DAVIS COUNTY UTAH

Comprehensive Annual Financial Report

For the Fiscal Year Ended

December 31, 2013

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF

DAVIS COUNTY, UTAH

For the Fiscal Year Ended December 31, 2013

Prepared by:

Davis County Clerk / Auditor's Office

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DAVIS COUNTY, UTAH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended December 31, 2013

TABLE OF CONTENTS

I. INTRODUCTORY SECTION	Exhibit	Page
Title Page		1
Table of Contents		2
Transmittal Letter		4
Certificate of Achievement		12
Organization Chart		13
II. FINANCIAL SECTION		
Independent Auditors' Report		18
Management's Discussion and Analysis		20
Basic Financial Statement		
Government-wide Financial Statements		
Statement of Net Position	A	32
Statement of Activities	B	33
Governmental Fund Financial Statements		
Balance Sheet	C	36
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position	D	37
Statement of Revenues, Expenditures, and Changes in Fund Balances	E	38
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds to the Statement of Activities	F	39
Proprietary Fund Financial Statements		
Statement of Net Position	G	42
Statement of Revenues, Expenses, and Changes in Fund Net Position	H	43
Statement of Cash Flows	I	44
Fiduciary Fund Financial Statements		
Statement of Fiduciary Assets and Liabilities	J	46
Notes to the Financial Statements	K	48
Required Supplementary Information		
Notes to Required Supplementary Information		75
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual		
General Fund	L	76
Health Special Revenue Fund	M	79
Library Special Revenue Fund	N	80
Information About Other Postemployment Benefit Plan	O	81
Supplementary Information		
Nonmajor Governmental Funds		
SS 1. Combining Balance Sheet		86
SS 2. Combining Statement of Revenues, Expenditures, and Changes in Fund Balances		88
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual		
SS 3. Flood Control Capital Projects Fund		90
SS 4. Campus Construction Capital Projects Fund		91
SS 5. Tourism Special Revenue Fund		92
SS 6. Aging Services Special Revenue Fund		93
SS 7. Special Services Area Special Revenue Fund		94
SS 8. Emergency 911 Dispatch Special Revenue Fund		95
SS 9. Municipal Building Authority Special Revenue Fund		96
SS 10. General Obligation Debt Service Fund		97

TABLE OF CONTENTS

Supplementary Information (Continued) Page

SS 11. Municipal Building Authority Debt Service Fund 98
SS 12. Sales Tax Revenue Bonds Debt Service Fund 99
SS 13. Capital Projects Fund 100

Proprietary Funds – Internal Service Funds
SS 14. Combining Statement of Net Position 102
SS 15. Combining Statement of Revenues, Expenses, and Changes in Net Position 103
SS 16. Combining Statement of Cash Flows 104

Fiduciary Funds – Agency Funds
SS 17. Combining Statement of Fiduciary Assets and Liabilities 106
SS 18. Combining Statement of Changes in Assets and Liabilities 107

Other Schedules
SS 19. Schedule of Taxes Charged, Collected, and Disbursed 110
SS 20. Schedule of Receipts and Disbursements – Treasurer's Tax Collection Fund 112

III. STATISTICAL SECTION

Stat. 1. Net Position by Component – Last Ten Fiscal Years 116
Stat. 2. Changes in Net Position – Last Ten Fiscal Years 118
Stat. 3. Fund Balances, Governmental Funds – Last Ten Fiscal Years 120
Stat. 4. Changes in Fund Balances, Governmental Fund – Last Ten Fiscal Years 122
Stat. 5. Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years 124
Stat. 6. Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years 126
Stat. 7. Principal Property Tax Payers – Current Year and Nine Years Ago 128
Stat. 8. Property Tax Levies and Collections – Last Ten Fiscal Years 129
Stat. 9. Ratios of Outstanding Debt by Type – Last Ten Fiscal Years 130
Stat. 10. Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years 131
Stat. 11. Computation of Direct and Overlapping Debt 132
Stat. 12. Legal Debt Margin Information – Last Ten Fiscal Years 133
Stat. 13. Pledged – Revenue Coverage – Last Ten Fiscal Years 134
Stat. 14. Demographic and Economic Statistics – Last Ten Fiscal Years 135
Stat. 15. Principal Employers – Prior Year and Nine Years Ago 136
Stat. 16. Full Time Equivalent County Government Employees by Function/Program–Last Ten Fiscal Years 137
Stat. 17. Operating Indicators by Function/Program – Last Ten Fiscal Years 138
Stat. 18. Capital Asset Statistics by Function/Program – Last Eight Fiscal Years 140

IV. SINGLE AUDIT SECTION

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* 143
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by *OMB Circular A-133.* 144
Schedule of Findings and Questioned Costs 146
Supplementary Schedule of Expenditures of Federal Awards 148
Notes to Supplementary Schedule of Expenditures of Federal Awards 150

Davis County

COUNTY CLERK/AUDITOR
Steve S. Rawlings, CGFM

June 19, 2014

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

This letter introduces the Comprehensive Annual Financial Report (CAFR) of Davis County (the County) for the fiscal year ended December 31, 2013. The County's CAFR is prepared by the County Clerk/Auditor's Office.

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

We believe the information in this CAFR is accurate in all material respects and presents fairly the financial position and the results of operations of the County in accordance with 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 affairs 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 Christensen, Palmer & Ambrose P.C., has issued an unqualified ("clean") opinion for the County's financial statements for the year ended December 31, 2013. 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.

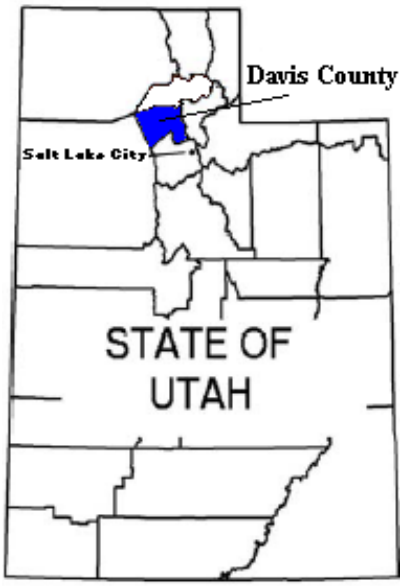
Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

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 U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Government and Non-Profit Organizations*. Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the auditor's report, are contained in Section IV, Single Audit, beginning on page 141.

PROFILE OF THE COUNTY

Davis County is Utah's smallest county in land area, but is the third largest county in population. Although it is a narrow strip of land containing only 223 square miles, it is home to an estimated 316,000 residents living in the County's fifteen communities. Frequented by Shoshone Indians during historic times, the area was among the first settled by members of The Church of Jesus Christ of Latter-day Saints who arrived in the Great Salt Lake Valley in 1847. The lush lake-bottom pastures, fertile soils of the bench lands, and streams flowing out of the high Wasatch Mountains on the east attracted early settlers, who established small farms and close-knit communities. These early settlers established schools, built homes and churches, and created productive farms and shops.

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



During its first half-century, Davis County grew slowly. It supported a hardy pioneer people engaged in irrigation agriculture and raising livestock. The Utah Central Railroad (now the Union Pacific) crossed the County from Ogden on the north to Salt Lake City on the south in 1870 and offered welcome transportation links to bring in manufactured products. This was the beginning of a transition in the County's history that led to mechanized agriculture and a surge of commerce, banking, and local business, along with improved roads, new water systems, and the electrification of homes and businesses. After the turn of the century, the County's 8,000 residents 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 left for new settlements in northern Utah and nearby Idaho and Wyoming.

As the age of the automobile and interurban railways created greater mobility, many County citizens looked to Ogden and Salt Lake City for employment and cultural enrichment. Market gardens, dairy farms, beef cattle, orchards, and fields of grain and sugar beets continued to sustain local farmers. World War II then introduced a new way of life in Davis County. The establishment of Hill Air Force Base in northern Davis County and other defense installations nearby created a surge of civilian employment. Hill AFB quickly became and remains 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 in the next decade. Between 1960 and 1980, the population more than doubled again, from 65,000 to 147,000. By 1990 the population had reached 188,000 and the 2000 census recorded 238,994. The latest census, conducted in 2010, reported a population of 307,550. With a population growth rate of 28.7 percent between the 2000 and 2010 census reports, the County is one of the fastest growing of the four major urban communities along the Wasatch Front. Davis County is projected to build out with a population in excess of 400,000 around the year 2050.

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

Today, many nationally known commercial, industrial, recreational, and service companies provide diversified employment opportunities for residents of Northern Utah. The Freeport Center is the largest distribution center in the State of Utah with more than seven million square feet in 78 buildings ranging in size from 4,000 to 400,000 square feet on 680 acres. It is occupied by more than 70 renowned companies employing some 7,000 employees.

A three-member elected Board of Commissioners is the governing body of Davis County. All Commissioners serve four-year terms, which overlap to enhance continuity for 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 13; all serve four-year terms and are eligible for re-election in the same county-wide elections as the Commissioners. 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 administers 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 work together to insure compliance with the Utah Fiscal Procedures Act. The County provides a diversified range of county-wide services as well as certain municipal type services which are provided only in the unincorporated areas of the County.

Examples of county-wide services include the following: General Government services (such as property tax assessing and collecting, auditing, budgeting, elections, marriage licenses, passports, real estate records, surveying, criminal justice services, and ordinance enactment and enforcement), Educational services (such as libraries and agricultural extension), Social services (such as senior programs), Recreation and Tourism services (such as golf courses, tourism and travel facilities, and County Fair activities), County Support services (such as human resources, information systems, finance, purchasing, and facilities management), Public Safety services (such as correctional facilities, emergency 911, Sheriff protection, paramedic, emergency medical, and animal 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 licenses. These services are funded by property and sales taxes and user fees generated by the citizens of the unincorporated area of the County. They are accounted for in the Special Service Area Fund.

ECONOMIC CONDITION AND OUTLOOK

BUSINESS AND INDUSTRY

In 2013, Davis County's average seasonally adjusted unemployment rate was 4.4 percent, compared to the prior year's rate of 5.3 percent for 2012. This is identical to the State rate of 4.4 percent and favorable to the National rate of 7.35 percent. Comparing unemployment, the state dropped by 1.3 percent while Davis County dropped almost one full percent and the nation dropped 0.75 of one percent. The County and the State continue to have one of the better labor and business climates in the western United States. States that are doing better are seeing a growth spike in renewable energy that is driving the labor numbers down. The work force in Davis County is the youngest in the state and one of the lowest in the nation. This young workforce is well educated and, overall, wages are competitive. Employment in Davis County is distributed among many industries.

The County is unique, primarily because of its proportion of total jobs made up by the government. One of Utah's largest employers, Hill Air Force Base, is located within the County. This skews the County's class of workers classification with 25.5 percent of all non-farm jobs being in the government sector, and Hill AFB as the dominant employer employs nearly one-half of all government workers in the County (along with state and local government, mainly schools). Hill Air Force did lose jobs in 2012 due to government sequestration but leveled out during 2013.

Davis County is working with the cities surrounding Hill Air Force Base and the Base itself to determine programs that could help the base grow and keep them off any base realignment or closure schedules. This includes the relocation of the Air National Guard from the Salt Lake International Airport to the Base, building a second runway to be utilized by civilian aircraft, leasing ground to private businesses to build infrastructure to support the base and private industry and other programs. Hill Air Force Base is a concern for Davis County and it is being monitored very closely.

The Department of Workforce Services has Davis County growing by over 4,500 employees from 2012 to 2013. Based on business visits completed in 2013 Davis County anticipated seeing a strong growth in employment numbers. The unemployment rate has not stabilized with a decrease of one percent from 2012 to 2013. The numbers have dropped even more for the first quarter of 2014. This trend is in line with the state and national drop in unemployment. Current unemployment rate is at 4.0 percent. Anything below 4 percent is considered full employment. It is anticipated that 2014 will show another increase in employment numbers but the unemployment rate should stay constant around 4.0 percent.

Interest rates remain low but have gone up a little as the economy continues to strengthen. Average mortgage rates have increased from 3.81 percent to 4.14 percent year over year. Rates are still low and all indication is the Federal Reserve Board is not going to raise rates. Speculation is this will change in the next year. Total value permit-authorized construction decreased by 9 million from 2012 to 2013. Housing permits were up by 649 with multifamily increasing by over 600 apartments and the valuations were up by over $66M. According to the Real Estate industry, by the year 2020 there will be a need for 60,000 multifamily units along the Wasatch Front. The estimates show that there will only be 40,000 units available. Davis County has seen a jump in multifamily units and will continue to see a jump year over year as previously stated.

The average number of construction jobs increased 4.9 percent in 2013 but is down over 30 percent from 2007. Construction companies have leveled out and are starting to see more work as the housing market starts to rebound. They are still in a very competitive bid process and the projects aren't yielding the margins from 2007 but the projects are growing. The other factor for construction companies is they are seeing higher dollar projects come through which last longer and have better margins. Architectural firms have stated they are seeing more requests for projects in 2013 over 2012 which is a leading indicator to the construction industry that work is growing.

Manufacturing jobs in the County grew slightly in 2013 creating 700 jobs. The value of overall residential permits authorized for construction in the County grew 35 percent in 2013 compared to 2012 figures. Values have gone up as well as the number of homes built in 2013. The housing market is currently being driven up by a strengthening consumer confidence, housing appreciating, and low interest rates. Davis County is expected to see more than 2,000 apartments on the market in 2014. The total value of Non Residential building permits declined by more than $9M in 2013 as compared to 2012. The number of permits was down by 20 from 2013 compared to 2012.

Currently there are over 1,400 homes for sale in Davis County and the average price is $191,956. Number of homes on the market has grown over the last year but most sellers are getting multiple offers and in most cases are getting asking price. Over 1,400 homes equates to 5 months of inventory which is viewed as a seller's market. Sales were healthy in the spring and fall months.

Overall business and construction have seen profits increase but that has been due to cutting overhead costs and doing more with less, this statement holds true from 2012 to 2013. Once the businesses feel consumer confidence is up they will look to expand and hire new employees.

The major employers in Davis County are:

BUSINESS	EMPLOYEES
Hill Air Force Base	10,000-14,999
Davis County School District	7,000-9,999
ATK Space Systems / Alliant	1,000-1,999
Wal-Mart	1,000-1,999
Lifetime Products Inc	1,000-1,999
Lagoon Corporation Inc	1,000-1,999
Davis County	1,000-1,999
Smith's Food and Drug./Distribution Center	1,000-1,999
Utility Trailer & Manufacturing	500-999
Davis Hospital and Medical Center	500-999
Management & Training Corp (Job Corp)	500-999
South Davis Community Hospital Inc	500-999

TRANSPORTATION AND ACCESSIBILITY

Davis County has superb highway accessibility. Interstate 15 runs north and south through the County, providing easy access to Interstate 80 and other major highways throughout the state. Legacy Highway has been a great asset to the County by reducing traffic congestion and flow patterns on the Southwest side of the County. All major western cities are within two day's haul away by commercial carrier, while some are only one day. Utah Department of Transportation has finished expanding Highway 193 from Interstate 15 going west through Clearfield and Syracuse cities ending at the 2000 road. This expansion will eventually connect into the West Davis Corridor completing a five lane east west corridor for northern Davis County. There are multiple circulator studies underway to determine ability to transport people throughout Davis County.

The Salt Lake International Airport is readily accessible to all of Davis County. The airport is a major hub for Delta Airlines with about 75 percent of the traffic. It has a total of 8 airlines operating over 656 scheduled daily departures serving more than 86 cities with non-stop flights. They also provide non-stop service to Paris. Almost 20.2 million passengers traveled through the airport in 2013 making it the 27th busiest airport in North America and 80th in the world. Amenities at the airport include light rail and TRAX access, vehicle rental, restaurants, a golf course, news shops, barber and beauty salons, a full service bank, fax machines, free wi-fi, currency exchange, and translation services, with ample parking. In addition to the Salt Lake International Airport, private plane operators enjoy easy access and accommodations to Sky Park Airport, located in southern Davis County.

Rail services in Utah are provided by Southern Pacific and Union Pacific as well as Amtrak. Second-morning freight service is offered to 90 percent of the western market, and all west coast cities can be served directly by rail from Utah without backtracking. Salt Lake is one of only a couple of areas that have an active intermodal facility. Amtrack provides daily passenger service both east and west. Interstate bus service is provided by Greyhound while the Utah Transit Authority (UTA) provides daily mass transit service in the County and along the Wasatch Front. UTA provides a commuter rail through Davis County with four rail stops within the County.

MAJOR INITIATIVES AND OTHER ACCOMPLISHMENTS

TEAM MANAGEMENT

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

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

MAIN CAMPUS CONSTRUCTION PROJECT – FARMINGTON

In 2010, after many years of planning, favorable financing conditions enabled the Municipal Building Authority of Davis County to issued $19.6 million of Lease Revenue Bonds to finance the construction of three buildings on the main County Campus in Farmington, Utah. The project consisted of a new Administration Building, a new Children's Justice Center, and a new Headquarters Library which are located adjacent to the Davis County Memorial Courthouse. The $19.6 million in bonds are Recovery Zone Bonds, an extension of the American Recovery and Reinvestment Act of 2009, and at the time of issuance qualified for a 45 percent IRS subsidy payment back to the Municipal Building Authority of the County.

The main campus project was built in three phases. First, the Children's Justice Center was completed in 2012 with 9,600 square feet which includes a basement for the civil attorney's division. Work began on the 77,000 square foot three story Administration Building in early 2012, and substantially completed in September 2012. The Headquarters Library which is connected to the new Administration building began construction in mid-2012, and was mostly complete in November 2012. The old Headquarters Library, constructed in 1964, was then demolished to make room for additional parking. Final stages of construction were completed during 2013 and the Campus Construction Fund was closed. The Municipal Building Authority leases the facilities to Davis County. Wadman Corporation served as the general contractor.

CORRIDOR PRESERVATION

The Corridor Preservation Fund has been a successful way for Davis County to procure land for the right of way of future transportation corridors through the County. Corridor preservation is funded through a motor vehicle tax of $10 placed on all vehicle registrations. For the first two years of the fund's existence, the State would match purchases at 50 percent. However, we are no longer in the matching cycle. To date the County has spent over $8 million and secured nearly 100 acres of corridor. Currently, the Utah Department of Transportation (UDOT) is in the process of completing an Environmental Impact Statement on the West Davis Corridor. We expect the Record of Decision (ROD) sometime in 2014.

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 adoption of a formal legal budget for each department. The budget is adopted in December each year for the ensuing year. State statutes define the legal level of budgetary control at the department level. Expenditures should not exceed appropriations at that level. Monthly financial reports are 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 (usually twice each year) to consider necessary adjustments.

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

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

THE REPORTING ENTITY

This CAFR includes all funds of the County as follows:

DESCRIPTION	FUND TYPE
General Fund	General Government
Health Fund	Special Revenue
Library Fund	Special Revenue
Tourism Fund	Special Revenue
Aging Services Fund	Special Revenue
Special Service Area Fund	Special Revenue
Emergency 911 Dispatch Fund	Special Revenue
Municipal Building Authority Fund	Special Revenue
General Obligation Debt Service Fund	Debt Service
Municipal Building Authority Bond Fund	Debt Service
Sales Tax Revenue Bonds Fund	Debt Service
Flood Control Fund	Capital Projects
Campus Construction Fund	Capital Projects
Capital Projects Fund	Capital Projects
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.

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, 2012. This is the twentieth 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. Our highly qualified and professional staff is dedicated to making 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.

