%	5,000 - 6,999	2	4.8%
ATK Space Systems / Alliant	1,000 - 1,999	3	1.3%	n/a - n/a	n/a	0.0%
Smith's Food and Drug / Distribution Center	1,000 - 1,999	4	1.3%	1,000 - 1,999	5	1.4%
Walmart	1,000 - 1,999	5	1.3%	1,000 - 1,999	6	1.4%
Lifetime Products	1,000 - 1,999	6	1.3%	1,000 - 1,999	4	1.4%
Lagoon Inc	1,000 - 1,999	7	1.3%	1,000 - 1,999	3	1.4%
Davis County	1,000 - 1,999	8	1.3%	500 - 999	9	0.7%
Utility Trailer & Manufacturing	500 - 999	9	0.7%	n/a - n/a	n/a	0.0%
Davis Hospital and Medical Center	500 - 999	10	0.7%	500 - 999	10	0.7%
Albertson's	n/a - n/a	n/a	0.0%	500 - 999	7	0.7%
Citicorp Credit Services	n/a - n/a	n/a	0.0%	500 - 999	8	0.7%
Totals	<u>24,000 - 38,990</u>		<u>25.5%</u>	<u>21,000 - 33,990</u>		<u>23.4%</u>

Source: Utah Department of Workforce Services

Note: 2016 data was not available at the time this report was issued. Number of employees is based upon an annual average.

# DAVIS COUNTY

## STATISTICAL SCHEDULE 16 FULL TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Function/Program	Full-Time Equivalent Employees as of December 31,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>General Government</b>										
Commission	5	5	5	5	5	5	5	5	5	5
Justice Court	8	9	11	9	10	11	10	8	9	8
Human Resources	9	10	10	10	10	7	7	7	8	6
Info Systems	33	33	33	32	31	30	30	29	29	29
Clerk/Auditor	30	27	23	24	26	24	24	23	24	21
Treasurer	4	4	4	4	4	4	4	4	4	5
Recorder	16	17	17	18	18	18	18	17	19	19
Attorney	45	45	44	43	43	40	38	39	41	40
Assessor	35	37	38	38	38	37	38	39	36	35
Surveyor	6	6	6	6	6	6	6	6	6	6
Tax Administration	n/a	n/a	4	4	5	5	4	5	n/a	n/a
Senior Services	32	30	30	27	29	31	32	32	33	31
Weatherization	n/a	2	11	13	17	19	16	12	9	n/a
<b>Public Safety</b>										
Sheriff's Officers	131	133	135	134	133	128	131	130	130	129
Correction's Officers	179	177	183	177	184	185	186	186	183	183
Animal Care and Control	24	27	26	27	27	27	27	26	24	24
911-Emergency	21	20	21	22	21	22	22	21	21	19
<b>Health/Nursing</b>										
WIC Program	10	10	10	11	13	13	13	13	8	9
Epidimiology	8	8	8	7	8	8	7	6	6	3
Administration	15	10	10	10	8	9	9	8	8	7
Air Quality	n/a	2	3	3	24	28	29	29	29	29
Environmental	18	17	18	17	16	16	15	16	16	15
Nursing	17	16	14	12	14	12	12	12	29	35
Promotion	8	8	7	6	5	4	5	5	5	5
Public Health Performance	n/a	4	4	3	4	4	4	4	4	n/a
<b>Redevelopment</b>										
Community and Economic Development	8	4	4	4	4	4	4	4	4	8
Planning	n/a	5	5	5	5	5	4	4	4	n/a
<b>Parks and recreation</b>										
Valley View Golf Course	15	15	15	14	16	17	18	25	24	16
Davis Park Golf Course	13	13	13	14	13	13	15	21	20	18
Events Center	9	10	10	9	9	11	14	14	13	14
Library	84	84	85	85	84	84	84	94	89	88
Public Works	27	27	28	27	28	29	29	29	28	26
Facilities Management	17	29	28	30	29	29	28	29	26	27
<b>Total</b>	<b>827</b>	<b>844</b>	<b>863</b>	<b>850</b>	<b>887</b>	<b>885</b>	<b>888</b>	<b>902</b>	<b>894</b>	<b>860</b>

Source: Davis County Personnel Department

Starting in 2010 total employees in each department is calculated by actual hours worked by department divided by 2080 hours, instead of part-time equivalent ratio's. The number is then rounded to nearest whole number.

Starting in 2015 Tax Administration is part of the Clerk/Auditor Department.

Starting in 2016 Planning combined with Community and Economic Development.

Starting in 2016 Public Health Performance combined with Health Admin.

Starting in 2016 Air Quality combined with Environmental Health.

Starting in 2016 Facilities Management began contracting for janitorial services.

**DAVIS COUNTY**

**STATISTICAL SCHEDULE 17  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>Fiscal Year 2016</b>	<b>Fiscal Year 2015</b>	<b>Fiscal Year 2014</b>	<b>Fiscal Year 2013</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2011</b>	<b>Fiscal Year 2010</b>	<b>Fiscal Year 2009</b>	<b>Fiscal Year 2008</b>	<b>Fiscal Year 2007</b>
<b>General Government</b>										
<b>Clerk/Auditor</b>										
Veteran Abatements	7,630	6,655	9,588	5,665	5,454	5,165	4,684	4,310	3,929	2,295
Circuit Breaker Abatements	857	885	927	931	964	949	960	985	957	949
Blind Abatements	115	131	128	122	123	147	157	149	153	163
Indigent Abatements	145	161	161	169	163	174	172	140	141	118
<b>Treasurer</b>										
Number of Tax Notices Sent	101,340	100,481	99,643	98,448	97,436	97,202	96,956	96,307	95,221	92,426
<b>Recorder</b>										
Number of Recordings	78,142	71,735	57,612	72,679	75,848	58,756	73,504	89,770	82,145	99,029
<b>Sheriff</b>										
Traffic Citations	4,513	3,542	3,259	3,960	5,129	5,637	6,010	6,896	5,779	5,507
DUIs	141	102	131	144	175	158	221	239	352	402
Arrests	1,350	1,016	953	1,035	1,471	1,363	1,346	1,588	1,580	1,748
E-911 phone calls	186,406	189,890	181,303	192,705	139,699	138,802	124,502	133,733	141,086	249,167
Average number of inmates	666	696	698	689	727	755	642	726	730	712
<b>Senior Services</b>										
Total Meals Delivered	123,547	123,429	121,719	137,254	141,980	145,903	157,974	154,250	152,042	150,987
<b>Health/Nursing</b>										
Client Count	8,073	10,814	12,587	11,164	11,890	9,613	11,495	17,645	17,130	24,268
Number of Immunizations	12,157	16,751	17,302	20,199	16,456	15,628	15,303	18,517	16,433	23,826
<b>Weatherization</b>										
Homes Serviced	n/a	29	114	131	162	214	230	153	108	108
<b>Library</b>										
Items Loaned	2,769,721	2,750,531	2,779,102	2,805,128	2,807,144	2,817,866	2,843,728	2,753,295	2,537,384	2,386,571
Materials Held	816,407	751,754	744,984	728,954	714,722	716,289	690,803	675,184	653,349	647,332
Registered Users	169,638	173,783	176,144	183,179	168,062	171,254	185,051	187,639	169,981	160,217
<b>Golf Course</b>										
Rounds	145,457	153,088	156,058	150,556	158,395	143,542	150,487	151,217	150,146	167,872