Sincerely,

Steve S. Rawlings, CGFM
Clerk/Auditor

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Davis County Utah

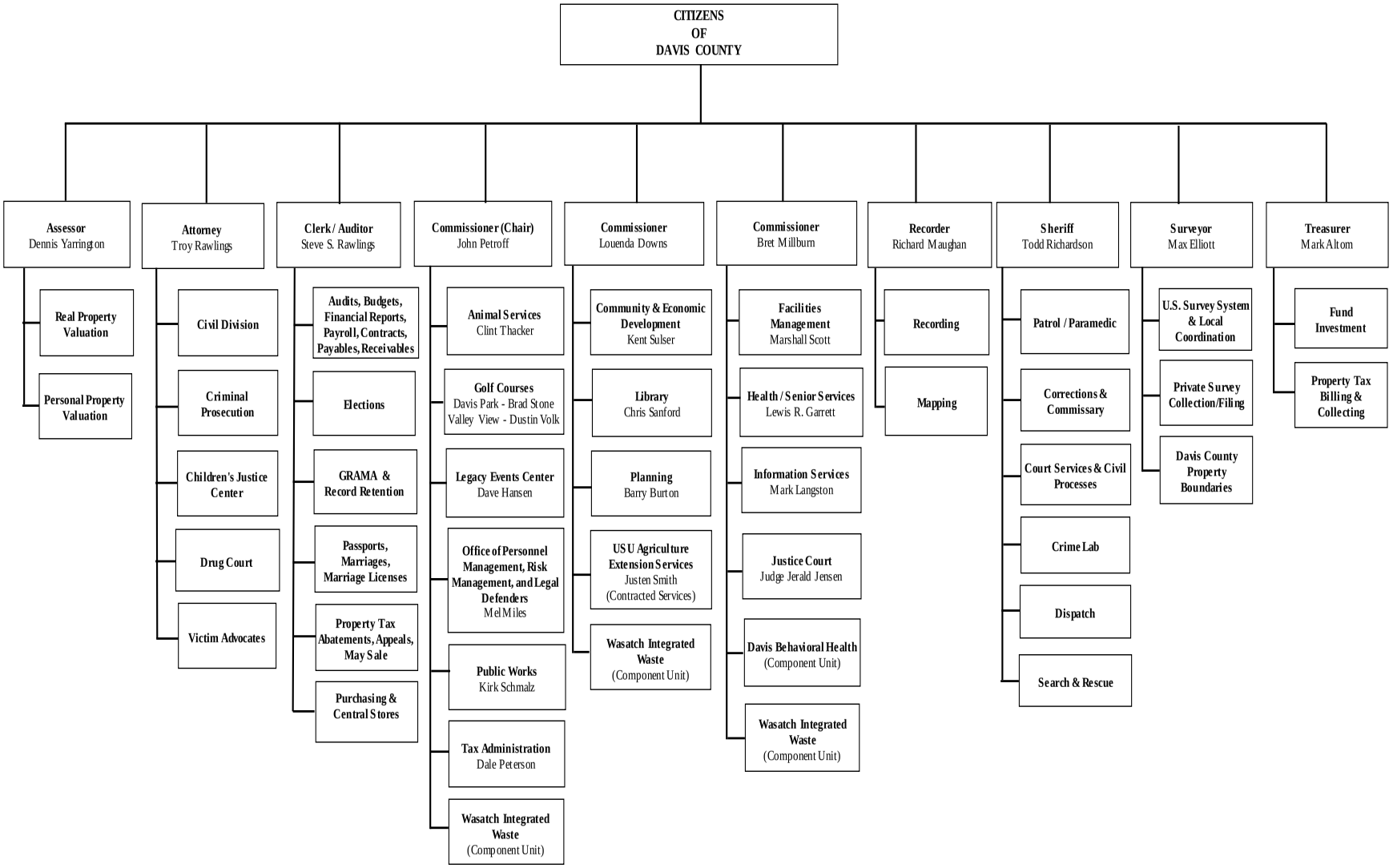
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

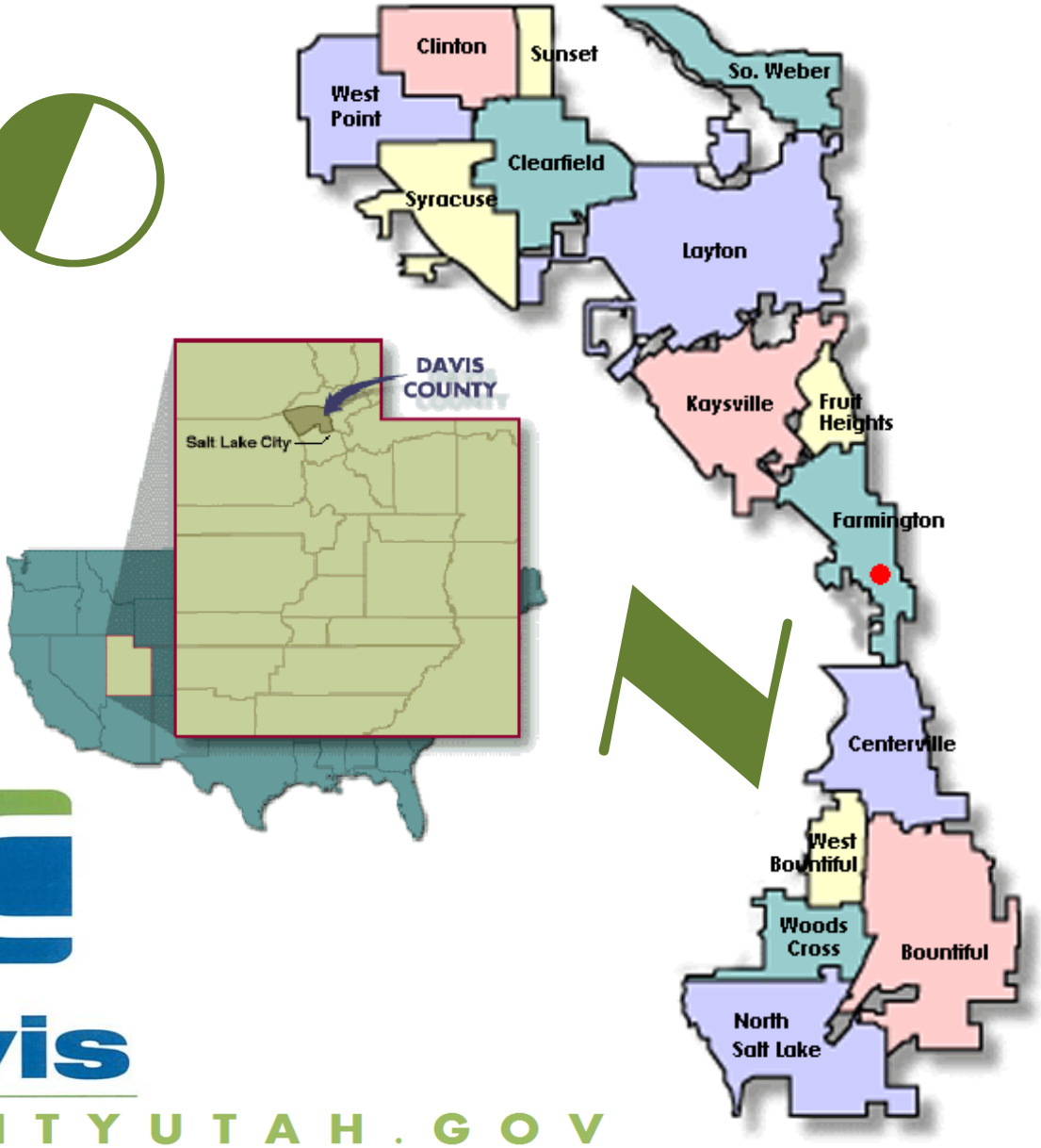
DAVIS COUNTY ORGANIZATION CHART

For the Fiscal Year Ended December 31, 2013



www.daviscountyutah.gov

II. Financial Section



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Christensen,
Palmer & Ambrose
Certified Public Accountants
Business Advisors

Kent R. Christensen, CPA
Jeffrey L. Ambrose, CPA
Chuck Palmer, CPA

INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners
Davis County, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Davis County (the County), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprises 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 which is shown as a discretely presented component unit. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Davis Behavioral Health, is based solely on the reports of such other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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 County'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 County'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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information 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 the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules, and statistical section, 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 6, 2014, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Christensen, Palmer & Ambrose P.C.

June 6, 2014

INTRODUCTION

The following is a discussion and analysis of Davis County's financial performance and activities for the year ended December 31, 2013. 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 by $127.5 million (reported as net position). Of this amount, $30.5 million (unrestricted net position) may be used to meet the County's ongoing obligations while $97 million is restricted for specific uses or invested in capital assets.

- The County's total net position decreased by approximately $1.5 million or about 1.2 percent. Net position of governmental activities decreased $1.4 million or 1.1 percent. Net position of business-type activities decreased by $102 thousand or 3 percent.

Fund Level

- The governmental funds reported combined ending fund balances of $47.9 million, a decrease of $1.1 million in comparison with the prior year. This decrease was primarily the result of capital construction projects in the Campus Construction and Flood Control capital projects funds. Approximately 84.3 percent or 40.4 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 $1.8 million (4 percent) higher in 2013 than the prior year. Of this, nearly $1.5 million was not an actual increase, but was a timing difference between the two years. In other words, the portion of taxes that were considered unavailable in 2012 became available in 2013 and were therefore recognized as revenue in 2013. Likewise, fewer taxes were considered unavailable at the end of 2013. The remaining amount was due to growth of the property tax base throughout the County. General sales taxes increased approximately $819 thousand (about 4.9 percent), indicating that the economy is continuing to recover from 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 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 Davis Behavioral Health's information into the financial statements is that the financial statements may be misleading if it were not included. The basic criterion to include WIWMD as a component unit is that WIWMD is fiscally dependent on the County because an action by the County Commissioners is required in order for WIWMD to levy a tax, issue bonds payable from taxes, or to call or hold an election for the authorization of such tax or bonds.

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 Course 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 governmental fund statements (modified accrual accounting, short-term focus). Following are some of the major differences between the two statements:

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

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Position
The largest component of the County's net position, $90.1 million or 70.7 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 $1 million, the amount of net investment in capital assets actually increased by $2.2 million. The difference was primarily the result of principal payments on related debt exceeding the net change in capital assets.

Restricted net position comprised $6.9 million or 5.4 percent of total net position and is subject to external restrictions on how they may be used. B-Roads accounted for $1.3 million of the restriction, while Debt Service restrictions accounted for another $5.5 million. Unrestricted net position was approximately $31.9 million for governmental activities at December 31, 2013. Unrestricted net position for business-type activities remained relatively unchanged with a $1 thousand decrease during 2013.

Davis County
Net Position
December 31,

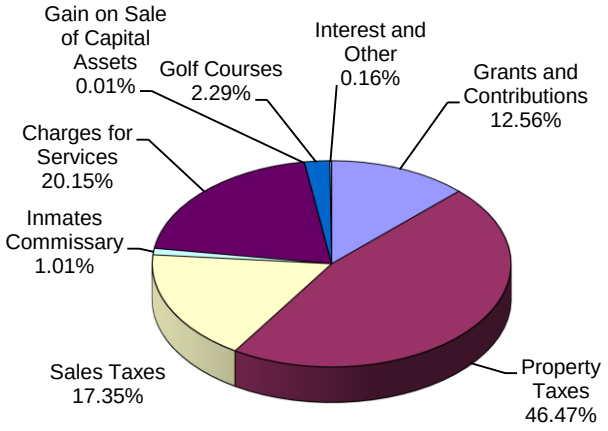
	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	Restated* 2012	2013	2012	2013	Restated* 2012
Current and Other Assets	$ 59,151,323	$ 60,820,012	$ (928,448)	$ (996,584)	$ 58,222,875	$ 59,823,428
Capital Assets	160,826,401	161,676,764	4,819,354	4,920,283	165,645,755	166,597,047
Total Assets	**219,977,724**	**222,496,776**	**3,890,906**	**3,923,699**	**223,868,630**	**226,420,475**
Total deferred outflows of resources	**1,744,223**	**2,090,472**	**-**	**-**	**1,744,223**	**2,090,472**
Current and Other Liabilities	3,938,061	4,631,206	158,937	136,296	4,096,998	4,767,502
Long-term Liabilities	93,671,025	94,422,849	365,256	318,333	94,036,281	94,741,182
Total Liabilities	**97,609,086**	**99,054,055**	**524,193**	**454,629**	**98,133,279**	**99,508,684**
Net Position:						
Net investment in Capital Assets	85,304,816	82,993,856	4,819,354	4,920,283	90,124,170	87,914,139
Restricted	6,873,325	6,423,979	-	-	6,873,325	6,423,979
Unrestricted	31,934,720	36,115,358	(1,452,641)	(1,451,213)	30,482,079	34,664,145
Total Net Position	**$ 124,112,861**	**$ 125,533,193**	**$ 3,366,713**	**$ 3,469,070**	**$ 127,479,574**	**$ 129,002,263**

* 2012 was restated in order to correct an inventory error.

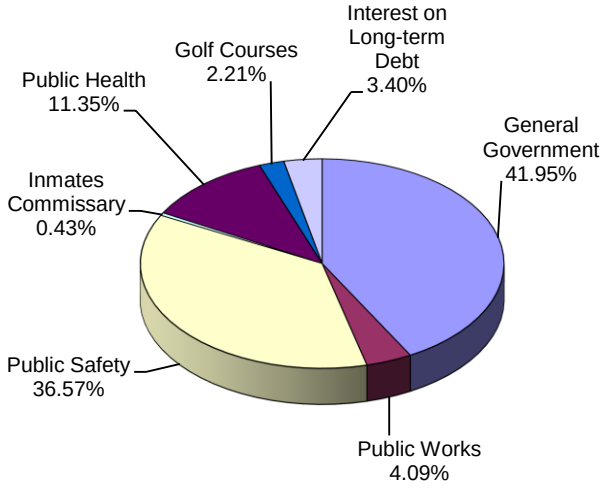
Changes in Net Position

The County's combined net position decreased by approximately $1.5 million or 1.2 percent from the prior year. Most of the decrease in Net Position, specifically $1.4 million or 1.1 percent, is attributable to governmental activities and will be discussed in the Government Activities section found below. Net position of business-type activities decreased by only $102 thousand, which represents a 3 percent decrease from its prior ending balances. Before transfers out, the County's business-type activities (the Golf Course and Jail Commissary) had an increase in net position of $639 thousand. Transfers to the General Fund were comprised of $725 thousand from the Commissary Fund and $16 thousand from the Golf Fund for administration charges. The following charts and schedules summarize the County's revenues and expenses.

Davis County
Total Revenues - 2013



Davis County
Total Expenses - 2013



Governmental Activities

Total tax showed slight increases during 2013. General sales taxes increased approximately $819 thousand (about 4.9 percent) while property taxes increased by $389 thousand (0.8 percent). The 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. The following table shows the comparison of revenue and expenses of governmental activities and business type activities from 2013 compared to 2012.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	Restated* 2012	2013	2012	2013	Restated* 2012
Revenues						
General Revenues:						
Taxes	$ 64,708,174	$ 63,500,096	$ -	$ -	$ 64,708,174	$ 63,500,096
Gain on Sale of Capital Assets	-	1,548,428	7,288	5,300	7,288	1,553,728
Interest Revenue	160,446	288,708	3,958	9,487	164,404	298,195
Program Revenues:						
Charges for Services	20,429,508	22,044,615	3,346,682	3,677,865	23,776,190	25,722,480
Operating Grants	11,928,302	12,542,601	-	-	11,928,302	12,542,601
Capital Grants	799,850	891,064	-	-	799,850	891,064
Total Revenues	**98,026,280**	**100,815,512**	**3,357,928**	**3,692,652**	**101,384,208**	**104,508,164**
Expenses						
General Government	43,166,989	42,270,996	-	-	43,166,989	42,270,996
Public Safety	37,633,934	36,905,270	-	-	37,633,934	36,905,270
Public Health	11,680,397	12,447,487	-	-	11,680,397	12,447,487
Public Works	4,211,655	4,072,629	-	-	4,211,655	4,072,629
Interest on Long-term Debt	3,494,637	3,431,611	-	-	3,494,637	3,431,611
Golf Courses	-	-	2,276,146	2,328,423	2,276,146	2,328,423
Commissary	-	-	443,139	524,585	443,139	524,585
Total Expenses	**100,187,612**	**99,127,993**	**2,719,285**	**2,853,008**	**102,906,897**	**101,981,001**
Changes in Net Position before Transfer	(2,161,332)	1,687,519	638,643	839,644	(1,522,689)	2,527,163
Transfer In (Out)	741,000	1,016,000	(741,000)	(1,016,000)	-	-
Changes in Net Position	(1,420,332)	2,703,519	(102,357)	(176,356)	(1,522,689)	2,527,163
Net Position - Beginning, as restated	125,533,193	122,829,674	3,469,070	3,645,426	129,002,263	126,475,100
Net Position - Ending	**$ 124,112,861**	**$125,533,193**	**$3,366,713**	**$3,469,070**	**$ 127,479,574**	**$ 129,002,263**

* 2012 was restated in order to correct an inventory error.

For 2013, program revenues generated $33.2 million or 33.1 percent of their total expenses through charges for services and grants. Program revenues in 2013 were $2.3 million, or 6.5 percent, less than 2012. The most significant decrease in program revenues was in Public Safety, where program revenues decreased by $1.1 million or 9.4 percent. This decrease in program revenues was primarily due to a $1.2 million decrease in Jail Fees. The decrease in Jail Fees was the direct result of fewer federal inmates being incarcerated in the County Jail, consequently the fees received by the County for housing of federal convicts was down. Another significant decrease in program revenues was in Public Health, where program revenues decreased by $692 thousand, or 6.4 percent. This decrease in public health program revenues occurred as a result of the County closing its County run I/M Center in Kaysville, Utah on December 31, 2012. The I/M Center produced about $1 million in revenues in 2012. Finally, grant revenues were down in total by almost $706 thousand (5.3 percent), mostly as a result of grants pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA) coming to an end.

Total program expenses for governmental activities were $100.2 million for 2013; this is an increase of $1.1 million as compared to 2012, or about 1.1 percent. Approximately $896 thousand of this increase is attributable to General Government. This increase cannot be specifically tied to any one area, but rather appears to be a combination of several smaller increases. A $729 thousand increase in Public Safety activities was due to increases in miscellaneous jail operational costs and law enforcement costs that are necessary in order to continue providing quality public safety programs. Public health program expenses decreased by $767 thousand, which was primarily the result of closing the I/M Center. Expenses related to the I/M Center was about $1.2 million in 2012, so the net saving to the County resulting from its closure was about $200 thousand per year.

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

	Total Program Expenses	Less Program Revenues	Net Program Costs		Program Revenue as a Percentage of Total Expenses	
	2013	2013	2013	Restated* 2012	2013	Restated* 2012
Activities						
General Government	$ 43,166,989	$ (10,719,998)	$ 32,446,991	$ 31,540,855	24.8%	25.4%
Public Safety	37,633,934	(10,893,969)	26,739,965	24,876,485	28.9%	32.6%
Public Health	11,680,397	(10,062,255)	1,618,142	1,693,034	86.1%	86.4%
Public Works	4,211,655	(1,481,438)	2,730,217	2,107,728	35.2%	48.2%
Interest on Long-term Debt	3,494,637	-	3,494,637	3,431,611	0.0%	0.0%
Total Governmental Activities	**$ 100,187,612**	**$ (33,157,660)**	**$ 67,029,952**	**$ 63,649,713**	33.1%	35.8%

* 2012 was restated in order to correct an inventory error.

Business-type Activities

In 2013, Davis County's Golf Courses generated an operating profit of approximately $44 thousand. There was also a $16 thousand transfer out to the General Fund for administrative expenses related to the golf courses. Revenues were down by approximately $141 thousand as a result of fewer rounds of golf being played by golfers in 2013. This was primarily due to unfavorable weather conditions during much of 2013. Expenses were down by approximately $52 thousand as the result of fiscally responsible management.

The Jail Commissary continues to generate sufficient revenues to cover its operating costs, with an operating profit of $583 thousand. $725 thousand was transferred to the General Fund to help cover Jail operations. Commissary revenue decreased by $190 thousand, but expenses also decreased by $81 thousand.

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets

Davis County added approximately $6.1 million in new capital assets during 2013, of which approximately $1.6 million was attributable to the final construction costs associated with the new Administration Building, Library, and Children's Justice Center constructed on the main County campus. An additional $1.3 million was related to flood control projects. The County spent $843 thousand for the construction of soccer fields and additional parking at the Events Center. Other general capital purchases for buildings, equipment, and improvements comprised the remaining $2.4 million. Additional information can be found in Note 6 of the Notes to the Financial Statement beginning on page 60.

Long-term Debt

Total bonded debt outstanding at December 31, 2013 was $76.9 million, as compared to $80.8 million at the end of the prior year. This $3.9 million (4.8 percent) reduction of bonded debt is mostly attributable to making required debt service payments. The County's also entered into a capital lease during 2013, the balance of which was $385 thousand at the end of 2013. The County had the following long-term debt outstanding. Additional information can be found in Note 7 of the Notes to the Financial Statement beginning on page 61.

Davis County
Long-term Liabilities
December 31,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
General Obligation Bonds	$19,155,656	$20,555,240	$ -	$ -	$19,155,656	$20,555,240
Sales Tax Revenue Bonds, net of premiums and refundings	37,011,342	38,846,199	-	-	37,011,342	38,846,199
Lease Revenue Bonds, net of premiums and refundings	20,713,378	21,371,941	-	-	20,713,378	21,371,941
Capital Lease	385,432	-	-	-	385,432	-
Compensated Absences	3,326,815	3,310,719	113,400	114,928	3,440,215	3,425,647
OPEB	13,078,402	10,338,750	251,856	203,405	13,330,258	10,542,155
Total	$93,671,025	$94,422,849	$ 365,256	$ 318,333	$94,036,281	$94,741,182

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Fund Balances

At December 31, 2013, Davis County's governmental funds reported combined fund balances of approximately $47.9 million. Of this amount, $640 thousand or 1.3 percent is nonspendable due to its form and $6.9 million or 14.3 percent is restricted for specific programs by external constraints, constitutional provisions, or contractual obligations. An additional $171 thousand or 0.4 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 $26.8 million or 55.8 percent of total fund balance has been assigned to specific purposes, as expressed by management's intent. The remaining $13.5 or 28.2 percent of fund balance is unassigned and available for appropriation. The following chart presents the County's 2013 ending fund balances.

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

	2013						2012	% Change from
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total	Total	prior year
General Fund	$ 215,979	$ -	$ -	$ 2,747,786	$13,493,988	$16,457,753	$18,162,465	-9.4%
Health Fund	115,581	8,883	-	4,468,820	-	4,593,284	3,206,029	43.3%
Library Fund	117,936	-	-	5,548,132	-	5,666,068	4,869,255	16.4%
Flood Control Fund	-	-	-	2,733,857	-	2,733,857	3,512,244	-22.2%
Campus Constr. Capital Project	-	-	-	-	-	-	2,071,375	-100.0%
NonMajor Funds	190,785	6,864,442	171,429	11,253,717	-	18,480,373	17,257,740	7.1%
Total	$ 640,281	$ 6,873,325	$ 171,429	$26,752,312	$13,493,988	$47,931,335	$49,079,108	-2.3%

General Fund

During 2013, the fund balance in the General Fund decreased by almost $1.7 million or 9.4 percent. General Fund revenues increased by $1 million or 1.6 percent when compared to the prior year. Property tax revenues for the General Fund increased by $1.2 million or 3.2 percent. General Fund sales taxes increased by $582 thousand or 5.1 percent. Total General Fund expenditures increased by approximately $1.1 million or 1.8 percent from 2012. These increases in expenditures cannot be specifically tied to one area, but are a combination of several smaller increases.

For the year ended December 31, 2013, transfers in were just over $1.2 million. Excess revenues of the Jail Commissary and the profit sharing arrangement with Canteen Food Services accounted for exactly $725 thousand and a transfer from the Golf Fund for administrative expenses accounted for an additional $16 thousand of transfers in. The remaining balance of $482 thousand came from the Campus Construction Fund to close out the fund at the completion of the project.

The Commission authorized a total of approximately $9 million in transfers out of the General Fund in 2013. This is approximately $686 thousand more than the previous year. A total of $3.5 million was transferred to the Flood Control Fund for construction projects. An additional $1.1 million was transferred to debt service funds for bond payments. The remaining $4.4 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 5 of the Notes to the Financial Statements.

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

- The General Fund's property tax revenue budget was decreased overall by approximately $1.6 million to better match the revenues projected through the certified tax rate process.

- Various minor budget changes, from normal day to day activities to meet the needs of the departments, made up the change of approximately $406 thousand from original to final budgets on the expenditure side.

- Budgeted transfers into the General Fund were increased by almost $502 thousand to reflect the funds to be transferred out of the Campus Construction Capital Projects fund to close that fund at the completion of the project.

- Budgeted transfers out of the General Fund were increased by about $346 thousand as the amount needed from the General Fund for debt service payments was reevaluated. The majority, $275 thousand, was because the County decided to fund certain debt service payments out of the General Fund instead of the Library Fund. The remaining $71 thousand was the result of the federal government's decision to reduce the amount of federal interest subsidy payments on Build America Bonds and Recovery Zone Bonds.

Actual General Fund revenues were $65.5 million, which was only $44 thousand, or less than 0.1 percent above the final budgeted revenues. The most significant differences between budgeted and actual revenues occurred because current general property taxes were $1.8 million above what was budgeted. This difference was offset by the previously mentioned jail fees, which were $1.4 million below what was budgeted. Various other revenue sources were slightly above or below what was expected. As the result of fiscally responsible management, General Fund expenditures were approximately $60 million, which was $2.4 million (3.9 percent) below the final budgeted expenditures.

Other Major Governmental Funds
During 2013, a decrease in Health Fund revenues of $691 thousand (6.4 percent) was offset by a decrease of $763 thousand (6.4 percent) in Health Fund expenditures. Both decreases were primarily the result of the aforementioned closure of the County run I/M Center. County transfers from the General Fund were increased by only $40 thousand (1.6 percent). The combination of these factors, together with the fact that there were no transfers out in 2013, resulted in an increase in Health fund balance of $1.4 million to approximately $4.6 million at December 31, 2013.

The fund balance in the Library Fund increased approximately $797 thousand (16.4 percent) to $5.7 million. This increase in fund balance was due to a combination of planned tax surplus revenue for future library capital projects and fiscally responsible management.

The fund balance in the Flood Control Capital Projects Fund was reduced by $778 thousand (22.2 percent) during 2013 to $2.7 million as the result of various storm drainage and flood control projects and related improvements.

The Campus Construction Capital Projects Fund was closed at the completion of the project and the remaining fund balance was transferred to the debt service funds and the General Fund.

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 amounted to a negative $1.8 million, and those for the Commissary amounted to $308 thousand. The total change in net position for both funds was a $23 thousand increase for Golf and a $139 thousand decrease for the Commissary. Other factors concerning the finances of these two funds 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 $244,064 of taxable value for personal and primary residence in 2013. This amount will continue to be adjusted in the future by the consumer price index (CPI) of the preceding year. For 2014, the Veteran Abatement's ceiling will be $248,203.

- In 2012, the voters of the State of Utah passed a constitutional amendment that will provide a property tax exemption on the primary residence of all armed service members who actively served in federal active duty out of state for at least 200 days in a calendar year or 200 consecutive days. This amendment took effect on January 1, 2013, but the actual exemption will not affect the County until 2014.

- As explained in Note 10, the state legislature closed the existing defined-benefit pension plan to new employees hired on or after July 1, 2011 and created a "hybrid" pension plan for those new employees. The new plan caps the employer's contribution at a fixed rate and requires the employee to pay the difference, if any, between that capped rate and the actuarially required contribution rate. If the actuarially required rate is less than the cap, the difference is credited to the employee's 401(k) account. The new plan also offers a smaller retirement benefit and a longer vesting period than the existing plan. Finally, new employees have the option of choosing a straight defined-contribution plan in lieu of the hybrid defined-benefit plan. The new plan is administered by Utah Retirement Systems and is expected to reduce pension costs over time for all government employers throughout the state.

- As explained in Note 1I, new accounting and reporting standards for pensions will be implemented in the year 2015 and may impact the County's measurement and recognition of liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures in government-wide and/or fund financial statements. The requirements of these statements may also require restating of beginning net position and fund balances. The County has made no estimation of the effect these statements will have on the financial statements.

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. Questions concerning any of the information in this report or any other matters related to the County's finances should be addressed to:

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

Basic Financial Statements

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DAVIS COUNTY

EXHIBIT A

STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government			Component Units (as of June 30, 2013)	
	Governmental Activities	Business-Type Activities	Total	Davis Behavioral Health	Wasatch Integrated Waste
ASSETS					
CURRENT:					
Cash and cash equivalents	$ 49,446,433	$ 422,192	$ 49,868,625	$ 3,605,085	$ 264,931
Investments	-	-	-	75,000	17,163,418
Accounts receivable	5,343,748	1,834	5,345,582	1,311,261	1,168,298
Taxes receivable	1,755,382	-	1,755,382	-	-
Internal balances	1,400,085	(1,400,085)	-	-	-
Inventory	158,870	-	158,870	20,969	1,569,967
Prepaids and other	1,046,805	47,611	1,094,416	260,376	110,614
Total current assets	59,151,323	(928,448)	58,222,875	5,272,691	20,277,228
NONCURRENT:					
Capital assets:					
Land and related non-depreciable assets	44,753,370	3,545,593	48,298,963	1,846,945	30,877,325
Construction-in-progress	983,629	-	983,629	-	2,887,181
Depreciable infrastructure	34,874,815	-	34,874,815	-	-
Buildings, equipment, and other depreciable assets	141,866,710	4,439,250	146,305,960	13,431,949	67,549,435
Less accumulated depreciation	(61,652,123)	(3,165,489)	(64,817,612)	(4,614,075)	(62,669,104)
Total capital assets, net of depreciation	160,826,401	4,819,354	165,645,755	10,664,819	38,644,837
TOTAL ASSETS	219,977,724	3,890,906	223,868,630	15,937,510	58,922,065
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	1,744,223	-	1,744,223	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,744,223	-	1,744,223	-	-
LIABILITIES					
CURRENT:					
Accounts payable	1,053,811	118,637	1,172,448	620,538	808,222
Accrued liabilities	2,880,051	40,300	2,920,351	599,408	5,350,014
Unearned revenue	4,199	-	4,199	-	-
Bonds and lease payable	3,815,393	-	3,815,393	264,996	-
Compensated absences	532,290	18,144	550,434	158,470	-
Total current liabilities	8,285,744	177,081	8,462,825	1,643,412	6,158,236
LONG-TERM:					
Bonds and lease payable	73,450,415	-	73,450,415	5,457,218	-
Net OPEB obligation	13,078,402	251,856	13,330,258	-	-
Compensated absences	2,794,525	95,256	2,889,781	600,185	-
Total long-term liabilities	89,323,342	347,112	89,670,454	6,057,403	-
TOTAL LIABILITIES	97,609,086	524,193	98,133,279	7,700,815	6,158,236
NET POSITION					
Net investment in capital assets	85,304,816	4,819,354	90,124,170	4,942,605	38,644,837
Restricted for:					
Car seats and bike helmets	8,883	-	8,883	-	-
Class B-Roads	1,346,175	-	1,346,175	-	-
Debt Service	5,518,267	-	5,518,267	-	-
Closure and post-closure costs	-	-	-	-	5,210,336
Unrestricted	31,934,720	(1,452,641)	30,482,079	3,294,090	8,908,656
TOTAL NET POSITION	$ 124,112,861	$ 3,366,713	$ 127,479,574	$ 8,236,695	$ 52,763,829

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

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
					Primary Government			Component Units	
Functions/Programs	Direct Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Davis Behavioral Health	Wasatch Integrated Waste
Primary Government:									
Governmental activities:									
General government	$ 43,166,989	$ 6,577,072	$ 3,727,497	$ 415,429	$ (32,446,991)	$ -	$ (32,446,991)	$ -	$ -
Public safety	37,633,934	10,462,088	413,305	18,576	(26,739,965)	-	(26,739,965)	-	-
Public health	11,680,397	3,341,099	6,721,156	-	(1,618,142)	-	(1,618,142)	-	-
Public works	4,211,655	49,249	1,066,344	365,845	(2,730,217)	-	(2,730,217)	-	-
Interest on long-term debt	3,494,637	-	-	-	(3,494,637)	-	(3,494,637)	-	-
Total governmental activities	100,187,612	20,429,508	11,928,302	799,850	(67,029,952)	-	(67,029,952)	-	-
Business-type activities:									
Golf	2,276,146	2,320,522	-	-	-	44,376	44,376	-	-
Inmates Commissary	443,139	1,026,160	-	-	-	583,021	583,021	-	-
Total business-type activities	2,719,285	3,346,682	-	-	-	627,397	627,397	-	-
TOTAL PRIMARY GOVERNMENT	$102,906,897	$23,776,190	$11,928,302	$ 799,850	(67,029,952)	627,397	(66,402,555)	-	-
Component Units:									
Davis behavioral health	$ 18,383,481	$ 1,924,231	$16,279,243	$ -				(180,007)	-
Wasatch integrated waste	15,949,188	15,069,149	-	-				-	(880,039)
TOTAL COMPONENT UNITS	$ 34,332,669	$16,993,380	$16,279,243	$ -				(180,007)	(880,039)
General revenues:									
Taxes:									
Property taxes					47,116,760	-	47,116,760	-	-
Sales taxes					17,591,414	-	17,591,414	-	-
Total taxes					64,708,174	-	64,708,174	-	-
Unrestricted investment earnings					160,446	3,958	164,404	48,681	130,726
Gain on sale of capital assets					-	7,288	7,288	82,229	882
Transfers					741,000	(741,000)	-	-	-
Total general revenues and transfers					65,609,620	(729,754)	64,879,866	130,910	131,608
Change in net position					(1,420,332)	(102,357)	(1,522,689)	(49,097)	(748,431)
Net position - beginning					126,035,873	3,469,070	129,504,943	8,285,792	53,512,260
Adjustment to beginning net position					(502,680)	-	(502,680)	-	-
Net position - beginning as adjusted					125,533,193	3,469,070	129,002,263	8,285,792	53,512,260
Net position - ending					$ 124,112,861	$ 3,366,713	$ 127,479,574	$ 8,236,695	$52,763,829

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

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Governmental Fund Financial Statements

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

Health Special Revenue Fund
This special revenue fund accounts for taxes levied, grants, and other revenues and expenditures by the County to provide health 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.

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.

Campus Construction Capital Projects Fund
This fund accounted for the revenues and expenditures related to the construction of the new Main Campus buildings. This fund was closed at the end of 2013.

Nonmajor Governmental Funds
Nonmajor governmental funds are presented individually beginning on page 85.

DAVIS COUNTY

EXHIBIT C

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2013

		Major Special Revenue Funds		Capital Projects Funds			
	General Fund	Health Fund	Library Fund	Flood Control	Campus Construction	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 13,600,361	$ 4,138,153	$ 5,779,289	$ 2,796,917	$ -	$ 17,022,612	$ 43,337,332
Accounts receivable	3,043,991	540,666	4,305	-	-	1,740,464	5,329,426
Taxes receivable	1,362,164	-	243,388	-	-	149,830	1,755,382
Due from other funds	1,477,442	-	-	-	-	-	1,477,442
Inventory	53,707	105,163	-	-	-	-	158,870
Prepaids and other	162,272	10,418	117,936	-	-	190,785	481,411
Total assets	$ 19,699,937	$ 4,794,400	$ 6,144,918	$ 2,796,917	$ -	$ 19,103,691	$ 52,539,863
LIABILITIES							
Accounts payable	$ 463,520	$ 23,816	$ 104,962	$ 1,160	$ -	$ 270,107	$ 863,565
Accrued liabilities	1,416,500	177,300	130,500	61,900	-	185,000	1,971,200
Due to other funds	-	-	-	-	-	14,182	14,182
Unearned revenue	-	-	-	-	-	4,199	4,199
Total liabilities	1,880,020	201,116	235,462	63,060	-	473,488	2,853,146
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue-property taxes	1,362,164	-	243,388	-	-	149,830	1,755,382
FUND BALANCES							
Nonspendable:							
Inventory	53,707	105,163	-	-	-	-	158,870
Prepaids and other	162,272	10,418	117,936	-	-	190,785	481,411
Restricted	-	8,883	-	-	-	6,864,442	6,873,325
Committed	-	-	-	-	-	171,429	171,429
Assigned	2,747,786	4,468,820	5,548,132	2,733,857	-	11,253,717	26,752,312
Unassigned	13,493,988	-	-	-	-	-	13,493,988
Total fund balances	16,457,753	4,593,284	5,666,068	2,733,857	-	18,480,373	47,931,335
Total liabilities, deferred inflows of resources, and fund balances	$ 19,699,937	$ 4,794,400	$ 6,144,918	$ 2,796,917	-	$ 19,103,691	$ 52,539,863

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, 2013

Total fund balances--governmental funds		$ 47,931,335
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	$ 44,753,370	
Construction-in-progress	983,629	
Depreciable infrastructure	34,874,815	
Buildings, equipment, and other depreciable assets	140,804,908	
Accumulated depreciation	(60,738,927)	
Total capital assets		160,677,795
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.		1,755,382
An internal charge between the governmental and business-type activities is not recorded at the fund level.		(63,175)
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 positon.		6,166,847
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	(77,265,808)	
Deferred charge on refundings (to be amortized as interest expense)	1,744,223	
Net OPEB obligation	(12,708,298)	
Compensated absences	(3,273,089)	
Accrued interest on bonds	(852,351)	
Total long-term liabilities		(92,355,323)
Total net position--governmental activities		$ 124,112,861

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

DAVIS COUNTY **EXHIBIT E**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

		Major Special Revenue Funds		Capital Projects Funds		Nonmajor	Total
	General Fund	Health Fund	Library Fund	Flood Control	Campus Construction	Governmental Funds	Governmental Funds
REVENUES:							
Taxes:							
General property taxes-current	$ 36,180,048	$ -	$ 6,402,811	$ -	$ -	$ 2,891,201	$ 45,474,060
General property taxes-delinquent	1,215,892	-	212,416	-	-	74,492	1,502,800
Penalties and interest on delinquent taxes	768,126	-	34,230	-	-	11,978	814,334
Sales taxes	11,890,428	-	-	-	-	5,700,986	17,591,414
Total taxes	50,054,494	-	6,649,457	-	-	8,678,657	65,382,608
Licenses and permits	284,412	-	-	-	-	-	284,412
Fines and forfeitures	1,324,301	-	172,511	-	-	-	1,496,812
Intergovernmental and grant revenue	1,425,576	6,721,156	54,144	-	-	4,467,343	12,668,219
Charges for services	10,698,296	3,275,249	-	-	-	2,307,811	16,281,356
Interest	18,139	16,762	14,777	13,971	374	66,769	130,792
Other	1,668,249	65,847	10,520	5,170	1,088	526,825	2,277,699
Total revenues	65,473,467	10,079,014	6,901,409	19,141	1,462	16,047,405	98,521,898
EXPENDITURES:							
Current:							
General government	25,121,680	-	6,012,021	-	-	8,296,628	39,430,329
Public safety	33,080,835	-	-	-	-	1,765,907	34,846,742
Public health	3,400	11,133,028	-	-	-	-	11,136,428
Public works	357,101	-	-	1,032,849	-	1,060,754	2,450,704
Capital outlay	1,445,297	52,465	92,575	1,251,789	1,567,543	1,681,830	6,091,499
Debt service:							
Principal retirement	-	-	-	-	-	3,620,000	3,620,000
Interest and fiscal charges	-	-	-	-	-	3,457,320	3,457,320
Total expenditures	60,008,313	11,185,493	6,104,596	2,284,638	1,567,543	19,882,439	101,033,022
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,465,154	(1,106,479)	796,813	(2,265,497)	(1,566,081)	(3,835,034)	(2,511,124)
OTHER FINANCING SOURCES (USES)							
Capital lease	391,965	-	-	-	-	-	391,965
Sale of capital assets	226,652	3,734	-	-	-	-	230,386
Transfers in	1,222,820	2,490,000	-	3,611,885	-	6,669,448	13,994,153
Transfers out	(9,011,303)	-	-	(2,124,775)	(505,294)	(1,611,781)	(13,253,153)
Total other financing sources (uses), net	(7,169,866)	2,493,734	-	1,487,110	(505,294)	5,057,667	1,363,351
NET CHANGE IN FUND BALANCES	(1,704,712)	1,387,255	796,813	(778,387)	(2,071,375)	1,222,633	(1,147,773)
FUND BALANCES:							
Beginning of year	18,162,465	3,708,709	4,869,255	3,512,244	2,071,375	17,257,740	49,581,788
Adjustment	-	(502,680)	-	-	-	-	(502,680)
Beginning of year as adjusted	18,162,465	3,206,029	4,869,255	3,512,244	2,071,375	17,257,740	49,079,108
End of year	$ 16,457,753	$ 4,593,284	$ 5,666,068	$ 2,733,857	$ -	$ 18,480,373	$ 47,931,335

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

DAVIS COUNTY

EXHIBIT F

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, 2013

Net change in fund balances--total governmental funds	$	(1,147,773)
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 ($6,170,405) exceeded capital purchases ($6,091,499) during the current period.		(78,906)
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.		(688,099)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the fund statements.		(674,434)
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 ($73,245) exceeded the decrease in accrued interest on bonds payable ($35,928) during the year.		(37,317)
The liabilities for 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 change in OPEB ($2,660,067) and compensated absences ($18,841), reported as adjustments to expense in the statement of activities.		(2,678,908)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount by which debt service principal payments and capital lease payments ($3,626,533) exceeded capital leases issued ($391,965).		3,234,568
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.		(14,300)
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.		664,837
Change in net position of governmental activities	$	(1,420,332)

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

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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, 2013

	Major Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
	Golf Courses	Commissary		
ASSETS				
CURRENT:				
Cash and cash equivalents	$ 1,100	$ 421,092	$ 422,192	$ 6,109,101
Accounts receivable	1,413	421	1,834	14,322
Prepaids and other	47,611	-	47,611	565,394
Total current assets	50,124	421,513	471,637	6,688,817
NONCURRENT:				
Capital assets:				
Land	754,259	-	754,259	-
Buildings	1,977,345	-	1,977,345	-
Improvements other than buildings	2,791,334	-	2,791,334	-
Furniture, fixtures, and equipment	2,461,905	-	2,461,905	1,061,802
Less accumulated depreciation	(3,165,489)	-	(3,165,489)	(913,196)
Total noncurrent assets	4,819,354	-	4,819,354	148,606
TOTAL ASSETS	4,869,478	421,513	5,290,991	6,837,423
LIABILITIES				
CURRENT:				
Accounts payable	52,397	66,240	118,637	190,246
Accrued liabilities	32,800	7,500	40,300	56,500
Due to other funds	1,463,260	-	1,463,260	-
Obligations for compensated absences	18,144	-	18,144	8,596
Total current liabilities	1,566,601	73,740	1,640,341	255,342
LONG-TERM:				
Net OPEB obligation	212,336	39,520	251,856	370,104
Obligations for compensated absences	95,256	-	95,256	45,130
Total long-term liabilities	307,592	39,520	347,112	415,234
TOTAL LIABILITIES	1,874,193	113,260	1,987,453	670,576
NET POSITION				
Net investment in capital assets	4,819,354	-	4,819,354	148,606
Unrestricted	(1,824,069)	308,253	(1,515,816)	6,018,241
TOTAL NET POSITION	$ 2,995,285	$ 308,253	$ 3,303,538	$ 6,166,847
Total net position--enterprise funds			$ 3,303,538	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			63,175	
Total net position--business-type activities			$ 3,366,713	

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, 2013

	Major Enterprise Fund	Nonmajor Enterprise Fund	Total Enterprise Funds	Internal Service Funds
	Golf Courses	Commissary		
OPERATING REVENUES:				
Golf course fees	$ 2,017,743	$ -	$ 2,017,743	$ -
Commissary sales	-	1,026,160	1,026,160	-
Rent	16,107	-	16,107	-
Charges to other funds	-	-	-	5,061,541
Other revenue	286,672	-	286,672	149,162
Total operating revenue	2,320,522	1,026,160	3,346,682	5,210,703
OPERATING EXPENSES:				
Salaries, wages, and employee benefits	1,349,487	220,137	1,569,624	1,841,787
Other operating expenses	742,035	224,137	966,172	2,605,786
Depreciation	197,789	-	197,789	127,947
Total operating expenses	2,289,311	444,274	2,733,585	4,575,520
OPERATING INCOME	31,211	581,886	613,097	635,183
NON-OPERATING REVENUES:				
Interest income	109	3,849	3,958	29,654
Gain on disposal of capital assets	7,288	-	7,288	-
Total non-operating revenues	7,397	3,849	11,246	29,654
INCOME BEFORE TRANSFERS	38,608	585,735	624,343	664,837
Transfers out	(16,000)	(725,000)	(741,000)	-
CHANGE IN NET POSITION	22,608	(139,265)	(116,657)	664,837
NET POSITION:				
Beginning of year	2,972,677	447,518		5,502,010
End of year	$ 2,995,285	$ 308,253		$ 6,166,847
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.			14,300	
Change in net position of business-type activities			$ (102,357)	

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, 2013

	Major Enterprise Fund Golf Courses	Nonmajor Enterprise Fund Commissary	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 2,343,230	$ 1,030,011	$ 3,373,241	$ 168,748
Receipts for interfund services provided	-	-	-	5,061,541
Payments to suppliers	(724,961)	(240,953)	(965,914)	(3,251,217)
Payments to employees	(1,275,322)	(207,167)	(1,482,489)	(1,758,847)
Net cash provided by (used in) operating activities	342,947	581,891	924,838	220,225
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash paid to other funds	(237,484)	-	(237,484)	-
Transfers out	(16,000)	(725,000)	(741,000)	-
Net cash provided by (used in) noncapital financing activities	(253,484)	(725,000)	(978,484)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(101,847)	-	(101,847)	(44,589)
Proceeds from sale of capital assets	12,275	-	12,275	-
Net cash provided by (used in) capital and related financing activities	(89,572)	-	(89,572)	(44,589)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	109	3,849	3,958	29,654
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(139,260)	(139,260)	205,290
CASH AND CASH EQUIVALENTS:				
Beginning of year	1,100	560,352	561,452	5,903,811
End of year	$ 1,100	$ 421,092	$ 422,192	$ 6,109,101
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income	$ 31,211	$ 581,886	$ 613,097	$ 635,183
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation	197,789	-	197,789	127,947
Change in assets and liabilities:				
Accounts receivable	57,920	3,851	61,771	19,586
Other assets	(17,383)	-	(17,383)	(508,803)
Accounts payable	34,457	(16,816)	17,641	(136,628)
Accrued liabilities	2,000	3,000	5,000	6,100
Obligation for OPEB	38,481	9,970	48,451	79,585
Obligation for compensated absences	(1,528)	-	(1,528)	(2,745)
Net cash provided by (used in) operating activities	$ 342,947	$ 581,891	$ 924,838	$ 220,225

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 other governments or organizations. These funds are custodial in nature and do not involve measuring the results of operations. Individual agency funds are presented in Supplemental Schedule 17 beginning on page 106.

DAVIS COUNTY

EXHIBIT J

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013

ASSETS	
Cash and cash equivalents	$ 52,502,874
Accounts receivable	611,880
TOTAL ASSETS	$ 53,114,754
LIABILITIES	
Due to individuals, organizations, and other governments	$ 53,114,754

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.