Source: Davis County Libraries

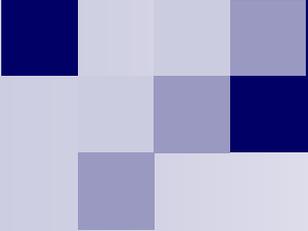
**DAVIS COUNTY**

**STATISTICAL SCHEDULE 18  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

<b>Function/Program</b>	<b>Fiscal Year 2016</b>	<b>Fiscal Year 2015</b>	<b>Fiscal Year 2014</b>	<b>Fiscal Year 2013</b>	<b>Fiscal Year 2012</b>	<b>Fiscal Year 2011</b>	<b>Fiscal Year 2010</b>	<b>Fiscal Year 2009</b>	<b>Fiscal Year 2008</b>	<b>Fiscal Year 2007</b>
<b>General</b>										
Buildings	4	4	4	4	4	3	3	3	3	3
Total Square Footage	157,585	157,585	157,585	157,585	157,585	59,560	59,560	59,560	59,560	59,560
Vehicles	33	24	26	26	25	30	33	34	31	22
<b>Golf Courses</b>										
Acres	280	280	280	280	280	280	280	280	280	280
Number of Buildings	5	5	5	5	5	5	5	5	5	5
Total Square Footage	27,072	27,072	27,072	27,072	27,072	27,072	27,072	27,072	24,104	24,104
Vehicles	7	7	7	7	7	6	7	7	7	8
<b>Events Centers</b>										
Number of Buildings	12	12	12	12	12	11	11	11	11	11
Total Square Footage	147,209	147,209	147,209	147,209	147,209	142,982	142,982	142,982	142,982	142,982
Vehicles	4	5	5	5	5	5	6			
<b>Public Libraries</b>										
Number of Library Buildings	7	7	7	7	7	6	6	6	6	6
Total Square Footage	119,283	119,283	110,704	110,704	110,704	96,203	96,203	96,203	96,203	96,203
Vehicles	1	1	1	1	1	1	2	2	2	2
<b>Conference Center (Sq. Ft.)</b>										
	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000
<b>Health/Nursing</b>										
Number of Buildings	5	5	5	5	5	5	6	5	5	5
Total Square Footage	85,520	85,520	85,520	85,520	85,520	85,520	123,216	56,663	56,663	56,663
Vehicles	10	23	23	23	22	22	1	1	1	1
<b>Sheriff/Corrections</b>										
Number of Buildings	4	4	4	4	4	4	3	3	3	3
Total Square Footage	325,472	325,472	325,472	325,472	325,472	325,472	259,074	259,074	259,074	259,074
Sheriff Vehicles	95	93	93	93	93	92	124	121	122	106
<b>Animal Control</b>										
Animal Control Square Footage	12,577	12,577	12,577	12,577	12,577	12,577	14,033	14,033	14,033	14,033
Animal Control Vehicles	14	17	17	18	18	18	20	20	20	19
<b>Floods</b>										
Number of Channels	24	24	24	24	24	24	24	24	24	24
Miles of Stream Channels	198	198	198	198	198	198	198	198	198	198
Miles of Stream Bank	400	400	400	400	400	400	400	400	400	400
<b>Senior Services</b>										
Number of Senior Centers	3	3	3	3	3	3	2	2	2	2
Total Square Footage	36,511	36,511	36,511	36,511	36,511	36,511	50,732	50,732	50,732	50,732
Vehicles	22	25	25	25	25	25	37	36	32	35
<b>Public Works</b>										
Number of Buildings	6	6	6	6	6	6	6	6	6	6
Total Square Footage	32,052	32,052	32,052	32,052	32,052	32,052	32,052	32,052	32,052	32,052
Vehicles	29	30	30	30	30	30	46	47	45	45

Source: Various Departments of Davis County

Trailers and ATVs were not counted in the vehicle totals starting in 2011



## ***IV. Single Audit Section***



**Davis**  
C O U N T Y



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

The Honorable County Commission  
Davis County, Utah

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Davis County, Utah, as of and for the year ended December 31, 2016, which collectively comprise Davis County, Utah's basic financial statements and have issued our report thereon dated June 16, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

*Ulrich & Associates, P.C.*

Ogden, UT  
June 16, 2017

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY UNIFORM GUIDANCE**

The Honorable County Commission  
Davis County, Utah

Report on Compliance for Each Major Federal Program

We have audited Davis County, Utah's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Davis County, Utah's major federal programs for the year ended December 31, 2016. Davis County, Utah's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Davis County, Utah's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance 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 Davis County, Utah's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Davis County, Utah's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, Davis County, Utah, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of Davis County, Utah is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Davis County, Utah's, internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Davis County, Utah's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

*Ulrich & Associates, P.C.*

Ogden, Utah

June 16, 2017

**DAVIS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

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**Summary of Auditors' Results**