INDEX TO THE NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:
   A. Reporting Entity 49
   B. Government-wide and Fund Financial Statements 50
   C. Measurement Focus and Basis of Accounting 52
   D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance.... 52
   E. Revenues and Expenditures/Expenses..... 55
   F. Interfund Activity and Balances 55
   G. Budgeting and Budgetary Control 55
   H. Estimates..... 56
   I. Future Changes in Accounting Standards..... 56
2. Beginning Net Position/Fund Balance Adjustments and Other Changes
   A. Adjustment to Beginning Net Position/Fund Balance..... 56
   B. GASB Statement Changes..... 56
3. Deposits and Investments:
   A. Custodial Credit risk 57
   B. Credit Risk 57
   C. Interest Rate Risk 58
   D. Concentration of Credit Risk 58
4. Interfund Balances and Loans 58
5. Interfund Transfers 59
6. Capital Assets 60
7. Long-term Liabilities:
   A. Changes in Long-term Liabilities 61
   B. General Obligation Bonds 62
   C. Sales Tax Revenue Bonds 63
   D. Lease Revenue Bonds 64
   E. Defeased Bonds..... 66
   F. Capital Lease..... 66
8. Short-Term Debt..... 67
9. Net Position and Fund Balances
   A. Net Position 67
   B. Fund Balance..... 67
10. Retirement Plans:
   A. Pension Plans 68
   B. Deferred Compensation Plans 70
11. Other Postemployment Benefits
   A. Plan Description 70
   B. Funding Policy 70
   C. Annual OPEB Cost and Net OPEB Obligation 70
   D. Funded Status and Funding Progress 71
   E. Actuarial Methods and Assumptions 71
12. Risk Management 71
13. Litigation and Contingencies 72
14. Joint Ventures – South Davis Metro Fire Agency 72
15. Commitments – Davis Cultural Arts Center/Inter-local agreement 72
16. Conduit Debt..... 72

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 2013 were $1,642,173 and pass through grants were $6,432,473. Related party items at December 31, 2013 consisted of $829,849 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, 234 South Main Street, 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 that WIWMD is fiscally dependent on the County. This fiscal dependency is created because an action by the County Commissioners is required in order for WIWMD to levy a tax, issue bonds payable from taxes, or to call or hold an election for the authorization of such tax or bonds. The County Commission created WIWMD and has the authority to dissolve the entity. Separate financial statements for WIWMD may be obtained from Wasatch Integrated Waste Management District, 650 East Highway 193, Layton, Utah 84041.

The 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 considered to be major component units and are presented as of their fiscal year-ends, June 30, 2013.

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 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 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.

- **Flood Control Fund** – This capital projects fund accounts for all activities of the Public Works Department that relate to the flood channels managed by the County.

- **Campus Construction Capital Projects Fund** – This fund accounts for funds accumulated and spent for the construction of the new Main Campus buildings. This fund was closed during 2013 upon the completion of the campus construction 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, Special Services Area, Emergency 911 Dispatch, Municipal Building Authority (MBA) Operations, General Government Debt Service, MBA Debt Service, Sales Tax Revenue Bonds Debt Service, and Capital Projects 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 nonmajor 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 taxes, insurances, bonds, etc.

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 1st of each year. Taxes are levied on property owners in July and are payable by November 30th. 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 31st 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 the first-in, first out (FIFO) method and are accounted for under the consumption method.

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.

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:

Asset Class	Years
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 statement of financial position 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 only has one item that qualifies for reporting in this category. It is the deferred charge ($1,744,223) on refunding reported in the government-wide statement of net position. A deferred charge on refunding 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 statement of financial position 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 only one type of item, which arises only under a 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 ($1,755,382). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

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

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

Vacation and compensatory leave are recorded as 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.

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 9 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.

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 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 operating budget is reviewed and tentatively adopted by the County Commission on or before November 1st.

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

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

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

Modifying the Adopted Budget

Transfers of unexpended appropriations from one expenditure account to another in the same department can be made by consent of the department heads. Transfers of unexpended appropriations from one department to another department, as well as budget reductions for any department, may be made with consent of the Commission. Expenditure appropriations of the General Fund may be increased by resolution only after a public hearing. Any other fund appropriation may be increased after giving public notice that the County Commission will consider such a matter. Notice must be published seven days in advance of the meeting to consider the action. During 2013, the County modified various budgets using the above procedure.

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.

I. Future Changes in Accounting Standards

The governmental Accounting Standards Board (GASB) issued Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25,* and GASB Statement No. 68, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 27,* effective for fiscal years 2014 and 2015, respectively.

These new accounting and reporting standards may impact the County's measurement and recognition of liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures in government-wide and/or fund financial statements. The requirements of these statements may require restating of beginning net position and fund balances. The County is currently not planning to early implement these Statements, and has made no estimation of the effect these Statements will have on the financial statements.

NOTE 2. BEGINNING NET POSITION/FUND BALANCE ADJUSTMENTS AND OTHER CHANGES

A. Adjustment to Beginning Net Position/Fund Balance

An adjustment was made to decrease beginning fund balance in the Health Fund by $502,680. A corresponding adjustment was made to the beginning net position of the governmental activities. These prior period adjustments were the result of a correction of an error in Health Fund inventory during a previous period.

B. GASB Statement Changes

For fiscal year 2013, the County implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus.* This Statement modifies existing requirements used for assessing potential component units in determining what should be included in the financial reporting entity; and financial reporting entity display and disclosure requirements. Implementing this statement

resulted in no changes to the financial reporting entity or display; however, the note disclosures were revised to reflect the new disclosure requirements.

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) or National Credit Union Association (NCUA) are uninsured and are not collateralized, nor are they required to be collateralized by state statutes. The County's deposits on December 31, 2013 were $14,414,024, of which $14,164,024 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.

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, 2013 are shown below:

Investment Type	Fair Value	Weighted Average Maturity (Days)	Quality/Rating
Utah Public Treasurer's Investment Fund	$ 89,041,331	63*	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 BALANCES AND LOANS

Interfund balances arise as the pooled-cash balance of a specific fund becomes negative, thus technically drawing on the pooled-cash of other funds. Interfund balances and loans at December 31, 2013 consisted of the amounts below.

Due to General Fund from:	
Nonmajor Governmental Funds:	
Emergency 911 Dispatch Fund	$ 14,182
Enterprise Funds:	
Golf Fund	1,463,260
Total due to General Fund from other funds	$ 1,477,442

The amount owed from the Enterprise - Golf Course Fund to the General Fund is included as part of the internal balance reported on the government-wide Statement of Net Position (Exhibit A).

NOTE 5. INTERFUND TRANSFERS

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. Interfund transfers for the year ended December 31, 2013 are shown below.

	Transfer In		Transfer Out	
Major Funds:				
General Fund	$ 1,222,820	a, c, e	$ 9,011,303	b
Health Fund	2,490,000	b	-	
Flood Control Fund	3,611,885	b, d	2,124,775	g, h
Campus Construction Fund	-		505,294	e
Golf Course Fund	-		16,000	c
Nonmajor Funds:				
Tourism Fund	-		1,420,216	d, g
Aging Services Fund	1,699,992	b	-	
Special Service Area Fund	230,260	h	-	
Emergency 911 Dispatch Fund	200,004	b	-	
MBA Operating Fund	23,160	e	191,565	f
MBA Debt Service Fund	1,281,632	b, e, f	-	
Sales Tax Revenue Bonds Debt Service Fund	3,234,400	b, g	-	
Commissary Fund	-		725,000	a
Total Transfers In and Transfers Out	$ 13,994,153		$ 13,994,153	

a) The General Fund received $725,000 from the Commissary fund to support general jail operations.

b) The General Fund transferred general tax monies of the County totaling $4,389,996 to support health programs, senior service programs, and emergency 911 dispatch. The General Fund also transferred $3,500,004 to the Flood Control Fund for construction projects and $1,089,753 and $31,550 to the MBA Debt Service and Sales Tax Revenue Bonds Debt Service Funds, respectively, for debt service payments.

c) The Golf Courses Fund transferred $16,000 to the General Fund to pay for administrative expenses.

d) The Tourism Fund transferred $111,881 to the Flood Control Fund for work done on the construction of soccer fields.

e) The Campus Construction Capital Projects Fund transferred $23,160 and $314 to the MBA Operating and Debt Service Funds, respectively, for debt service payments and $481,820 to the General Fund to close out the fund.

f) The MBA Operating Fund transferred $191,565 to the MBA Debt Service Fund to make the 2013 debt service payments.

g) The Tourism Fund transferred $1,308,335 and the Flood Control Fund transferred $1,894,515 to the Sales Tax Revenue Bonds Debt Service Fund for debt service payments.

h) The Flood Control Fund transferred $230,260 to the Special Service Area Fund to rent heavy equipment used in flood control projects.

NOTE 6. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 12,297,174	$ 18,925	$ -	$ 12,316,099
Land under infrastructure	32,467,045	609,089	(638,863)	32,437,271
Construction in progress	21,843,986	935,866	(21,796,223)	983,629
Total capital assets not being depreciated	66,608,205	1,563,880	(22,435,086)	45,736,999
Capital assets being depreciated:				
Buildings and improvements	100,313,439	21,924,344	(542)	122,237,241
Furniture, fixtures, and equipment	18,744,965	3,290,251	(2,405,747)	19,629,469
Infrastructure	34,040,411	1,153,835	(319,431)	34,874,815
Total capital assets being depreciated	153,098,815	26,368,430	(2,725,720)	176,741,525
Less accumulated depreciation for:				
Buildings and improvements	(29,165,006)	(3,077,467)	448	(32,242,025)
Furniture, fixtures, and equipment	(14,631,265)	(1,901,533)	2,356,606	(14,176,192)
Infrastructure	(14,233,985)	(1,319,352)	319,431	(15,233,906)
Total accumulated depreciation	(58,030,256)	(6,298,352)	2,676,485	(61,652,123)
Total capital assets being depreciated, net	95,068,559	20,070,078	(49,235)	115,089,402
Governmental activity capital assets, net	$ 161,676,764	$ 21,633,958	$ (22,484,321)	$ 160,826,401
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	$ 3,522,893	$ 22,700	$ -	$ 3,545,593
Total capital assets not being depreciated	3,522,893	22,700	-	3,545,593
Capital assets being depreciated:				
Buildings and improvements	1,960,747	16,598	-	1,977,345
Furniture, fixtures, and equipment	2,606,728	62,549	(207,372)	2,461,905
Total capital assets being depreciated	4,567,475	79,147	(207,372)	4,439,250
Less accumulated depreciation for:				
Buildings and improvements	(939,786)	(52,283)	-	(992,069)
Furniture, fixtures, and equipment	(2,230,299)	(145,506)	202,385	(2,173,420)
Total accumulated depreciation	(3,170,085)	(197,789)	202,385	(3,165,489)
Total capital assets being depreciated, net	1,397,390	(118,642)	(4,987)	1,273,761
Business-type activity capital assets, net	$ 4,920,283	$ (95,942)	$ (4,987)	$ 4,819,354

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

Governmental activities:	
General government	$ 2,335,188
Public safety	1,807,576
Public Health	319,272
Public works	1,708,369
Depreciation on capital assets of the County's internal service funds is charged to the various functions based on their usage of the assets	127,947
Total depreciation expense—governmental activities	$ 6,298,352
Business-type activities:	
Golf	$ 197,789

NOTE 7. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Changes in long-term liabilities for the year ended December 31, 2013 were as follows:

	Balance January 1, 2013	Additions	Reductions	Balance December 31, 2013	Due Within One Year
Governmental activities:					
General obligation bonds:					
Davis County general obligation bonds, series 2005	$ 3,480,000	$ -	$ (1,115,000)	$ 2,365,000	$ 1,160,000
Davis County general obligation refunding bonds, series 2012	15,750,000	-	(75,000)	15,675,000	80,000
Unamortized premiums	1,325,240	-	(209,584)	1,115,656	-
Total general obligation bonds	20,555,240	-	(1,399,584)	19,155,656	1,240,000
Sales tax revenue bonds:					
Davis County sales tax revenue bonds, series 2003	1,290,000	-	(415,000)	875,000	430,000
Davis County sales tax revenue bonds, series 2006	8,630,000	-	(255,000)	8,375,000	265,000
Davis County sales tax revenue bonds, series 2009A	4,475,000	-	(1,075,000)	3,400,000	1,100,000
Davis County taxable build America bonds, series 2009B	19,450,000	-	-	19,450,000	-
Davis County sales tax refunding revenue bonds, series 2009C	4,825,000	-	(35,000)	4,790,000	35,000
Unamortized premiums	176,199	-	(54,857)	121,342	-
Total sales tax revenue bonds	38,846,199	-	(1,834,857)	37,011,342	1,830,000
Lease revenue bonds:					
Municipal Building Authority lease revenue bonds, series 2001	616,000	-	(65,000)	551,000	67,000
Municipal Building Authority lease revenue refunding bonds, series 2010A	1,145,000	-	(585,000)	560,000	560,000
Municipal Building Authority taxable recovery zone lease revenue bonds, series 2010B	19,600,000	-	-	19,600,000	40,000
Unamortized premiums	10,941	-	(8,563)	2,378	-
Total lease revenue bonds	21,371,941	-	(658,563)	20,713,378	667,000
Capital lease obligations	-	391,965	(6,533)	385,432	78,393
Compensated absences	3,310,719	2,092,562	(2,076,466)	3,326,815	532,290
OPEB obligation	10,338,750	3,284,024	(544,372)	13,078,402	-
Total governmental activity long-term debt	$ 94,422,849	$ 5,768,551	$ (6,520,375)	$ 93,671,025	$ 4,347,683
Business-type activities:					
Compensated absences	$ 114,928	$ 69,252	$ (70,780)	$ 113,400	$ 18,144
OPEB obligation	203,405	58,079	(9,628)	251,856	-
Total business-type long-term debt	$ 318,333	$ 127,331	$ (80,408)	$ 365,256	$ 18,144

The compensated absence and OPEB 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, 2013 was $499,301,715, providing a debt margin of $480,146,059. General Obligation Bonds Payable at December 31, 2013 consisted of the following:

	General Obligation Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2013
2005 Jail Expansion Bonds	1/11/2005	2/1/2025	3.00%-4.75%	$ 24,800,000	$ 2,365,000
2012 Refunding Bonds	5/10/2012	2/1/2025	1.50%-5.00%	15,750,000	15,675,000
Total General Obligation Bonds Outstanding					18,040,000
Add Unamortized Premium					1,115,656
Total General Obligation Bonds Payable					$ 19,155,656

General Obligation Bonds-Debt Service Requirement to Maturity

	Series 2005		Refunding Series 2012		Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 1,160,000	$ 71,400	$ 80,000	$ 505,788	$ 1,240,000	$ 577,188
2015	1,205,000	24,100	85,000	502,487	1,290,000	526,587
2016	-	-	1,325,000	490,850	1,325,000	490,850
2017	-	-	1,345,000	470,825	1,345,000	470,825
2018	-	-	1,385,000	433,038	1,385,000	433,038
2019-2023	-	-	7,920,000	1,158,456	7,920,000	1,158,456
2024-2025	-	-	3,535,000	102,525	3,535,000	102,525
Total	$ 2,365,000	$ 95,500	$ 15,675,000	$ 3,663,969	$ 18,040,000	$ 3,759,469

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 percent of the interest payable on the 2009B Build America Bonds. During 2013, the US Treasury reduced the cash subsidy dollar amount by 8.7 percent on payments through September 30, 2013 and 7.2 percent starting October 1, 2013 through September 30, 2014. It is unknown if similar actions will be taken beyond this date. Sales Tax Revenue Bonds Payable at December 31, 2013 consisted of the following:

	Sales Tax Revenue Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2013
2003 Conference Center B	10/23/2003	10/1/2015	2.00%-4.100%	$ 8,250,000	$ 875,000
2006 Conference Center Expansion	9/12/2006	10/1/2027	4.00%-4.375%	9,955,000	8,375,000
2009A Flood Projects Bonds	9/23/2009	4/1/2016	2.00%-4.000%	7,550,000	3,400,000
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	4,790,000
	Total Sales Tax Revenue Bonds Outstanding				36,890,000
	Add Unamortized Premium				121,342
	Total Sales Tax Revenue Bonds Payable				$ 37,011,342

Sales Tax Revenue Bonds-Debt Service Requirement to Maturity

	Series 2003B		Series 2006		Series 2009A	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2014	$ 430,000	$ 35,445	$ 265,000	$ 358,935	$ 1,100,000	$ 105,750
2015	445,000	18,245	280,000	347,672	1,125,000	69,500
2016	-	-	290,000	335,772	1,175,000	23,500
2017	-	-	300,000	323,448	-	-
2018	-	-	315,000	310,698	-	-
2019-2023	-	-	1,780,000	1,341,200	-	-
2024-2027	-	-	5,145,000	568,313	-	-
Total	$ 875,000	$ 53,690	$ 8,375,000	$ 3,586,038	$ 3,400,000	$ 198,750

(Continued)

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

	Build America Bonds Series 2009B				Refunding Series 2009C	
Year	Principal	Interest	BAB Subsidy	Interest Net of BAB Subsidy	Principal	Interest
2014	$ -	$ 1,036,137	$ (331,100)	$ 705,037	$ 35,000	$ 181,387
2015	-	1,036,137	(362,648)	673,489	35,000	180,250
2016	-	1,036,138	(362,648)	673,490	515,000	169,250
2017	1,225,000	1,010,412	(353,644)	656,768	535,000	149,587
2018	1,250,000	956,563	(334,797)	621,766	555,000	129,125
2019-2023	6,900,000	3,818,488	(1,336,471)	2,482,017	3,115,000	294,538
2024-2028	8,225,000	1,785,381	(624,883)	1,160,498	-	-
2029	1,850,000	55,500	(19,425)	36,075	-	-
Total	$ 19,450,000	$ 10,734,756	$ (3,725,616)	$ 7,009,140	$ 4,790,000	$ 1,104,137

	Total			
	Principal	Interest	BAB Subsidy	Interest Net of BAB Subsidy
2014	$ 1,830,000	$ 1,717,654	$ (331,100)	$ 1,386,554
2015	1,885,000	1,651,804	(362,648)	1,289,156
2016	1,980,000	1,564,660	(362,648)	1,202,012
2017	2,060,000	1,483,447	(353,644)	1,129,803
2018	2,120,000	1,396,386	(334,797)	1,061,589
2019-2023	11,795,000	5,454,226	(1,336,471)	4,117,755
2024-2028	13,370,000	2,353,694	(624,883)	1,728,811
2029	1,850,000	55,500	(19,425)	36,075
Total	$ 36,890,000	$ 15,677,371	$ (3,725,616)	$ 11,951,755

(Concluded)

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 percent of the interest payable on the 2010B Bonds. During 2013, the US Treasury reduced the cash subsidy dollar amount by 8.7 percent on payments through September 30, 2013 and 7.2 percent starting October 1, 2013 through September 30, 2014. It is unknown if similar actions will be taken beyond this date. Lease Revenue Bonds Payable at December 31, 2013 consists of the following:

	Lease Revenue Bonds Payable				
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2013
2001 Wasatch Front Regional Council	9/4/2001	9/4/2019	1.49%	$ 1,153,000	$ 551,000
2010A DMV Refunding Bonds	10/21/2010	11/1/2014	2.00%-2.50%	1,335,000	560,000
2010B Taxable Recovery Zone Bonds	10/21/2010	11/1/2040	1.85%-6.00%	19,600,000	19,600,000
Total Lease Revenue Bonds Outstanding					20,711,000
Add Unamortized Premium					2,378
Total Sales Tax Revenue Bonds Payable					$ 20,713,378

Lease Revenue Bonds-Debt Service Requirement to Maturity

	Series 2001 WFRC		Series 2010A DMV Refunding	
Year	Principal	Interest	Principal	Interest
2014	$ 67,000	$ 7,964	$ 560,000	$ 14,000
2015	71,000	6,951	-	-
2016	75,000	5,878	-	-
2017	77,000	4,753	-	-
2018	81,000	3,591		
2019	180,000	2,369	-	-
Total	$ 551,000	$ 31,506	$ 560,000	$ 14,000

	Taxable Recovery Zone Economic Development Bonds Series 2010B			
Year	Principal	Interest	Subsidy	Interest Net of Subsidy
2014	$ 40,000	$ 1,002,907	$ (418,798)	$ 584,109
2015	620,000	1,002,168	(450,975)	551,193
2016	625,000	988,528	(444,838)	543,690
2017	635,000	972,277	(437,525)	534,752
2018	645,000	952,910	(428,810)	524,100
2019-2023	3,425,000	4,388,715	(1,974,922)	2,413,793
2024-2028	3,485,000	3,557,855	(1,601,035)	1,956,820
2029-2033	3,755,000	2,576,033	(1,159,215)	1,416,818
2034-2038	4,400,000	1,397,575	(628,909)	768,666
2039-2040	1,970,000	178,200	(80,190)	98,010
Total	$ 19,600,000	$ 17,017,168	$ (7,625,217)	$ 9,391,951

(Continued)

Lease Revenue Bonds-Debt Service Requirement to Maturity (Continued)

	Total			
	Principal	**Interest**	**Subsidy**	**Interest Net of Subsidy**
2014	$ 667,000	$ 1,024,871	$ (418,798)	$ 606,073
2015	691,000	1,009,119	(450,975)	558,144
2016	700,000	994,406	(444,838)	549,568
2017	712,000	977,030	(437,525)	539,505
2018	726,000	956,501	(428,810)	527,691
2019-2023	3,605,000	4,391,084	(1,974,922)	2,416,162
2024-2028	3,485,000	3,557,855	(1,601,035)	1,956,820
2029-2033	3,755,000	2,576,033	(1,159,215)	1,416,818
2034-2038	4,400,000	1,397,575	(628,909)	768,666
2039-2040	1,970,000	178,200	(80,190)	98,010
Total	$ 20,711,000	$ 17,062,674	$ (7,625,217)	$ 9,437,457

(Concluded)

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, 2013, $15,255,000 of General Obligation and $4,475,000 of Sales Tax Revenue Bonds outstanding are considered defeased.

F. Capital Lease

During 2013, the County entered into a lease agreement that is accounted for as a capital lease in governmental activity long-term debt and governmental activity capital assets. This lease is for 18 "Lifepaks", equipment used by the Sheriff's department that is valued at $482,315. 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, and has a lease period of 5 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:

	Governmental Activities
Lifepak equipment	$ 482,315
Less accumulated depreciation	(96,467)
Total	$ 385,848

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, 2013:

Year	
2014	$ 96,987
2015	96,987
2016	96,987
2017	96,987
2018	88,905
Total net minimum lease payments	476,853
Less amount representing maintenance agreement	(91,421)
Less amount representing interest	-
Present value of net minimum lease payments	$ 385,432

NOTE 8. SHORT-TERM DEBT

On August 1, 2013, the County issued $5 million of tax anticipation notes at 1 percent interest. This short-term borrowing was necessary to meet operating needs prior to collection of property taxes in November. Total interest on these notes was $20,278 and total principal and interest on the notes was paid in full on December 27, 2013.

NOTE 9. NET POSITION AND FUND BALANCES

A. Net Position

The net position represents the difference between assets and liabilities. 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 $6,873,325 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 in state statute, 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 below summarizes the purposes of the County's restricted, committed, and assigned fund balances:

	Governmental Fund Balances		
	Restricted Purposes	**Committed Purposes**	**Assigned Purposes**
General Fund:			
Subsequent year's budget: appropriation of fund balance	$ -	$ -	$ 2,747,786
Health Fund:			
Car seats and bike helmets	8,883	-	-
Public Health Programs	-	-	4,468,820
Library Fund	-	-	5,548,132
Flood Control: Future Flood Projects	-	-	2,733,857
Nonmajor Funds:			
Davis Cultural Arts Center	-	171,429	-
Tourism and Convention Activities	-	-	1,793,609
Aging Services Programs	-	-	1,195,166
Class B-Roads	1,346,175	-	-
Public Works Programs	-	-	3,183,452
Public Safety Programs	-	-	58,951
Debt Service	5,518,267	-	-
Municipal Building Authority	-	-	260,967
Future Capital Projects	-	-	4,761,572
Total, All Governmental Funds	$ 6,873,325	$ 171,429	$ 26,752,312

NOTE 10. RETIREMENT PLANS

A. Pension Plans

Davis County contributes to the Local Government Contributory and Noncontributory Retirement Systems and the Public Safety Retirement System, (collectively, the Systems), which are cost-sharing multiple-employer defined benefit pension plans. The Systems are administered by Utah Retirement Systems (URS) under the direction of the URS Board, which consists of the State Treasurer and six members appointed by the governor. URS is established under and governed by Title 49 of *Utah Code Annotated, 1953*, as amended (UCA). URS publishes an annual financial report that includes financial statements and required supplementary information for all retirement systems and deferred compensation plans administered by it. Copies of the report

may be obtained by writing to Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102; by calling 1-800-753-7361; or by visiting www.urs.org.

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

Recently, the state legislature closed the existing Systems to new employees hired on or after July 1, 2011, and created a new "hybrid" defined-benefit retirement plan for all new employees. This "Tier 2 System" caps the employer's contribution at a fixed rate and requires the employee to pay the difference, if any, between the capped rate and the actuarially required contribution rate. If the actuarially required rate is less than the cap, the difference is credited to the employee's 401(k) account. The new plan also offers a smaller retirement benefit and requires more years of service than the existing plan. Finally, new employees have the option of choosing a straight defined-contribution plan in lieu of the Tier 2 System. The new plan is administered by Utah Retirement Systems and is expected to reduce pension costs over time for all government employers in the state. A brief summary of eligibility, benefits, and contribution rates of the Tier 1 and Tier 2 Systems is provided in the table located below.

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

	Tier 1		Tier 2	
	Local Government Noncontributory System	Public Safety Noncontributory System	Local Government	Public Safety
Highest Average Salary	3 Years	3 Years	5 Years	5 Years
Years of Service and Age of Eligibility	30 years any age 25 years any age (a) 20 years age 60 (a) 10 years age 62 (a) 4 years age 65	20 years any age 10 years age 60 4 years age 65	35 years any age 20 years any age (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	2.5% per year up to 20 years 2.0% per year over 20 years Benefit cannot exceed 70% of final average salary.	1.5% per year	1.5% per year
Annual Cost of Living Adjustment	up to 4.0%	up to 2.5%	up to 2.5%	up to 2.5%
2013 Rates as Percent of Covered Payroll:				
January-June 2013	16.04%	30.45%	14.05%	20.93%
July-December 2013	17.29%	32.14%	13.99%	20.85%
Actual County Contributions Made, by year:				
2013	$3,956,776	$3,282,004	$ 113,631	$ 64,574
2012	$3,639,241	$2,998,807	$ 55,556	$ 33,587
2011	$3,308,960	$2,825,960	$ 4,935	$ 171

(a) Requires full actuarial reductions.

B. Deferred Compensation Plans

The County participates in a 401(k) Plan and a 457 Plan (collectively, the Plans), both of which are defined contribution plans administered by URS. The Plans are in addition to the retirement benefits outlined above. Voluntary contributions may be made to the Plans subject to URS and Internal Revenue Service limitations. The County contributes a matching amount up to 5.0 percent of eligible employees' salaries to the 401(k) Plan, and employees may contribute to both Plans up to maximum percentages allowed by IRS regulations.

Account balances of the Plans are fully vested to the participants at the time of deposit. All assets and income of the Plans are held by URS for the exclusive benefit of the participants or their beneficiaries. For the year ended December 31, 2013, Davis County contributed $1,727,721 to employees' 401(k) Plans.

NOTE 11. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Description

In addition to the pension benefits described in Note 10, 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, 2013, the County's annual OPEB cost (expense) was $3,342,102. 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	$ 3,569,285
Interest on net OPEB obligation	421,686
Adjustment to annual required contribution	(648,869)
Annual OPEB cost (expense)	3,342,102
Contributions made	(553,999)
Increase in net OPEB obligation	2,788,103
Net OPEB obligation-beginning of year	10,542,155
Net OPEB obligation-end of year	$ 13,330,258

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, 2011, 2012, and 2013 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2011	$ 2,598,130	$ 582,210	22.41%	$ 7,831,178
December 31, 2012	3,138,844	427,867	13.63%	10,542,155
December 31, 2013	3,342,102	553,999	16.58%	13,330,258

D. Funded Status and Funding Progress

The funded status of the plan as of December 31, 2013 was as follows:

Actuarial accrued liability (AAL)	$ 23,979,188
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	23,979,188
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	36,582,079
UAAL as a percentage of covered payroll	66%

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 trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The 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, 2013 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, 2012, 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 an 8 percent medical trend rate for 2013, reduced by decrements to an ultimate rate of 4.6 percent. Covered payroll included a 2.75 percent inflation assumption. The unfunded actuarial accrued liability (UAAL) is being amortized over a closed 30 year period in level dollar amounts.

NOTE 12. 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 26 Utah Counties, 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 also purchases a $10,000,000 commercial excess policy from States Insurance to protect against liability claims exceeding UCIP's coverage.

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 13. 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 14. JOINT VENTURES – South Davis Metro Fire Agency

The South Davis Metro Fire Agency was created through an inter-local governmental agreement among various municipalities in southern Davis County. The District exists to provide fire protection and ambulance services to those entities involved in the agreement. The Agency is governed by a 7-member board consisting of representatives from each of the five cities and also two from the County. The Board is responsible for directing all activities of the Agency including approving an annual budget and appointing the Chief. Separate financial information can be obtained from South Davis Metro Fire Agency, 255 South 100 West, Bountiful, Utah 84010.

The South Davis Metro Fire Agency receives its funding from an annual assessment paid by each participant. The assessment is allocated based on taxable value of each participating entity. In 2013, the County participated as a representative of the citizens of the unincorporated area of the County. The payment is recorded as part of the Special Service Area Fund. The County payment for 2013 was $342,753. It represents only 6.71 percent of the net expenditures funded by the six member entities.

NOTE 15. COMMITMENTS – Davis Cultural Arts Center / Inter-local agreement

In 2009 the County entered into an inter-local financing agreement with the Redevelopment Agency of Centerville City (the "Agency") to provide a total of $2,000,000 towards the building and promoting of a Cultural Arts Center. Under the terms of the agreement, the County made an initial lump sum payment of $800,000 to the Agency in 2009, and made payments of $171,429 during 2010-2013. The County will subsequently, for a period of three years, provide the Agency with yearly payments of $171,429 on March 1 of each of the three years. All payments are subject to budget appropriation and approval by the County Commission.

NOTE 16. CONDUIT DEBT

The County has issued Facility 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, 2013, there were two series of Facility Revenue Bonds outstanding for an aggregate principal balance of $7,585,000.

Required Supplementary Information

www.Davis COUNTYUTAH.GOV

www.daviscountyutah.gov

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.

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, 2013

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES:				
Taxes:				
General property taxes - current	$ 33,110,000	$ 31,528,718	$ 33,341,478	$ 1,812,760
General property taxes - delinquent	1,430,000	1,430,000	1,215,892	(214,108)
Penalties and interest on delinquent taxes	775,000	775,000	768,126	(6,874)
Fee-in-lieu	3,225,000	3,225,000	2,838,570	(386,430)
Sales tax	11,500,000	11,500,000	11,890,428	390,428
Total taxes	50,040,000	48,458,718	50,054,494	1,595,776
Licenses and permits:				
Marriage licenses	25,000	25,000	61,045	36,045
Animal licenses	285,000	285,000	223,367	(61,633)
Total licenses and permits	310,000	310,000	284,412	(25,588)
Fines and forfeitures				
Justice court	1,795,000	1,795,000	1,324,301	(470,699)
Total fines and forfeitures	1,795,000	1,795,000	1,324,301	(470,699)
Intergovernmental and grant revenue:				
Federal - emergency services	85,500	85,500	60,425	(25,075)
Federal payment in lieu of taxes	60,000	60,000	68,079	8,079
INS grant	90,000	90,000	157,202	67,202
Mental Health Court Grant	-	125,000	216,693	91,693
State grants:				
State forest service	8,501	8,501	8,501	-
Victim services	93,859	93,859	89,115	(4,744)
EMS per capita	8,961	8,961	8,961	-
Children's justice centers	205,977	205,977	202,434	(3,543)
Drug court grant	247,325	247,325	250,307	2,982
DUI grant	189,539	189,539	187,300	(2,239)
Other	228,959	228,959	176,559	(52,400)
Total intergovernmental and grant revenue	1,218,621	1,343,621	1,425,576	81,955
Charges for services:				
Clerk fees	150,000	150,000	161,412	11,412
Recorder fees	1,700,000	1,700,000	1,594,069	(105,931)
A.L.S. fees	120,000	120,000	135,038	15,038
Sheriff fees	1,170,000	1,185,033	1,169,176	(15,857)
Jail fees	7,987,761	7,987,761	6,558,648	(1,429,113)
Drug court participation fees	14,500	14,500	25,755	11,255
Surveyor filing fees	2,500	2,500	3,280	780
Wellness program fees	1,400	1,400	25,358	23,958
Animal shelter fees	929,000	929,000	819,245	(109,755)
Causeway user fees	125,000	125,000	142,469	17,469
Miscellaneous fees	53,000	53,000	63,846	10,846
Total charges for services	12,253,161	12,268,194	10,698,296	(1,569,898)
Interest	32,200	32,200	18,139	(14,061)

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Other:				
Rent	219,006	219,006	343,315	124,309
Sundry:				
Public defender	150,000	150,000	186,928	36,928
Information systems	352,000	352,000	359,456	7,456
Clerk/Auditor	169,000	239,000	241,714	2,714
Attorney	20,000	20,000	29,153	9,153
Personnel	75,000	75,000	70,307	(4,693)
Children's Justice Center	22,500	27,500	20,900	(6,600)
Treasurer	400	400	780	380
Surveyor	1,000	1,000	468	(532)
S.S. revenues	18,000	18,000	16,200	(1,800)
Miscellaneous	104,472	119,472	399,028	279,556
Total other revenues	1,131,378	1,221,378	1,668,249	446,871
TOTAL REVENUES	66,780,360	65,429,111	65,473,467	44,356
EXPENDITURES				
General government:				
Commissioners	759,457	778,457	778,452	5
Tax Administration	413,737	416,342	387,406	28,936
Drug court	316,759	317,738	294,561	23,177
Justice court	988,265	900,705	796,468	104,237
Mental Health court	-	750	728	22
Legal defender	1,753,994	1,755,694	1,699,385	56,309
Personnel	956,875	957,111	883,928	73,183
Information systems	4,324,135	4,571,074	4,169,933	401,141
Clerk/Auditor	2,472,301	2,553,654	2,419,321	134,333
Treasurer	497,881	500,716	488,292	12,424
Recorder	1,330,878	1,335,743	1,318,945	16,798
Attorney	4,093,869	4,200,187	4,021,863	178,324
Assessor	2,569,776	2,589,071	2,571,200	17,871
Surveyor	643,363	644,174	643,675	499
Victim services	302,488	302,488	249,649	52,839
Children's Justice Center	300,607	303,519	290,574	12,945
Community and Economic Development	337,259	338,536	336,621	1,915
Planning	494,537	499,790	475,969	23,821
USU AG Extension	203,500	203,500	203,500	-
Non-departmental	3,832,216	3,610,178	3,091,210	518,968
Total general government	26,591,897	26,779,427	25,121,680	1,657,747
Public safety:				
Sheriff	12,517,957	12,603,522	12,469,342	134,180
Paramedic	1,330,000	1,330,000	1,298,970	31,030
State forest fire protection	55,000	55,000	26,728	28,272
Jail	17,951,599	17,707,896	17,268,920	438,976
Animal care and control	2,101,391	2,079,361	2,016,875	62,486
Total public safety	33,955,947	33,775,779	33,080,835	694,944
Public health - poor and indigent	7,200	7,200	3,400	3,800
Public works - vehicle maintenance	368,129	362,679	357,101	5,578

(Continued)

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (CONTINUED)
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Capital outlay	1,082,974	1,487,485	1,445,297	42,188
TOTAL EXPENDITURES	62,006,147	62,412,570	60,008,313	2,404,257
EXCESS OF REVENUES OVER EXPENDITURES	4,774,213	3,016,541	5,465,154	2,448,613
OTHER FINANCING SOURCES (USES):				
Sale of capital assets	40,000	40,000	226,652	186,652
Capital lease	-	-	391,965	391,965
Transfers in	741,000	1,242,500	1,222,820	(19,680)
Transfers out	(8,670,200)	(9,016,020)	(9,011,303)	4,717
Total other financing sources (uses), net	(7,889,200)	(7,733,520)	(7,169,866)	563,654
NET CHANGE IN FUND BALANCE	(3,114,987)	(4,716,979)	(1,704,712)	3,012,267
FUND BALANCE - Beginning of year	17,624,735	18,162,465	18,162,465	-
FUND BALANCE - End of year	$ 14,509,748	$ 13,445,486	$ 16,457,753	$ 3,012,267

(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, 2013

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES:				
Intergovernmental and grant revenue	$ 6,245,548	$ 6,511,621	$ 6,721,156	$ 209,535
Charges for services	2,650,650	2,652,650	3,275,249	622,599
Interest	-	-	16,762	16,762
Other	61,000	63,396	65,847	2,451
Total revenues	8,957,198	9,227,667	10,079,014	851,347
EXPENDITURES				
Public health:				
Salaries and benefits	6,087,188	5,898,338	5,586,379	311,959
Operating expenditures	1,989,895	2,375,664	2,198,475	177,189
Food vouchers	3,280,008	3,280,008	3,348,174	(68,166)
Capital outlay	106,200	120,600	52,465	68,135
Total expenditures	11,463,291	11,674,610	11,185,493	489,117
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,506,093)	(2,446,943)	(1,106,479)	1,340,464
OTHER FINANCING SOURCES				
Sale of capital assets	-	-	3,734	3,734
Transfers in	2,490,000	2,490,000	2,490,000	-
Total other financing sources	2,490,000	2,490,000	2,493,734	3,734
NET CHANGE IN FUND BALANCE	(16,093)	43,057	1,387,255	1,344,198
FUND BALANCE - Beginning of year	3,520,136	3,708,709	3,708,709	-
Adjustment to beginning fund balance	(502,680)	(502,680)	(502,680)	-
FUND BALANCE - Beginning as adjusted	3,017,456	3,206,029	3,206,029	-
FUND BALANCE - End of year	$ 3,001,363	$ 3,249,086	$ 4,593,284	$ 1,344,198

LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
REVENUES:				
General property taxes:				
Current	$ 6,223,094	$ 6,142,848	$ 6,402,811	$ 259,963
Delinquent	244,053	244,053	212,416	(31,637)
Penalties and interest on delinquent taxes	25,449	25,449	34,230	8,781
Total taxes	6,492,596	6,412,350	6,649,457	237,107
Fines and forfeitures	174,604	174,604	172,511	(2,093)
Intergovernmental and grant revenue	56,000	56,000	54,144	(1,856)
Interest	1,000	1,000	14,777	13,777
Other	10,000	10,000	10,520	520
Total revenues	6,734,200	6,653,954	6,901,409	247,455
EXPENDITURES:				
General government:				
Salaries and benefits	4,530,817	4,530,817	4,294,026	236,791
Operating expenditures	1,809,455	1,858,439	1,717,995	140,444
Capital outlay	81,000	81,000	92,575	(11,575)
Total expenditures	6,421,272	6,470,256	6,104,596	365,660
EXCESS OF REVENUES OVER EXPENDITURES	312,928	183,698	796,813	613,115
OTHER FINANCING USES - Transfers out	(275,000)	-	-	-
NET CHANGE IN FUND BALANCE	37,928	183,698	796,813	613,115
FUND BALANCE - Beginning of year	4,749,013	4,869,255	4,869,255	-
FUND BALANCE - End of year	$ 4,786,941	$ 5,052,953	$ 5,666,068	$ 613,115

DAVIS COUNTY

EXHIBIT O

INFORMATION ABOUT OTHER POSTEMPLOYMENT BENEFIT PLAN
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
December 31, 2011	-	17,821,750	17,821,750	0%	35,008,287	51%
December 31, 2012	-	21,606,486	21,606,486	0%	37,009,357	58%
December 31, 2013	-	23,979,188	23,979,188	0%	36,582,079	66%

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Supplementary Information

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

Special Services Area Special Revenue Fund

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

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.

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.

Capital Projects Fund

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

DAVIS COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Special Revenue Funds				
	Tourism Fund	Aging Services	Special Services Area	Emergency 911 Dispatch	Municipal Building Authority
ASSETS					
Cash and cash equivalents	$ 1,410,245	$ 858,599	$ 4,212,942	$ -	$ 379,078
Accounts receivable	741,601	492,519	332,629	173,715	-
Taxes receivable	-	-	48,062	-	-
Prepaids and other	171,486	6,081	175	13,043	-
Total assets	$ 2,323,332	$ 1,357,199	$ 4,593,808	$ 186,758	$ 379,078
LIABILITIES					
Accounts payable	$ 158,609	$ 66,652	$ 15,944	$ 28,882	$ 20
Accrued liabilities	24,000	89,300	-	71,700	-
Due to other funds	-	-	-	14,182	-
Unearned revenue	4,199	-	-	-	-
Total liabilities	186,808	155,952	15,944	114,764	20
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	-	-	48,062	-	-
FUND BALANCES					
Nonspendable-prepaids	171,486	6,081	175	13,043	-
Restricted	-	-	1,346,175	-	118,091
Committed	171,429	-	-	-	-
Assigned	1,793,609	1,195,166	3,183,452	58,951	260,967
Total fund balances	2,136,524	1,201,247	4,529,802	71,994	379,058
Total liabilities, deferred inflows of resources, and fund balances	$ 2,323,332	$ 1,357,199	$ 4,593,808	$ 186,758	$ 379,078

(Continued)

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2013

	Debt Service Funds				
	General Government	Municipal Building Authority	Sales Tax Revenue Bonds	Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	$ 4,248,589	$ 1,088	$ 1,150,499	$ 4,761,572	$ 17,022,612
Accounts receivable	-	-	-	-	1,740,464
Taxes receivable	101,768	-	-	-	149,830
Prepaids and other	-	-	-	-	190,785
Total assets	$ 4,350,357	$ 1,088	$ 1,150,499	$ 4,761,572	$ 19,103,691
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ 270,107
Accrued liabilities	-	-	-	-	185,000
Due to other funds	-	-	-	-	14,182
Unearned revenue	-	-	-	-	4,199
Total liabilities	-	-	-	-	473,488
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	101,768	-	-	-	149,830
FUND BALANCES					
Nonspendable-prepaids	-	-	-	-	190,785
Restricted	4,248,589	1,088	1,150,499	-	6,864,442
Committed	-	-	-	-	171,429
Assigned	-	-	-	4,761,572	11,253,717
Total fund balances	4,248,589	1,088	1,150,499	4,761,572	18,480,373
Total liabilities, deferred inflows of resources, and fund balances	$ 4,350,357	$ 1,088	$ 1,150,499	$ 4,761,572	$ 19,103,691

(Concluded)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds				
	Tourism Fund	Aging Services	Special Services Area	Emergency 911 Dispatch	Municipal Building Authority
REVENUES:					
Taxes:					
General property taxes - current	$ -	$ -	$ 802,521	$ -	$ -
General property taxes - delinquent	-	-	2,033	-	-
Penalties and interest on delinquent taxes	-	-	552	-	-
Sales taxes	4,976,161	-	724,825	-	-
Total taxes	4,976,161	-	1,529,931	-	-
Intergovernmental and grant revenue	-	2,619,725	1,085,316	-	-
Charges for services	548,120	221,811	44,079	1,493,801	-
Interest	2,938	4,215	18,495	-	889
Other	31,965	251,449	-	38,239	205,172
Total revenues	5,559,184	3,097,200	2,677,821	1,532,040	206,061
EXPENDITURES:					
Current:					
General government	3,216,424	4,585,247	494,937	-	20
Public safety	-	-	-	1,765,907	-
Public works	-	-	1,060,754	-	-
Capital outlay	1,061,067	6,076	599,895	14,792	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	4,277,491	4,591,323	2,155,586	1,780,699	20
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,281,693	(1,494,123)	522,235	(248,659)	206,041
OTHER FINANCING SOURCES (USES):					
Transfers in	-	1,699,992	230,260	200,004	23,160
Transfers out	(1,420,216)	-	-	-	(191,565)
Total other financing sources (uses), net	(1,420,216)	1,699,992	230,260	200,004	(168,405)
NET CHANGE IN FUND BALANCES	(138,523)	205,869	752,495	(48,655)	37,636
FUND BALANCE:					
Beginning of year	2,275,047	995,378	3,777,307	120,649	341,422
End of year	$ 2,136,524	$ 1,201,247	$ 4,529,802	$ 71,994	$ 379,058

(Continued)