*Financial Statements:*

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

-Material weaknesses identified  Yes  No

-Significant deficiencies identified that are not considered to be Material weaknesses?  Yes  No

*Federal Awards:*

Internal control over major programs:

-Material weaknesses identified  Yes  No

-Significant deficiencies identified that are not considered to be Material weaknesses?  Yes  No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*  Yes  No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
10.557	Special Supplemental Nutrition Program for Women, Infants & Children
93.958	Block Grants for Community Mental Health Services

The dollar threshold for distinguishing Types A and B programs was \$750,000.

Auditee qualified as low-risk auditee  Yes  No

**Findings - Financial Statement Audit**

None

**Findings and Questioned Costs - Major Federal Award Programs Audit**

None

**Findings - Financial Statements**

None



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**DAVIS COUNTY**

**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Page 1 of 2)

<b>Federal Grantor Agency Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>2016 Expenditures (Modified Accrual Basis)</b>	<b>2016 Expenditures to Subrecipients</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	2,875,239	
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	152700151	955,203	
Total U.S. Department of Agriculture			<u>\$ 3,830,442</u>	<u>\$ -</u>
U.S. Election Assistance Commission				
Help America Vote Act Requirements Payments	90.401		8,816	
Total U.S. Election Assistance Commission			<u>\$ 8,816</u>	<u>\$ -</u>
U.S. Department of Health and Human Services				
Food and Drug Administration_Research	93.103	G-MP-1510-03301, G-SP-1509-02899	22,500	
Passed through Utah State Department of Health:				
Public Health Emergency Preparedness	93.069	162700155, 162701088, 172000089	344,334	
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	152700470	31,902	
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	152700345	5,583	
Injury Prevention and Control Research and State and Community Based Programs	93.136	172700023	32,508	
Centers for Disease Control and Prevention_Investigations and Technical Assistance	93.283	152700567, 162700597, 162700994, 172700205	58,834	
National State Based Tobacco Control Programs	93.305	162700056	39,464	
Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in theEpidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP)Cooperative Agreements; PPHF	93.521	15-1072, 152700200, 162700400	16,059	
PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds.	93.539	162700610	90,140	
Temporary Assistance for Needy Families	93.558	162700083	38,278	
State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF)	93.757	152700434, 162700157	77,310	
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758	162700158, 162700330, 162700344, 162701014, 172700465	191,806	
Medical Assistance Program	93.778	16-0605, 162700282 162700988, 162701006	116,118	
Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations & Evaluations	93.779	16-0104	24,838	
Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.815	162700873	4,451	
Maternal, Infant, and Early Childhood Home Visiting Grant Program	93.870	162700083	538,888	
National Bioterrorism Hospital Preparedness Program	93.889	162700155, 162701088	14,547	
HIV Prevention Activities_Health Department Based	93.940	152700287	7,000	
Assistance Programs for Chronic Disease Prevention and Control	93.945	162700553, 162700158	9,248	
Preventive Health Services_Sexually Transmitted Diseases Control Grants	93.977	152700276	16,855	
Maternal and Child Health Services Block Grant to the States	93.994	13-1448, 162701014	110,908	
Passed through Utah State Department of Human Services:				
Special Programs for the Aging_Title VII, Chapter3_Programs for Prevention of Elder Abuse, Neglect, and Exploitation	93.041	16-0104	15,569	
Special Programs for the Aging_Title VII, Chapter 2_Long Term Card Ombudsman Services for Older Individuals	93.042	16-0104	9,652	
Special Programs for the Aging_Title III, Part D, Disease Prevention and Health Promotion Services	93.043	16-0104	17,567	
Special Programs for the Aging_Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	16-0104	167,004	
Special Programs for the Aging_Title III, Part C, Nutrition Services	93.045	16-0104	546,397	
Special Programs for the Aging_Title IV_and Title II_Discretionary Projects	93.048	16-0104	37,814	
National Family Caregiver Support, Title III, Part E	93.052	16-0104	85,058	
Nutrition Services Incentive Program	93.053	16-0104	109,884	
Medicare Enrollment Assistance Program	93.071	16-0104	20,162	
Comprehensive Community Mental Health Seervices for Children with Serious Emotional Disturbances (SED)	93.104	16-1500	116,000	
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	15-1554, 16-0353	618,800	618,800

See notes to supplementary schedule of Federal financial assistance.