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Debt Service Funds				Total
	General Government	Municipal Building Authority	Sales Tax Revenue Bonds	Capital Projects Fund	Nonmajor Governmental Funds
REVENUES:					
Taxes:					
General property taxes - current	$ 2,088,680	$ -	$ -	$ -	$ 2,891,201
General property taxes - delinquent	72,459	-	-	-	74,492
Penalties and interest on delinquent taxes	11,426	-	-	-	11,978
Sales taxes	-	-	-	-	5,700,986
Total taxes	2,172,565	-	-	-	8,678,657
Intergovernmental and grant revenue	-	415,429	346,873	-	4,467,343
Charges for services	-	-	-	-	2,307,811
Interest	12,851	-	3,444	23,937	66,769
Other	-	-	-	-	526,825
Total revenues	2,185,416	415,429	350,317	23,937	16,047,405
EXPENDITURES:					
Current:					
General government	-	-	-	-	8,296,628
Public safety	-	-	-	-	1,765,907
Public works	-	-	-	-	1,060,754
Capital outlay	-	-	-	-	1,681,830
Debt service:					
Principal retirement	1,190,000	650,000	1,780,000	-	3,620,000
Interest and fiscal charges	629,589	1,045,973	1,781,758	-	3,457,320
Total expenditures	1,819,589	1,695,973	3,561,758	-	19,882,439
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	365,827	(1,280,544)	(3,211,441)	23,937	(3,835,034)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	1,281,632	3,234,400	-	6,669,448
Transfers out	-	-	-	-	(1,611,781)
Total other financing sources (uses), net	-	1,281,632	3,234,400	-	5,057,667
NET CHANGE IN FUND BALANCES	365,827	1,088	22,959	23,937	1,222,633
FUND BALANCE:					
Beginning of year	3,882,762	-	1,127,540	4,737,635	17,257,740
End of year	$ 4,248,589	$ 1,088	$ 1,150,499	$ 4,761,572	$ 18,480,373

(Concluded)

FLOOD CONTROL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Interest	$ 30,000	$ 13,971	$ (16,029)
Other	75,000	5,170	(69,830)
Total revenues	105,000	19,141	(85,859)
EXPENDITURES:			
General government			
Salaries and benefits	1,248,763	724,370	524,393
Operating expenditures	399,487	308,479	91,008
Capital outlay	943,000	1,251,789	(308,789)
Total expenditures	2,591,250	2,284,638	306,612
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,486,250)	(2,265,497)	220,753
OTHER FINANCING SOURCES (USES):			
Transfers in	3,500,000	3,611,885	111,885
Transfers out	(2,221,250)	(2,124,775)	96,475
Total other financing sources (uses), net	1,278,750	1,487,110	208,360
NET CHANGE IN FUND BALANCE	(1,207,500)	(778,387)	429,113
FUND BALANCE - Beginning of year	3,512,244	3,512,244	-
FUND BALANCE - End of year	$ 2,304,744	$ 2,733,857	$ 429,113

CAMPUS CONSTRUCTION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Interest	$ 500	$ 374	$ (126)
Other	1,000	1,088	88
Total revenues	1,500	1,462	(38)
EXPENDITURES:			
Capital outlay			
Children's Justice Center	126,275	126,268	7
Administration Building	1,089,349	1,085,621	3,728
Library	355,751	355,654	97
Total expenditures	1,571,375	1,567,543	3,832
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,569,875)	(1,566,081)	3,794
OTHER FINANCING USES - Transfers out	(501,500)	(505,294)	(3,794)
NET CHANGE IN FUND BALANCE	(2,071,375)	(2,071,375)	-
FUND BALANCE - Beginning of year	2,071,375	2,071,375	-
FUND BALANCE - End of year	$ -	$ -	$ -

TOURISM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Sales tax	$ 4,850,000	$ 4,976,161	$ 126,161
Charges for services	641,550	548,120	(93,430)
Interest	5,500	2,938	(2,562)
Other	53,000	31,965	(21,035)
Total revenues	5,550,050	5,559,184	9,134
EXPENDITURES:			
General government:			
Salaries and benefits	825,168	789,328	35,840
Operating expenditures	2,466,587	2,427,096	39,491
Capital outlay	1,304,100	1,061,067	243,033
Total expenditures	4,595,855	4,277,491	318,364
EXCESS OF REVENUES OVER EXPENDITURES	954,195	1,281,693	327,498
OTHER FINANCING USES - Transfers out	(1,321,700)	(1,420,216)	(98,516)
NET CHANGE IN FUND BALANCE	(367,505)	(138,523)	228,982
FUND BALANCE - Beginning of year	2,275,047	2,275,047	-
FUND BALANCE - End of year	$ 1,907,542	$ 2,136,524	$ 228,982

AGING SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Intergovernmental and grant revenue	$ 3,266,732	$ 2,619,725	$ (647,007)
Charges for services	235,000	221,811	(13,189)
Interest	-	4,215	4,215
Other	69,625	251,449	181,824
Total revenues	3,571,357	3,097,200	(474,157)
EXPENDITURES:			
General government:			
Salaries and benefits	3,125,120	2,882,539	242,581
Operating expenditures	2,130,239	1,702,708	427,531
Capital outlay	32,076	6,076	26,000
Total expenditures	5,287,435	4,591,323	696,112
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,716,078)	(1,494,123)	221,955
OTHER FINANCING SOURCES - Transfers in	1,700,000	1,699,992	(8)
NET CHANGE IN FUND BALANCE	(16,078)	205,869	221,947
FUND BALANCE - Beginning of year	995,378	995,378	-
FUND BALANCE - End of year	$ 979,300	$ 1,201,247	$ 221,947

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, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
General property taxes:			
Current	$ 503,081	$ 802,521	$ 299,440
Delinquent	6,000	2,033	(3,967)
Penalties and interest on delinquent taxes	2,500	552	(1,948)
Sales taxes	498,000	724,825	226,825
Total taxes	1,009,581	1,529,931	520,350
Intergovernmental and grant revenue	1,000,000	1,085,316	85,316
Charges for services	42,000	44,079	2,079
Interest	10,000	18,495	8,495
Other	1,500	-	(1,500)
Total revenues	2,063,081	2,677,821	614,740
EXPENDITURES:			
General government-operating expenditures	544,096	494,937	49,159
Public works			
Salaries and benefits	700,000	695,376	4,624
Operating expenditures	463,216	365,378	97,838
	1,163,216	1,060,754	102,462
Capital outlay	957,700	599,895	357,805
Total expenditures	2,665,012	2,155,586	509,426
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(601,931)	522,235	1,124,166
OTHER FINANCING SOURCES - Transfers in	325,000	230,260	(94,740)
NET CHANGE IN FUND BALANCE	(276,931)	752,495	1,029,426
FUND BALANCE - Beginning of year	3,777,307	3,777,307	-
FUND BALANCE - End of year	$ 3,500,376	$ 4,529,802	$ 1,029,426

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, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Charges for services	$ 1,525,222	$ 1,493,801	$ (31,421)
Other	36,000	38,239	2,239
Total revenues	1,561,222	1,532,040	(29,182)
EXPENDITURES - Public safety:			
Public safety:			
Salaries and benefits	1,533,289	1,536,011	(2,722)
Operating expenditures	253,277	229,896	23,381
Capital outlay	15,000	14,792	208
Total expenditures - public safety	1,801,566	1,780,699	20,867
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(240,344)	(248,659)	(8,315)
OTHER FINANCING SOURCES - Transfers in	200,000	200,004	4
NET CHANGE IN FUND BALANCE	(40,344)	(48,655)	(8,311)
FUND BALANCE - Beginning of year	120,649	120,649	-
FUND BALANCE - End of year	$ 80,305	$ 71,994	$ (8,311)

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, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Interest	$ -	$ 889	$ 889
Other	202,648	205,172	2,524
Total revenues	202,648	206,061	3,413
EXPENDITURES - General government	100	20	80
EXCESS OF REVENUES OVER EXPENDITURES	202,548	206,041	3,493
OTHER FINANCING SOURCES (USES):			
Transfers in	-	23,160	$ 23,160
Transfers out	(197,000)	(191,565)	5,435
Total other financing sources (uses), net	(197,000)	(168,405)	28,595
NET CHANGE IN FUND BALANCE	5,548	37,636	32,088
FUND BALANCE - Beginning of year	341,422	341,422	-
FUND BALANCE - End of year	$ 346,970	$ 379,058	$ 32,088

GENERAL OBLIGATION DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Taxes - general property taxes - current	$ 1,992,182	$ 2,088,680	$ 96,498
Taxes - general property taxes - delinquent	80,000	72,459	(7,541)
Penalties and interest on delinquent taxes	10,000	11,426	1,426
Interest earnings	10,000	12,851	2,851
Total revenues	2,092,182	2,185,416	93,234
EXPENDITURES			
Principal retirement	1,190,000	1,190,000	-
Interest expense and fiscal charges	631,300	629,589	1,711
Total expenditures	1,821,300	1,819,589	1,711
EXCESS OF REVENUES OVER EXPENDITURES	270,882	365,827	94,945
FUND BALANCE - Beginning of year	3,882,762	3,882,762	-
FUND BALANCE - End of year	$ 4,153,644	$ 4,248,589	$ 94,945

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, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES - Intergovernmental revenue - Bond interest subsidy	$ 412,040	$ 415,429	$ 3,389
EXPENDITURES:			
Wasatch Front Debt			
Principal retirement	65,000	65,000	-
Interest expense and fiscal charges	13,000	8,940	4,060
Total Wasatch Front Debt	78,000	73,940	4,060
DMV Debt			
Principal retirement	585,000	585,000	-
Interest expense and fiscal charges	33,000	30,625	2,375
Total DMV Debt	618,000	615,625	2,375
Campus Construction Recovery Zone Bonds			
Interest expense and fiscal charges	1,006,500	1,006,408	92
Total expenditures	1,702,500	1,695,973	6,527
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,290,460)	(1,280,544)	9,916
OTHER FINANCING SOURCES - Transfers in	1,291,470	1,281,632	(9,838)
NET CHANGE IN FUND BALANCE	1,010	1,088	78
FUND BALANCE - Beginning of year	-	-	-
FUND BALANCE - End of year	$ 1,010	$ 1,088	$ 78

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, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES:			
Intergovernmental revenue - Bond interest subsidy	$ 331,140	$ 346,873	$ 15,733
Interest earnings	-	3,444	3,444
Total revenues	331,140	350,317	19,177
EXPENDITURES:			
Conference Center			
Principal retirement	415,000	415,000	-
Interest expense and fiscal charges	55,500	54,423	1,077
Total Conference Center	470,500	469,423	1,077
Conference Center Expansion			
Principal retirement	255,000	255,000	-
Interest expense and fiscal charges	374,000	372,772	1,228
Total Conference Center Expansion	629,000	627,772	1,228
Conference Center Refunding			
Principal retirement	35,000	35,000	-
Interest expense and fiscal charges	187,200	183,675	3,525
Total Conference Refunding	222,200	218,675	3,525
Flood Projects			
Principal retirement	1,075,000	1,075,000	-
Interest expense and fiscal charges	133,250	132,250	1,000
Total Flood Projects	1,208,250	1,207,250	1,000
Flood Projects-Build America Bonds			
Principal retirement	-	-	-
Interest expense and fiscal charges	1,040,150	1,038,638	1,512
Total Flood Projects-Build America Bonds	1,040,150	1,038,638	1,512
Total expenditures	3,570,100	3,561,758	8,342
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,238,960)	(3,211,441)	27,519
OTHER FINANCING SOURCES - Transfers in	3,249,500	3,234,400	(15,100)
NET CHANGE IN FUND BALANCE	10,540	22,959	12,419
FUND BALANCE - Beginning of year	1,127,540	1,127,540	-
FUND BALANCE - End of year	$ 1,138,080	$ 1,150,499	$ 12,419

CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Final Budget	Actual	Variance With Final Budget
REVENUES - Interest earnings	$ -	$ 23,937	$ 23,937
EXPENDITURES - Capital outlay	75,000	-	75,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(75,000)	23,937	98,937
FUND BALANCE - Beginning of year	4,737,635	4,737,635	-
FUND BALANCE - End of year	$ 4,662,635	$ 4,761,572	$ 98,937

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.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2013

	Insurance	Telephone and Security System	Building and Grounds	Total Internal Service Funds
ASSETS				
CURRENT:				
Cash and cash equivalents	$ 2,161,906	$ 1,435,636	$ 2,511,559	$ 6,109,101
Accounts receivables	-	10,599	3,723	14,322
Prepaid Expense	506,505	55,790	3,099	565,394
Total current assets	2,668,411	1,502,025	2,518,381	6,688,817
NONCURRENT:				
Capital assets				
Furniture, fixtures, and equipment	574,028	152,413	335,361	1,061,802
Less accumulated depreciation	(492,024)	(114,969)	(306,203)	(913,196)
Total noncurrent assets	82,004	37,444	29,158	148,606
TOTAL ASSETS	2,750,415	1,539,469	2,547,539	6,837,423
LIABILITIES				
CURRENT:				
Accounts payable	695	7,194	182,357	190,246
Accrued liabilities	3,700	2,500	50,300	56,500
Obligations for compensated absences	-	-	8,596	8,596
Total current liabilities	4,395	9,694	241,253	255,342
LONG-TERM:				
Net OPEB obligation	22,144	16,485	331,475	370,104
Obligations for compensated absences	-	-	45,130	45,130
Total long-term liabilities	22,144	16,485	376,605	415,234
TOTAL LIABILITIES	26,539	26,179	617,858	670,576
NET POSITION				
Net investment in capital assets	82,004	37,444	29,158	148,606
Unrestricted	2,641,872	1,475,846	1,900,523	6,018,241
TOTAL NET POSITION	$ 2,723,876	$ 1,513,290	$ 1,929,681	$ 6,166,847

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Insurance	Telephone and Security System	Building and Grounds	Total
OPERATING REVENUES:				
Charges to other funds	$ 1,047,522	$ 445,520	$ 3,568,499	$ 5,061,541
Other revenues	20	95,519	53,623	149,162
Total operating revenues	1,047,542	541,039	3,622,122	5,210,703
OPERATING EXPENSES:				
Salaries, wages, and benefits	133,492	76,047	1,632,248	1,841,787
Insurance premiums	615,393	-	-	615,393
Line charges	-	90,846	-	90,846
Other operating expenses	11,477	147,815	1,740,255	1,899,547
Depreciation	82,004	18,023	27,920	127,947
Total operating expenses	842,366	332,731	3,400,423	4,575,520
OPERATING INCOME	205,176	208,308	221,699	635,183
NONOPERATING REVENUES				
Interest income	11,126	7,063	11,465	29,654
CHANGE IN NET POSITION	216,302	215,371	233,164	664,837
NET POSITION - Beginning of year	2,507,574	1,297,919	1,696,517	5,502,010
NET POSITION - End of year	$ 2,723,876	$ 1,513,290	$ 1,929,681	$ 6,166,847

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Insurance	Telephone and Security System	Building and Grounds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	$ 20	$ 93,456	$ 75,272	$ 168,748
Receipts from interfund services provided	1,047,522	445,520	3,568,499	5,061,541
Payments to suppliers	(1,159,129)	(231,764)	(1,860,324)	(3,251,217)
Payments to employees	(128,544)	(72,249)	(1,558,054)	(1,758,847)
Net cash provided by (used in) operating activities	(240,131)	234,963	225,393	220,225
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	-	(32,370)	(12,219)	(44,589)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	11,126	7,063	11,465	29,654
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(229,005)	209,656	224,639	205,290
CASH AND CASH EQUIVALENTS:				
Beginning of year	2,390,911	1,225,980	2,286,920	5,903,811
End of year	$ 2,161,906	$ 1,435,636	$ 2,511,559	$ 6,109,101
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income	$ 205,176	$ 208,308	$ 221,699	$ 635,183
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:				
Depreciation expense	82,004	18,023	27,920	127,947
Change in assets and liabilities:				
Accounts receivables	-	(2,063)	21,649	19,586
Other assets	(506,505)	(83)	(2,215)	(508,803)
Accounts payable	(25,754)	6,980	(117,854)	(136,628)
Accrued liabilities	400	300	5,400	6,100
Obligation for OPEB	4,548	3,498	71,539	79,585
Obligation for compensated absences	-	-	(2,745)	(2,745)
Net cash provided by (used in) operating activities	$ (240,131)	$ 234,963	$ 225,393	$ 220,225

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.

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2013

	County Agency Fund	Treasurer's Tax Collection Agency Fund	Employee Benefits Agency Fund	Total
ASSETS				
Cash and cash equivalents	$ 613,808	$ 51,628,636	$ 260,430	$ 52,502,874
Accounts receivable	539,869	72,011	-	611,880
TOTAL ASSETS	$ 1,153,677	$ 51,700,647	$ 260,430	$ 53,114,754
LIABILITIES				
Due to individuals, organizations, and other governments	$ 1,153,677	$ 51,700,647	$ 260,430	$ 53,114,754

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Balance at January 1, 2013	Additions	Deletions	Balance at December 31, 2013
COUNTY AGENCY FUND				
ASSETS				
Cash and cash equivalents	$ 531,383	$ 12,154,328	$ 12,071,903	$ 613,808
Accounts receivable	46,653	7,217,226	6,724,010	539,869
TOTAL ASSETS	$ 578,036	$ 19,371,554	$ 18,795,913	$ 1,153,677
LIABILITIES				
Due to individuals, organizations, and other governments	$ 578,036	$ 19,371,554	$ 18,795,913	$ 1,153,677
TREASURER'S TAX COLLECTION AGENCY FUND				
ASSETS				
Cash and cash equivalents	$ 43,813,727	$ 264,051,171	$ 256,236,262	$ 51,628,636
Accounts receivable	539,351	72,011	539,351	72,011
TOTAL ASSETS	$ 44,353,078	$ 264,123,182	$ 256,775,613	$ 51,700,647
LIABILITIES				
Due to individuals, organizations, and other governments	$ 44,353,078	$ 264,123,182	$ 256,775,613	$ 51,700,647
EMPLOYEE BENEFITS AGENCY FUND				
ASSETS				
Cash and cash equivalents	$ 270,405	$ 63,540,212	$ 63,550,187	$ 260,430
LIABILITIES				
Due to individuals, organizations, and other governments	$ 270,405	$ 63,540,212	$ 63,550,187	$ 260,430

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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.

TREASURER'S TAX COLLECTION FUND
SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISBURSED
FOR THE YEAR ENDED DECEMBER 31, 2013

	YEAR-END REAL PROPERTY & CENTRALLY ASSESSED VALUES				YEAR-END PERSONAL PROPERTY VALUES			PROPERTY TAX CALCULATION					
ENTITY	Real Property	Centrally Assessed	Redevelopment Reductions	Total	Personal Property	RDA Reductions	Total	ENTITY TOTAL ADJUSTED VALUE	Current Year Tax Rate	Prior Year Tax Rate (Personal)	Real Property & Centrally Assessed Tax Charged	Personal Property Tax Charged	Total Taxes Charged
Davis School District	14,318,039,859	517,316,496	589,325,388	14,246,030,967	1,621,119,209	64,030,367	1,557,088,842	15,803,119,809	.007175	.007290	102,215,272	11,351,178	113,566,450
Statewide School	14,318,039,859	517,316,496	589,325,388	14,246,030,967	1,621,119,209	64,030,367	1,557,088,842	15,803,119,809	.001535	.001651	21,867,658	2,570,754	24,438,412
Davis County	14,318,039,859	517,316,496	595,616,801	14,239,739,554	1,621,119,209	64,713,930	1,556,405,279	15,796,144,833	.002061	.002108	29,348,103	3,280,902	32,629,005
County Library	14,318,039,859	517,316,496	589,325,388	14,246,030,967	1,621,119,209	64,030,367	1,557,088,842	15,803,119,809	.000389	.000396	5,541,706	616,607	6,158,313
County Assess &Coll	14,318,039,859	517,316,496	-	14,835,356,355	1,621,119,209	-	1,621,119,209	16,456,475,564	.000112	.000115	1,661,560	186,429	1,847,989
State Assess &Coll	14,318,039,859	517,316,496	-	14,835,356,355	1,621,119,209	-	1,621,119,209	16,456,475,564	.000158	.000168	2,343,986	272,348	2,616,334
Bountiful City	2,133,868,719	22,390,076	106,522,214	2,049,736,581	63,606,376	3,132,726	60,473,650	2,110,210,231	.001063	.001094	2,178,870	66,158	2,245,028
Centerville City	894,332,823	34,024,213	90,958,944	837,398,092	43,997,874	4,309,055	39,688,819	877,086,911	.001141	.001165	955,471	46,238	1,001,709
Clearfield City	1,058,399,557	61,126,853	155,360,896	964,165,514	283,012,548	37,934,517	245,078,031	1,209,243,545	.001800	.001800	1,735,498	441,140	2,176,638
Clinton City	707,398,102	18,354,831	4,854,582	720,898,351	21,507,849	145,369	21,362,480	742,260,831	.001831	.001871	1,319,965	39,969	1,359,934
Farmington City	1,050,456,580	36,412,014	101,776,644	985,091,950	42,029,803	3,929,568	38,100,235	1,023,192,185	.002290	.002269	2,255,861	86,449	2,342,310
Fruit Heights City	291,291,329	7,979,933	-	299,271,262	2,695,946	-	2,695,946	301,967,208	.002023	.002054	605,426	5,537	610,963
Kaysville City	1,269,090,422	24,360,045	-	1,293,450,467	34,490,237	-	34,490,237	1,327,940,704	.000999	.001028	1,292,157	35,456	1,327,613
Layton City	3,127,539,178	80,917,809	54,173,760	3,154,283,227	194,539,586	3,280,117	191,259,469	3,345,542,696	.002046	.002084	6,453,663	398,585	6,852,248
North Salt Lake City	1,126,777,352	57,154,803	-	1,183,932,155	203,678,155	-	203,678,155	1,387,610,310	.001613	.001637	1,909,683	333,421	2,243,104
South Weber City	244,625,838	50,631,538	-	295,257,376	3,423,996	-	3,423,996	298,681,372	.000993	.000998	293,191	3,417	296,608
Sunset City	126,196,265	6,155,455	-	132,351,720	3,293,155	-	3,293,155	135,644,875	.002357	.002492	311,953	8,207	320,160
Syracuse City	967,097,762	16,576,494	22,744,834	960,929,422	21,928,059	507,574	21,420,485	982,349,907	.001787	.001832	1,717,181	39,242	1,756,423
West Bountiful City	302,719,970	16,949,614	19,591,955	300,077,629	202,867,258	12,419,195	190,448,063	490,525,692	.001946	.001951	583,951	371,564	955,515
West Point City	318,624,350	7,889,852	-	326,514,202	3,208,173	-	3,208,173	329,722,375	.001111	.001111	362,757	3,564	366,321
Woods Cross City	549,036,053	18,052,983	13,880,540	553,208,496	63,841,613	1,561,742	62,279,871	615,488,367	.001007	.001058	557,081	65,892	622,973
Benchland Water Distr	918,171,321	22,704,236	19,675,557	921,200,000	25,030,626	523,001	24,507,625	945,707,625	.000475	.000488	437,570	11,960	449,530
Bountiful Irrigation Water	1,763,187,111	19,108,384	120,949,238	1,661,346,257	79,265,801	5,364,404	73,901,397	1,735,247,654	.000128	.000131	212,652	9,681	222,333
Central Davis Sewer	2,473,765,120	74,569,017	102,674,124	2,445,660,013	75,389,520	3,032,088	72,357,432	2,518,017,445	.000237	.000237	579,621	17,149	596,770
Central Weber Sewer	245,067,604	48,990,957	-	294,058,561	3,423,996	-	3,423,996	297,482,557	.000866	.000880	254,655	3,013	257,668
Hooper Water Improv	84,514,128	3,044,324	-	87,558,452	87,641	-	87,641	87,646,093	.000446	.000455	39,051	40	39,091
Mosquito Abatement	14,317,127,299	516,848,364	589,320,015	14,244,655,648	1,621,119,209	64,035,740	1,557,083,469	15,801,739,117	.000103	.000105	1,467,199	163,494	1,630,693
North Davis Fire Dist.	1,349,124,005	69,016,705	155,360,896	1,262,779,814	284,502,125	37,934,517	246,567,608	1,509,347,422	.001444	.001467	1,823,454	361,715	2,185,169
North Davis Sewer	6,512,999,888	210,183,451	278,431,084	6,444,752,255	531,948,418	21,644,273	510,304,145	6,955,056,400	.001025	.000993	6,605,871	506,732	7,112,603
South Davis Recr. Dist.	5,068,596,826	157,004,360	207,372,241	5,018,228,945	1,009,333,753	40,060,622	969,273,131	5,987,502,076	.000374	.000399	1,876,818	386,740	2,263,558
South Davis Sewer	5,051,357,454	161,781,328	207,262,560	5,005,876,222	1,010,259,523	40,170,303	970,089,220	5,975,965,442	.000324	.000330	1,621,904	320,129	1,942,033
South Davis Water	391,581,381	3,793,221	15,056,370	380,318,232	9,946,066	378,622	9,567,444	389,885,676	.000264	.000253	100,404	2,421	102,825
Special Serv Area	149,672,999	57,734,215	94,211	207,313,003	432,998,581	195,895	432,802,686	640,115,689	.000968	.000901	200,679	389,955	590,634
Weber Basin Water	14,317,127,299	516,848,364	589,320,015	14,244,655,648	1,621,119,209	64,035,740	1,557,083,469	15,801,739,117	.000210	.000215	2,991,378	334,773	3,326,151
											203,722,249	22,730,859	226,453,108

DAVIS COUNTY

SUPPLEMENTAL SCHEDULE 19
(continued - page 2 of 2)

TREASURER'S TAX COLLECTION FUND
SCHEDULE OF TAXES CHARGED, COLLECTED, AND DISBURSED
FOR THE YEAR ENDED DECEMBER 31, 2013

ENTITY	TAXES CHARGED	TREASURER'S RELIEF				TAXES COLLECTED	PERCENTAGE COLLECTED	OTHER COLLECTIONS				Total, All Collections / Distributed
		Unpaid Taxes	Abatements	Other	Total			Fee-in-lieu Age-based	Redemptions	Misc. Collection	Delinquent Interest/ Penalty	
Davis School District	113,566,450	4,486,837	2,115,747	68,514	6,671,098	106,895,352	94.1%	8,916,720	5,743,314	907,758	179,657	122,642,801
Statewide School	24,438,412	975,357	452,637	117,708	1,545,702	22,892,710	93.7%	1,907,619	1,228,709	194,050	38,435	26,261,523
Davis County	32,629,005	1,291,732	607,743	37,398	1,936,873	30,692,132	94.1%	2,561,305	1,649,752	261,573	589,394	35,754,156
County Library	6,158,313	243,388	114,707	4,554	362,649	5,795,664	94.1%	483,429	311,380	49,214	9,740	6,649,427
County Assess & Coll	1,847,989	71,010	33,026	(4,709)	99,327	1,748,662	94.6%	139,188	89,652	14,278	2,804	1,994,584
State Assess & Coll	2,616,334	101,190	46,591	(6)	147,775	2,468,559	94.4%	196,354	126,473	20,134	3,956	2,815,476
Bountiful City	2,245,028	76,940	30,811	(1,315)	106,436	2,138,592	95.3%	197,786	92,908	9,925	3,722	2,442,933
Centerville City	1,001,709	28,861	11,481	1,776	42,118	959,591	95.8%	90,164	30,550	2,153	1,241	1,083,699
Clearfield City	2,176,638	119,130	46,145	39,074	204,349	1,972,289	90.6%	130,447	103,174	21,604	4,414	2,231,928
Clinton City	1,359,934	40,370	57,410	2,520	100,300	1,259,634	92.6%	128,057	29,328	17,222	1,324	1,435,565
Farmington City	2,342,310	61,881	21,590	455	83,926	2,258,384	96.4%	187,902	67,864	46,396	2,831	2,563,377
Fruit Heights City	610,963	26,082	7,402	(92)	33,392	577,571	94.5%	50,539	26,202	1,002	915	656,229
Kaysville City	1,327,613	41,320	16,195	(1,503)	56,012	1,271,601	95.8%	127,774	41,627	29,029	1,632	1,471,663
Layton City	6,852,248	240,855	187,746	(17,820)	410,781	6,441,467	94.0%	520,333	235,026	48,041	9,492	7,254,359
North Salt Lake City	2,243,104	114,041	12,575	(18,619)	107,997	2,135,107	95.2%	135,193	132,471	18,137	4,110	2,425,018
South Weber City	296,608	7,929	10,341	259	18,529	278,079	93.8%	28,390	8,914	2,775	638	318,796
Sunset City	320,160	11,876	11,199	(240)	22,835	297,325	92.9%	29,572	9,583	2,753	590	339,823
Syracuse City	1,756,423	63,287	58,217	(3,020)	118,484	1,637,939	93.3%	174,575	111,510	8,362	4,038	1,936,424
West Bountiful City	955,515	63,524	7,790	21,177	92,491	863,024	90.3%	48,623	71,462	22,208	1,489	1,006,806
West Point City	366,321	5,896	14,284	(1,289)	18,891	347,430	94.8%	39,617	13,390	2,654	613	403,704
Woods Cross City	622,973	28,968	4,292	2,298	35,558	587,415	94.3%	45,408	27,859	1,670	2,020	664,372
Benchland Water Distr	449,530	10,420	4,400	634	15,454	434,076	96.6%	37,617	10,481	1,549	399	484,122
Bountiful Irrigation Water	222,333	7,235	2,987	24	10,246	212,087	95.4%	18,457	10,106	1,682,798	412	1,923,860
Central Davis Sewer	596,770	18,584	6,335	(1,228)	23,691	573,079	96.0%	52,976	19,396	11,126	767	657,344
Central Weber Sewer	257,668	6,920	9,018	513	16,451	241,217	93.6%	24,485	7,763	2,402	557	276,424
Hooper Water Improv	39,091	790	1,355	119	2,264	36,827	94.2%	3,977	3,469	692	178	45,143
Mosquito Abatement	1,630,693	58,008	30,372	1,383	89,763	1,540,930	94.5%	128,003	82,435	13,030	2,579	1,766,977
North Davis Fire Dist.	2,185,169	104,629	55,583	32,276	192,488	1,992,681	91.2%	156,139	100,171	19,052	4,338	2,272,381
North Davis Sewer	7,112,603	265,017	206,819	(38,783)	433,053	6,679,550	93.9%	580,358	275,988	47,908	11,309	7,595,113
South Davis Recr. Dist.	2,263,558	105,522	20,810	15,776	142,108	2,121,450	93.7%	158,026	164,660	9,878	3,777	2,457,791
South Davis Sewer	1,942,033	89,867	18,028	7,320	115,215	1,826,818	94.1%	136,911	142,612	264,830	3,278	2,374,449
South Davis Water	102,825	4,863	1,509	(718)	5,654	97,171	94.5%	8,982	3,096	10,646	128	120,023
Special Serv Area	590,634	48,062	1,083	(34,408)	14,737	575,897	97.5%	17,055	173,939	37,935	279	805,105
Weber Basin Water	3,326,151	131,069	61,924	3,930	196,923	3,129,228	94.1%	260,977	168,071	1,436,065	5,258	4,999,599
	226,453,108	8,951,460	4,288,152	233,958	13,473,570	212,979,538		17,722,958	11,313,335	5,218,849	896,314	248,130,994

TREASURER'S TAX COLLECTION FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Treasurer's Balance 1/1/2012	Receipts	Apportionments Current Taxes	Apportionments Delinquent Taxes	Apportionments Other Collections	Totals	Disbursements	Treasurer's Balance 12/31/2012
Current 2011 taxes	$ -	$ 222,410,486	$ (222,410,486)	$ -	$ -	$ -	$ -	$ -
Prior year redemptions and rollbacks	-	12,331,102	-	(12,331,102)	-	-	-	-
Other taxes - "Class D"	220,182	3,919,894	-	-	(3,655,874)	484,202	-	484,202
Interest received	-	896,314	-	-	(896,314)	-	-	-
Fee in lieu	-	17,722,959	-	-	(17,722,959)	-	-	-
Miscellaneous collections	-	5,218,849	-		(5,218,849)	-	-	-
Taxes held for refund & prepayments	2,507,942	1,551,567	-	-	-	4,059,509	4,450,128	(390,619)
Total	2,728,124	264,051,171	(222,410,486)	(12,331,102)	(27,493,996)	4,543,711	4,450,128	93,583
Davis County:								
County funds	-	-	34,909,353	2,034,043	3,788,987	40,732,383	40,732,383	-
County library	-	-	5,795,664	339,443	542,383	6,677,490	6,677,490	-
Special service area	-	-	575,897	174,257	55,269	805,423	805,423	-
Total Davis County	-	-	41,280,914	2,547,743	4,386,639	48,215,296	48,215,296	-
Davis County School District	24,800,418	-	129,788,061	7,600,390	12,144,239	174,333,108	142,582,929	31,750,179
Cities and towns:								
Bountiful	373,184	-	2,138,592	93,066	217,150	2,821,992	2,240,383	581,609
Centerville	141,251	-	959,591	30,595	93,558	1,224,995	991,284	233,711
Clearfield	52,307	-	1,972,290	112,227	158,554	2,295,378	1,942,657	352,721
Clinton	259,578	-	1,259,634	31,184	156,705	1,707,101	1,410,690	296,411
Farmington	349,538	-	2,258,384	109,099	237,129	2,954,150	2,494,967	459,183
Fruit Heights	126,991	-	577,572	26,202	52,455	783,220	601,213	182,007
Kaysville	273,845	-	1,271,601	65,658	160,309	1,771,413	1,388,137	383,276
Layton	1,383,821	-	6,441,468	259,840	578,215	8,663,344	6,960,593	1,702,751
North Salt Lake	515,156	-	2,135,107	136,127	157,440	2,943,830	2,271,245	672,585
South Weber City	64,852	-	278,078	9,228	31,803	383,961	286,878	97,083
Sunset	68,859	-	297,325	9,628	35,067	410,879	319,048	91,831
Syracuse	284,341	-	1,637,939	116,533	187,319	2,226,132	1,873,284	352,848
West Bountiful	78,918	-	863,024	80,244	72,651	1,094,837	955,806	139,031
West Point	73,074	-	347,431	15,003	42,885	478,393	379,325	99,068
Woods Cross	157,484	-	587,416	27,875	49,099	821,874	648,053	173,821
Total cities and towns	4,203,199	-	23,025,452	1,122,509	2,230,339	30,581,499	24,763,563	5,817,936
Other taxing districts:								
Benchland Water Dist	84,798	-	434,076	11,031	39,565	569,470	455,856	113,614
Bountiful Irrigation Water District	147,080	-	212,087	10,107	3,494,806	3,864,080	3,543,020	321,060
Central Davis Sewer	110,333	-	574,160	29,147	64,869	778,509	625,756	152,753
Central Weber Sewer	53,415	-	241,217	8,037	27,444	330,113	246,659	83,454
Hooper Water Improv	8,117	-	36,828	4,091	4,847	53,883	41,971	11,912
Mosquito Abatement	289,859	-	1,540,929	89,866	143,612	2,064,266	1,681,299	382,967
North Davis Fire Dist	222,265	-	1,992,680	109,532	179,528	2,504,005	2,221,371	282,634
North Davis Sewer	1,238,179	-	6,679,550	300,107	639,574	8,857,410	7,239,046	1,618,364
South Davis Recreation	400,488	-	2,121,449	167,312	171,681	2,860,930	2,358,380	502,550
South Davis Sewer	357,227	-	1,826,818	144,913	674,236	3,003,194	2,528,163	475,031
South Davis Water	20,150	-	97,171	3,096	30,484	150,901	120,549	30,352
South Weber Water	2,200	-	-	-	61,503	63,703	58,709	4,994
Weber Basin Water	657,244	-	3,129,227	183,221	3,200,630	7,170,322	6,213,036	957,286
Total other taxing districts	3,591,355	-	18,886,192	1,060,460	8,732,779	32,270,786	27,333,815	4,936,971
Redevelopment agencies:								
Bountiful	1,098,018	-	1,467,308	-	-	2,565,326	1,498,018	1,067,308
Centerville	1,137,461	-	1,103,688	-	-	2,241,149	1,137,461	1,103,688
Centerville EDA	-	-	104,352	-	-	104,352	-	104,352
Clearfield	3,098,449	-	2,545,040	-	-	5,643,489	3,098,449	2,545,040
Clearfield EDA	-	-	497,816	-	-	497,816	-	497,816
Clinton	81,002	-	71,644	-	-	152,646	81,002	71,644
Farmington	1,000,910	-	1,489,481	-	-	2,490,391	1,000,910	1,489,481
Layton	740,558	-	839,370	-	-	1,579,928	740,558	839,370
Military Instillation Development Auth	271,523	-	325,236	-	-	596,759	271,523	325,236
North Salt Lake	11,382	-	-	-	-	11,382	11,382	-
Syracuse	341,362	-	332,160	-	-	673,522	341,362	332,160
West Bountiful	502,031	-	205,220	-	-	707,251	502,031	205,220
Woods Cross	207,835	-	205,448	-	-	413,283	207,835	205,448
Woods Cross/West Bountiful	-	-	243,104	-	-	243,104	-	243,104
Total redevelopment agencies	8,490,531	-	9,429,867	-	-	17,920,398	8,890,531	9,029,867
GRAND TOTAL	$ 43,813,627	$ 264,051,171	$ -	$ -	$ -	$ 307,864,798	$ 256,236,262	$ 51,628,536

III. Statistical Section

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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 116
Changes in Net Position 118
Fund Balances – Governmental Funds 120
Changes in Fund Balances – Governmental Funds 122

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 124
Direct and Overlapping Property Tax Rates 126
Principal Property Taxpayers 128
Property Tax Levies and Collections 129

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 130
Ratios of General Bonded Debt Outstanding 131
Computation of Direct and Overlapping Debt 132
Legal Debt Margin 133
Pledged Revenue Coverage 134

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 135
Principle Employers 136

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 137
Operating Indicators by Function/Program 138
Capital Asset Statistics by Function/program 140

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)

	2013	Restated 2012	Restated 2011	2010
Governmental activities:				
Net investment in capital assets	$ 85,304,816	$ 82,993,856	$ 81,947,428	$ 83,234,732
Restricted	6,873,325	6,423,979	20,499,016	27,391,189
Unrestricted	31,934,720	36,115,358	20,383,230	9,224,736
Total government activities net position	$ 124,112,861	$ 125,533,193	$ 122,829,674	$ 119,850,657
Business-type activities:				
Net investment in capital assets	$ 4,819,354	$ 4,920,283	$ 5,098,487	$ 5,397,435
Restricted	-	-	-	-
Unrestricted	(1,452,641)	(1,451,213)	(1,453,061)	(1,579,793)
Total business-type activities net position	$ 3,366,713	$ 3,469,070	$ 3,645,426	$ 3,817,642
Primary government:				
Net investment in capital assets	$ 90,124,170	$ 87,914,139	$ 87,045,915	$ 88,632,167
Restricted	6,873,325	6,423,979	20,499,016	27,391,189
Unrestricted	30,482,079	34,664,145	18,930,169	7,644,943
Total primary government net position	$ 127,479,574	$ 129,002,263	$ 126,475,100	$ 123,668,299

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 2011 and 2012 to correct an inventory error which occurred during those years.

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

2009	2008	2007	2006	2005	2004
$ 49,323,126	$ 70,794,633	$ 65,565,679	$ 55,892,112	$ 53,753,012	$ 67,413,090
40,833,438	9,979,541	14,663,159	26,698,852	30,827,499	13,233,017
26,184,917	29,177,532	20,296,195	6,988,754	2,082,042	3,148,450
$ 116,341,481	$ 109,951,706	$ 100,525,033	$ 89,579,718	$ 86,662,553	$ 83,794,557
$ 5,523,989	$ 5,021,973	$ 4,696,201	$ 4,286,855	$ 4,516,622	$ 4,471,715
-	-	-	-	-	-
(1,231,369)	(755,083)	(543,467)	(126,035)	(279,615)	(285,813)
$ 4,292,620	$ 4,266,890	$ 4,152,734	$ 4,160,820	$ 4,237,007	$ 4,185,902
$ 54,847,115	$ 75,816,606	$ 70,261,880	$ 60,178,967	$ 58,269,634	$ 71,884,805
40,833,438	9,979,541	14,663,159	26,698,852	30,827,499	13,233,017
24,953,548	28,422,449	19,752,728	6,862,719	1,802,427	2,862,637
$ 120,634,101	$ 114,218,596	$ 104,677,767	$ 93,740,538	$ 90,899,560	$ 87,980,459

DAVIS COUNTY

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

	Year Ended December 31,			
Expenses	**2013**	**2012 (Restated)**	**2011 (Restated)**	**2010**
Government activities:				
General governmental	$ 43,166,989	$ 42,270,996	$ 40,130,429	$ 39,406,125
Public safety	37,633,934	36,905,270	35,577,640	34,241,872
Public health	11,680,397	12,447,487	12,048,718	12,037,386
Public works	4,211,655	4,072,629	3,908,616	3,938,669
Interest on long-term debt	3,494,637	3,431,611	3,836,966	3,079,963
Total governmental activities	100,187,612	99,127,993	95,502,369	92,704,015
Business-type activities:				
Golf Course	2,276,146	2,328,423	2,422,690	2,409,586
Inmates Commissary	443,139	524,585	582,734	529,040
Total business-type activities	2,719,285	2,853,008	3,005,424	2,938,626
Total primary government expenses	$ 102,906,897	$ 101,981,001	$ 98,507,793	$ 95,642,641
Program Revenues				
Government activities:				
Charges for services:				
General governmental	$ 6,577,072	$ 6,303,616	$ 6,811,617	$ 6,196,860
Public safety	10,462,088	11,647,177	12,314,622	12,561,950
Public health	3,341,099	4,027,561	3,890,624	3,742,446
Public works	49,249	66,261	58,675	129,059
Operating grants and contributions	11,928,302	12,542,601	12,642,377	12,597,575
Capital grants and contributions	799,850	891,064	1,794,609	1,164,996
Total governmental activities program revenues	33,157,660	35,478,280	37,512,524	36,392,886
Business-type activities:				
Charges for services:				
Golf Course	2,320,522	2,461,843	2,033,729	2,055,001
Inmates Commissary	1,026,160	1,216,022	1,343,807	1,073,918
Total business-type activities program revenues	3,346,682	3,677,865	3,377,536	3,128,919
Total primary government program revenues	$ 36,504,342	$ 39,156,145	$ 40,890,060	$ 39,521,805
Net (Expense)/Revenue				
Governmental activities	$ (67,029,952)	$ (63,649,713)	$ (57,989,845)	$ (56,311,129)
Business-type activities	627,397	824,857	372,112	190,293
Total primary government net expenses	$ (66,402,555)	$ (62,824,856)	$ (57,617,733)	$ (56,120,836)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	$ 47,116,760	$ 46,727,996	$ 45,490,304	$ 44,199,765
Sales taxes	17,591,414	16,772,100	15,779,389	14,657,381
Investment earnings	160,446	288,708	296,803	292,159
Miscellaneous	-	-	-	-
Sale of capital assets		1,548,428	102,583	-
Transfers	741,000	1,016,000	550,100	671,000
Total governmental activities	65,609,620	66,353,232	62,219,179	59,820,305
Business-type activities:				
Investment earnings	3,958	9,487	5,772	5,729
Sale of capital assets	7,288	5,300	-	-
Transfers	(741,000)	(1,016,000)	(550,100)	(671,000)
Total business-type activities	(729,754)	(1,001,213)	(544,328)	(665,271)
Total primary government	$ 64,879,866	$ 65,352,019	$ 61,674,851	$ 59,155,034
Changes in Net Position				
Governmental activities	(1,420,332)	2,703,519	4,229,334	3,509,176
Business-type activities	(102,357)	(176,356)	(172,216)	(474,978)
Total primary government	$ (1,522,689)	$ 2,527,163	$ 4,057,118	$ 3,034,198

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.