**DAVIS COUNTY**

**SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

(Page 2 of 2)

<b>Federal Grantor Agency Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>2016 Expenditures (Modified Accrual Basis)</b>	<b>2016 Expenditures to Subrecipients</b>
U.S. Department of Health and Human Services (continued):				
Passed through Utah State Department of Health (continued):				
Substance Abuse and Mental Health Services_Access to Recovery	93.275	14-0210	51,109	51,109
Social Services Block Grant	93.667	13-0374, 16-0104	181,166	181,166
Block Grants for Community Mental Health Services	93.958	14-0206, 16-0073, 16-1648	378,699	378,699
Block Grants for Prevention and Treatment of Substance Abuse	93.959	15-1876, 16-0072	1,317,562	1,317,562
Passed through National Association of City and County Officials				
Medical Reserve Corps Small Grant Program	93.008		15,000	
Total U.S. Department of Health and Human Services			<u>\$ 5,479,014</u>	<u>\$ 2,547,336</u>
Department of Homeland Security				
Passed through Utah State Department of Public Safety:				
Hazard Mitigation Grant	97.039	FEMA DR-1955-UT HMGP	8,324	
Emergency Management Performance Grants	97.042	EMPG-2016-DEM-006	55,000	
Homeland Security Grant Program	97.067	DAVS-15HSGP	12,333	
Passed through Weber County Government:				
Homeland Security Grant Program	97.067	DAVS-14HSGP	9,589	
Total Department of Homeland Security			<u>\$ 85,246</u>	<u>\$ -</u>
U.S. Department of Housing and Urban Development				
Community Development Block Grants/Entitlement Grant	14.218		746,179	666,179
Total Department of Housing and Urban Development			<u>\$ 746,179</u>	<u>\$ 666,179</u>
U.S. Department of Justice				
State Criminal Alien Assistance Program	16.606	2016-APBX0541	77,160	
Equitable Sharing Program	16.922		38,281	
Passed through Utah State Office for Victims of Crime:				
Crime Victim Assistance	16.575	15VOCA 18, 16VOCA 18 15VOCA 19, 16VOCA 19	115,120	
Passed through Utah Department of Human Services				
Drug Court Discretionary Grant Program	16.585	14-2075	8,643	
Passed through National Childrens Alliance				
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758	2-FARM-UT-SA16	9,000	
Passed through Utah Attorney Generals Office				
Internet Crimes against Children Task Force Program	16.800	MOU	21,865	
Passed through Utah Commission on Criminal and Juvenile Justice				
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants to Units of Local Government	16.804	15A116, 16A116	6,738	
Passed through Layton City Government				
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program / Grants to Units of Local Government	16.804	2016-H3400-UT-DJ	2,000	
Total U.S. Department of Justice			<u>\$ 278,807</u>	<u>\$ -</u>
U.S. Department of Transportation				
Passed through Utah Department of Transportation				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	15-1544, 16-8337	142,437	
Passed through Utah Department of Public Safety				
National Priority Safety Programs	20.616	AR-OT-2016-UTAH, MO,	16,665	
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703	DAV-16HMEP	1,320	
Total U.S. Department of Transportation			<u>\$ 160,422</u>	<u>\$ -</u>
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>			<u><u>\$ 10,588,926</u></u>	<u><u>\$ 3,213,515</u></u>

See notes to supplementary schedule of Federal financial assistance.

**DAVIS COUNTY**  
**NOTES TO SUPPLEMENTARY SCHEDULE OF**  
**EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

1. ***Basis of Presentation*** - The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Davis County under programs of the federal government for the year ended December 31, 2016. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Davis County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Davis County.
2. ***Summary of Significant Accounting Policies*** –
  - a. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
  - b. Davis County has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.
  - c. Pass-through entity identifying numbers are presented where available.
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.