2009	2008	2007	2006	2005	2004
$ 38,282,727	$ 35,180,227	$ 32,609,337	$ 29,778,524	$ 28,437,339	$ 28,338,607
33,054,829	30,904,112	28,996,517	23,891,430	22,191,785	21,682,995
12,232,929	11,785,783	11,503,649	11,430,314	10,887,342	10,679,084
2,791,754	4,506,001	3,107,421	3,498,580	3,907,168	4,843,119
2,024,496	1,925,416	2,211,960	1,746,590	1,261,046	593,825
88,386,735	84,301,539	78,428,884	70,345,438	66,684,680	66,137,630
2,358,484	2,360,640	1,962,402	1,715,142	1,732,388	1,669,724
321,386	201,464	224,855	151,663	275,669	457,960
2,679,870	2,562,104	2,187,257	1,866,805	2,008,057	2,127,684
$ 91,066,605	$ 86,863,643	$ 80,616,141	$ 72,212,243	$ 68,692,737	$ 68,265,314
$ 6,825,863	$ 7,782,162	$ 8,723,667	$ 6,096,759	$ 5,697,334	$ 5,343,411
12,308,071	11,124,802	8,720,283	5,844,881	5,962,719	5,851,326
3,889,556	3,685,802	3,317,563	3,530,513	3,448,422	3,595,731
75,823	42,990	32,024	54,370	70,271	63,831
12,110,452	10,479,540	10,450,647	9,673,000	9,639,704	9,675,331
1,496,789	611,539	358,648	803,373	197,572	1,379,475
36,706,554	33,726,835	31,602,832	26,002,896	25,016,022	25,909,105
2,062,591	2,255,855	1,936,108	1,672,955	1,817,493	1,695,141
902,144	671,473	560,210	389,859	526,314	614,810
2,964,735	2,927,328	2,496,318	2,062,814	2,343,807	2,309,951
$ 39,671,289	$ 36,654,163	$ 34,099,150	$ 28,065,710	$ 27,359,829	$ 28,219,056
$ (51,680,181)	$ (50,574,704)	$ (46,826,052)	$ (44,342,542)	$ (41,668,658)	$ (40,228,525)
284,865	365,224	309,061	196,009	335,750	182,267
$ (51,395,316)	$ (50,209,480)	$ (46,516,991)	$ (44,146,533)	$ (41,332,908)	$ (40,046,258)
$ 43,017,735	$ 42,848,970	$ 38,961,134	$ 29,234,230	$ 28,392,647	$ 27,041,508
14,352,182	15,949,104	16,052,114	14,856,146	12,896,727	11,688,594
348,457	858,912	1,437,070	1,243,491	1,259,879	284,699
-	-	-	1,351,627	1,379,336	1,263,659
85,582	78,391	-	295,070	319,116	3,754,080
266,000	266,000	327,206	279,143	288,947	193,867
58,069,956	60,001,377	56,777,524	47,259,707	44,536,652	44,226,407
6,865	14,932	10,059	6,947	4,302	10,517
-	-	-	-	-	-
(266,000)	(266,000)	(327,206)	(279,143)	(288,947)	(193,867)
(259,135)	(251,068)	(317,147)	(272,196)	(284,645)	(183,350)
$ 57,810,821	$ 59,750,309	$ 56,460,377	$ 46,987,511	$ 44,252,007	$ 44,043,057
6,389,775	9,426,673	9,951,472	2,917,165	2,867,994	3,997,882
25,730	114,156	(8,086)	(76,187)	51,105	(1,083)
$ 6,415,505	$ 9,540,829	$ 9,943,386	$ 2,840,978	$ 2,919,099	$ 3,996,799

DAVIS COUNTY

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

Fiscal year	2013	Restated 2012	Restated 2011	2010
General Fund				
Nonspendable:				
Inventories	$ 53,707	$ 53,364	$ 58,900	$ -
Prepaids and other	162,272	149,454	246,215	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	2,747,786	3,114,988	5,921,045	-
Unassigned	13,493,988	14,844,659	13,633,241	-
Total General Fund	$ 16,457,753	$ 18,162,465	$ 19,859,401	$ -
All Other Governmental Funds				
Nonspendable:				
Inventories	$ 105,163	$ 100,550	$ 161,257	$ -
Prepaids and other	319,139	252,578	264,852	-
Restricted	6,873,325	6,423,979	20,499,016	-
Committed	171,429	171,429	410,194	-
Assigned	24,004,526	23,968,107	19,518,154	-
Total All Other Governmental Funds	$ 31,473,582	$ 30,916,643	$ 40,853,473	$ -
General fund				
Reserved	$ -	$ -	$ -	$ -
Unreserved	-	-	-	19,820,821
Total general fund	$ -	$ -	$ -	$ 19,820,821
All other governmental funds				
Reserved	$ -	$ -	$ -	$ 800,804
Unreserved, reported in:				
Special revenue funds	-	-	-	29,477,885
Capital project funds	-	-	-	22,194,664
Debt service funds	-	-	-	4,395,721
Total all other governmental funds	$ -	$ -	$ -	$ 56,869,074

Source: Davis County Balance Sheet(s) 2004-2013
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.

2009	2008	2007	2006	2005	2004
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -	$ -	$ -
16,298,104	18,286,835	11,055,808	6,590,777	5,807,312	5,886,202
$ 16,298,104	$ 18,286,835	$ 11,055,808	$ 6,590,777	$ 5,807,312	$ 5,886,202
$ 725,764	$ 673,274	$ 1,410,031	$ 2,381,568	$ 2,297,203	$ 1,558,978
37,791,322	9,602,582	7,147,748	5,200,972	5,281,840	6,220,721
8,957,275	5,622,782	10,870,068	16,873,682	19,693,243	1,824,925
4,128,494	3,683,485	2,383,060	2,242,130	3,555,213	3,628,393
$ 51,602,855	$ 19,582,123	$ 21,810,907	$ 26,698,352	$ 30,827,499	$ 13,233,017

DAVIS COUNTY

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

Fiscal Year	2013	Restated 2012	Restated 2011	2010
Revenues				
Taxes	$ 65,382,608	$ 62,714,686	$ 61,601,396	$ 58,989,801
Licenses, fees, and permits	284,412	317,417	249,767	252,732
Intergovernmental revenue	12,668,219	13,368,627	14,327,645	13,119,927
Charges for services	16,281,356	18,124,040	18,411,815	18,861,739
Fines and forfeitures	1,496,812	1,571,946	1,961,996	1,923,871
Interest	130,792	251,473	272,029	268,634
Other revenues	2,277,699	1,916,621	2,399,752	1,581,287
Total revenues	98,521,898	98,264,810	99,224,400	94,997,991
Expenditures				
General government	$ 39,430,329	$ 39,771,040	$ 37,930,408	$ 37,173,921
Public Safety	34,846,742	33,909,392	32,894,660	31,807,064
Public health	11,136,428	11,918,184	11,516,922	11,569,818
Public works	2,450,704	2,235,092	2,251,044	2,443,846
Capital Outlay	6,091,499	20,011,201	24,115,927	17,175,246
Debt Service				
Principal retirement	3,620,000	3,314,264	3,487,286	3,334,401
Interest and fiscal charges	3,457,320	3,504,374	3,875,229	2,967,283
Bond issuance costs	-	243,852	-	250,657
Total expenditures	101,033,022	114,907,399	116,071,476	106,722,236
Excess of revenues over (under) expenditures	(2,511,124)	(16,642,589)	(16,847,076)	(11,724,245)
Other Financing Sources (Uses)				
Proceeds from sale of Capital Assets	230,386	106,028	319,955	225,135
General obligation bonds issued	-	-	-	-
Sales tax revenue and Build America bonds issued	-	-	-	-
Refunding bonds issued	-	15,750,000	-	1,335,000
Premium on bonds issued	-	1,474,979	-	52,977
MBA Lease Rev./Recovery Zone bonds issued	-	-	-	19,600,000
Capital lease	391,965	-	-	-
Transfers in	13,994,153	17,885,646	13,996,946	17,546,652
Transfers out	(13,253,153)	(16,869,646)	(13,446,846)	(16,875,652)
Refunded bonds redeemed	-	-	-	(1,370,931)
Payment to refunded bond escrow agent	-	(17,121,128)	-	-
Total other financing sources (uses)	1,363,351	1,225,879	870,055	20,513,181
Net change in fund balances before special item	(1,147,773)	(15,416,710)	(15,977,021)	8,788,936
Special item	-	3,782,944	-	-
Net change in fund balances	$ (1,147,773)	$ (11,633,766)	$ (15,977,021)	$ 8,788,936
Debt service as a percentage of noncapital expenditures	7.5%	7.2%	8.0%	7.0%

Sources: Davis County Statement of Revenues, Expenditures, and Changes in Fund Balances 2004-2013
The numbers were restated for 2011 and 2012 to correct an inventory error which occurred during those years.

2009	2008	2007	2006	2005	2004
$ 57,598,744	$ 58,135,168	$ 54,332,406	$ 44,090,376	$ 41,289,374	$ 38,730,101
245,852	260,010	243,822	224,429	231,330	208,119
12,124,516	10,985,979	10,704,851	10,476,373	9,837,276	11,054,806
19,021,171	18,539,585	16,019,006	13,452,143	13,073,059	12,720,646
1,963,453	1,952,672	1,817,327	1,849,951	1,874,357	1,925,534
308,101	751,765	1,306,478	1,243,491	1,259,879	284,699
1,854,450	1,889,260	2,727,825	1,646,696	1,698,453	5,017,741
93,116,287	92,514,439	87,151,715	72,983,459	69,263,728	69,941,646
$ 36,222,968	$ 33,207,764	$ 31,462,380	$ 28,725,911	$ 27,334,114	$ 27,049,891
30,255,383	28,412,212	27,580,416	22,717,685	20,982,358	19,732,326
11,819,066	11,374,251	11,417,388	11,306,187	10,772,189	10,468,495
3,002,249	2,660,187	2,571,468	2,586,915	2,811,279	3,335,276
5,396,113	8,086,052	11,101,771	18,411,177	11,277,186	11,370,712
2,190,359	2,133,508	2,076,281	1,746,590	2,398,911	593,825
1,764,389	2,001,272	1,884,238	2,694,820	1,261,046	2,077,000
-	-	-	-	-	-
90,650,527	87,875,246	88,093,942	88,189,285	76,837,083	74,627,525
2,465,760	4,639,193	(942,227)	(15,205,826)	(7,573,355)	(4,685,879)
98,768	97,050	192,607	-	-	-
-	-	-	-	24,800,000	-
27,000,000	-	-	9,955,000	-	-
4,925,000	-	-	-	-	-
454,620	-	-	-	-	-
-	-	-	1,626,000	-	-
-	-	-	-	-	-
22,397,614	13,360,616	16,111,204	10,894,556	9,563,216	9,344,377
(22,131,614)	(13,094,616)	(15,783,998)	(10,615,412)	(9,274,269)	(9,150,511)
-	-	-	-	-	-
(5,178,147)	-	-	-	-	-
27,566,241	363,050	519,813	11,860,144	25,088,947	193,866
30,032,001	5,002,243	(422,414)	(3,345,682)	17,515,592	(4,492,013)
-	-	-	-	-	-
$ 30,032,001	$ 5,002,243	$ (422,414)	$ (3,345,682)	$ 17,515,592	$ (4,492,013)
4.6%	5.2%	5.1%	6.4%	5.6%	4.2%

DAVIS COUNTY

STATISTICAL SCHEDULE 5
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

December 31,	Residential Property	Commercial and Industrial Property	Agricultural Property	Mobile and Personal Property	Centrally Assessed Property
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
2006	8,026,810,761	2,690,159,809	129,163,796	860,077,858	307,995,999
2005	7,154,484,948	2,502,244,227	119,545,034	815,598,806	298,195,675
2004	6,718,404,694	2,362,239,405	108,938,108	773,550,267	291,289,246

Source: Davis County Assessor's Office.

Fee in lieu property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Market Value	Ratio of Taxable Assessed Value to Estimated Market Value
$ 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%
1,277,851,892	12,014,208,223	0.002142	18,457,991,962	65.1%
1,237,153,267	10,890,068,690	0.002347	17,135,120,877	63.6%
1,201,209,533	10,254,421,720	0.002549	15,667,356,241	65.5%

DAVIS COUNTY

STATISTICAL SCHEDULE 6

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

Fiscal year	2013	2012	2011	2010	2009
County direct rates					
County Basic Rate	0.001935	0.001977	0.001960	0.001817	0.001739
General Obligation Debt Service	0.000126	0.000131	0.000137	0.000128	0.000126
County Assess & Collect	0.000112	0.000115	0.000114	0.000106	0.000101
State Assess & Collect	0.000158	0.000168	0.000172	0.000162	0.000142
County Library	0.000389	0.000396	0.000392	0.000363	0.000348
Total direct rate	0.002720	0.002787	0.002775	0.002576	0.002456
County school districts' rates					
Davis County School District	0.007175	0.007290	0.007270	0.006365	0.005685
City Rates					
Bountiful	0.001063	0.001094	0.001093	0.001037	0.000948
Centerville	0.001141	0.001165	0.001173	0.001102	0.000997
Clearfield	0.001800	0.001800	0.001800	0.001548	0.001548
Clinton	0.001831	0.001871	0.001866	0.001752	0.001729
Farmington	0.002290	0.002269	0.002283	0.002109	0.002051
Fruit Heights	0.002023	0.002054	0.002071	0.002006	0.001845
Kaysville	0.000999	0.001028	0.001035	0.000987	0.000907
Layton	0.002046	0.002084	0.002068	0.001933	0.001876
North Salt Lake	0.001613	0.001637	0.001637	0.001520	0.001396
South Weber	0.000993	0.000998	0.000927	0.000827	0.000840
Special Service Area	0.000968	0.000901	0.000918	0.000899	0.000844
Sunset	0.002357	0.002492	0.002297	0.002138	0.001483
Syracuse	0.001787	0.001832	0.001821	0.001631	0.001613
West Bountiful	0.001946	0.001951	0.001997	0.001366	0.001384
West Point	0.001111	0.001111	0.001008	0.000936	0.000876
Woods Cross	0.001007	0.001058	0.001049	0.000840	0.000690
Overlapping Rates					
Weber Basin Water	0.000210	0.000215	0.000217	0.000207	0.000188
Mosquito Abatement	0.000103	0.000105	0.000104	0.000097	0.000093
North Davis Sewer	0.001025	0.000993	0.000928	0.000864	0.000763
Bountiful Irrigation	0.000128	0.000131	0.000130	0.000122	0.000113
South Davis Water	0.000264	0.000253	0.000248	0.000240	0.000243
Central Davis Sewer	0.000237	0.000237	0.000237	0.000227	0.000212
South Davis Sewer	0.000324	0.000330	0.000329	0.000315	0.000290
Benchland Water	0.000475	0.000488	0.000483	0.000451	0.000427
Hooper Water	0.000446	0.000455	0.000433	0.000404	0.000396
South Weber Water	0.000000	0.000000	0.000000	0.000000	0.000000
Central Weber Sewer	0.000866	0.000880	0.000854	0.000833	0.000811
South Davis Recreation	0.000374	0.000399	0.000407	0.000379	0.000356
North Davis Fire	0.001444	0.001467	0.001316	0.001148	0.001194

Source: Utah State Tax Commission

Note:

1. Benchland Water was known as Farmington Area Pressurized Irrigation District (FAPID) before 2006.
2. Kaysville City Library became part of County Library System in 2006.
3. Bountiful Water Subconservancy District was changed to Bountiful Irrigation District in 2009.

2008	2007	2006	2005	2004
0.001653	0.001863	0.001424	0.001501	0.001695
0.000123	0.000142	0.000108	0.000175	0.000169
0.000100	0.000063	0.000068	0.000072	0.000073
0.000121	0.000121	0.000139	0.000173	0.000180
0.000332	0.000375	0.000403	0.000426	0.000432
0.002329	0.002564	0.002142	0.002347	0.002549
0.005514	0.005865	0.005790	0.005964	0.006021
0.000903	0.000912	0.001119	0.001194	0.001231
0.000923	0.001233	0.001349	0.001436	0.001459
0.001548	0.001580	0.001580	0.002980	0.002980
0.001623	0.001906	0.001955	0.002087	0.002163
0.001982	0.002000	0.002149	0.002336	0.002426
0.001925	0.001959	0.001980	0.001980	0.001989
0.000829	0.000925	0.001004	0.001519	0.001600
0.001771	0.002047	0.002092	0.002134	0.002092
0.001258	0.001459	0.001546	0.001645	0.001652
0.000883	0.001057	0.001126	0.001166	0.001201
0.000794	0.000869	0.000940	0.000940	0.000972
0.001253	0.001209	0.001108	0.001147	0.001174
0.001500	0.001500	0.001043	0.001043	0.001043
0.001204	0.001457	0.001500	0.001482	0.001475
0.000895	0.000834	0.000909	0.001539	0.001555
0.000646	0.000833	0.000880	0.000923	0.000949
0.000181	0.000200	0.000178	0.000193	0.000198
0.000088	0.000099	0.000086	0.000091	0.000093
0.000763	0.000763	0.000763	0.000763	0.000763
0.000110	0.000115	0.000139	0.000147	0.000153
0.000228	0.000236	0.000298	0.000316	0.000318
0.000200	0.000220	0.000234	0.000259	0.000271
0.000270	0.000305	0.000341	0.000357	0.000366
0.000408	0.000421	0.000450	0.000508	0.000518
0.000379	0.000404	0.000474	0.000455	0.000547
0.000000	0.000000	0.000000	0.000000	0.000000
0.000800	0.000519	0.000573	0.000567	0.000552
0.000340	0.000390	0.000441	0.000536	n/a
0.001179	0.001400	0.001400	n/a	n/a

DAVIS COUNTY

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

	2013			2004		
Taxpayers	**Taxable Assessed Value**	**Rank**	**Percentage of Total County Taxable Assessed Value $16,453,943,817**	**Taxable Assessed Value**	**Rank**	**Percentage of Total County Taxable Assessed Value $10,254,421,720**
Chevron U.S. Inc	$ 439,606,362	1	2.67%	$ 98,583,892	2	0.96%
PacifiCorp	204,294,170	2	1.24%	70,827,969	5	0.69%
Woods Cross Refining Comp - LLC	199,266,649	3	1.21%	n/a	n/a	n/a
Freeport Center Associates	189,443,140	4	1.15%	143,926,225	1	1.40%
ATK Aerospace	112,953,186	5	0.69%	n/a	n/a	n/a
Layton Hills Mall CMBS LLC	103,831,259	6	0.63%	85,478,056	3	0.83%
Questar Gas	81,028,343	7	0.49%	40,362,019	10	n/a
Big West Oil	78,909,882	8	0.48%	56,126,189	7	0.55%
Wal-Mart Real Estate Business Trust	74,925,239	9	0.46%	n/a	n/a	n/a
Smith's Food King Properties	73,605,994	10	0.45%	60,385,306	6	0.59%
Albertson's	n/a	n/a	n/a	55,915,157	8	0.55%
Lifetime Products	n/a	n/a	n/a	44,161,350	9	0.43%
Qwest Communications	n/a	n/a	n/a	77,934,901	4	0.76%
Totals	$ 1,557,864,224		9.47%	$ 733,701,064		6.76%

Source: Davis County Clerk/Auditor's Office.

DAVIS COUNTY

STATISTICAL SCHEDULE 8
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

		Collected within the Fiscal Year of Levy			Total Collections to Date	
Year Ended December 31,	Taxes Levied for the Year	Amount	Percentage of Levy	Collections of Previous Years Taxes	Amount	Percentage of Levy
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	29,026,152	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%
2006	18,000,027	16,989,146	94.4%	744,028	17,733,174	98.5%
2005	17,724,956	16,735,033	94.4%	524,680	17,259,713	97.4%
2004	16,914,938	15,863,930	93.8%	697,142	16,561,072	97.9%

Source: Davis County Treasurer's Office.

DAVIS COUNTY

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

	Governmental Activities						
December 31,	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)
2013	$ 19,155,656	$ 37,011,342	$ 20,713,378	$ 385,432	$ 77,265,808	0.7%	$ 245
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%	277
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
2006	24,610,000	18,090,000	2,843,000	2,665,906	48,208,906	0.5%	168
2005	26,535,000	8,325,000	1,363,000	2,949,726	39,172,726	0.5%	141
2004	3,380,000	8,655,000	1,497,000	3,239,637	16,771,637	0.2%	62

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

December 31,	General Obligation Bonds	Adjusted Taxable Valuation	Less Amount In Debt Service Reserves	Percentage of Actual Taxable Value of Property	Population	Per Capita
2013	$ 19,155,656	$ 16,462,557,306	$ -	0.12%	316,000	$ 61
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%	307,550	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
2006	24,610,000	12,014,208,223	-	0.20%	286,547	86
2005	26,535,000	10,890,068,690	-	0.24%	278,278	95
2004	3,380,000	10,254,421,720	-	0.03%	268,916	13

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, 2013

Taxing Entity	2013 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	$ 196,999,051,171	$ 16,396,993,607	8.3%	$ 3,136,755,000	$ 260,350,665
Davis County School District	16,462,557,306	16,462,557,306	100.0%	409,130,000	409,130,000
Total Overlapping G.O. Debt					669,480,665
Underlying:					
Weber Basin Water Conservatory District 2,3	42,461,125,033	16,461,176,614	38.8%	23,888,492	9,268,735
Clearfield City 3	1,404,989,776	1,404,989,776	100.0%	7,160,000	-
Farmington City	1,128,898,397	1,128,898,397	100.0%	3,562,000	3,562,000
South Davis Recreation District 4	6,236,234,128	6,236,234,128	100.0%	12,925,000	12,925,000
North Salt Lake City 3	1,388,098,846	1,388,098,846	100.0%	2,150,000	-
North Davis County Sewer District	8,450,483,258	7,258,719,782	85.9%	37,852,000	32,514,868
Total Underlying					58,270,603
Total Overlapping & Underlying Debt					$ 727,751,268
Total Overlapping Debt (Excluding the State) 5					$ 409,130,000
Total Direct Debt					76,880,376
Total Direct and Overlapping Debt (Excluding the State) 5					$ 486,010,376
Total Underlying Debt					$ 58,270,603
Total Direct Debt					76,880,376
Total Direct and Underlying Debt					$ 135,150,979
Total Overlapping & Underlying Debt (Excluding the State) 5					$ 467,400,603
Total Direct Debt					76,880,376
Total Direct, Overlapping and Underlying Debt (Excl. the State) 5					$ 544,280,979

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 shown as overlapping but are self-supporting except for a maximum .000200 tax rate.

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

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

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

DAVIS COUNTY

STATISTICAL SCHEDULE 12
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Estimated Actual Market Value	Debt Limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
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%
2006	18,457,991,962	369,159,839	24,610,000	344,549,839	6.67%
2005	17,135,120,877	342,702,418	26,535,000	316,167,418	7.74%
2004	15,667,356,241	313,347,125	3,380,000	309,967,125	1.08%

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

	Lease Revenue Bonds				Sales Tax Revenue Bonds			
Fiscal Year Ended December 31,	Lease Revenue Collection	Principal	Interest	Coverage	Total Pledged Taxes	Principal	Interest	Coverage
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%
2006	215,451	146,000	69,451	100%	11,315,900	340,000	359,863	1617%
2005	211,090	134,000	77,090	100%	9,772,379	330,000	366,793	1402%
2004	220,989	132,000	84,249	102%	8,910,450	345,000	350,856	1281%

DAVIS COUNTY

STATISTICAL SCHEDULE 14
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Births	Deaths	Personal Income	Per Capita Personal Income*	Unemployment Rate	Total Public School Enrollment
2013	316,000	5,720	1,612	n/a	n/a	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	307,550	5,799	1,329	10,400,418,350	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
2006	286,547	6,037	1,284	9,012,189,697	31,451	2.9%	62,832
2005	278,278	5,665	1,267	8,100,394,302	29,109	4.0%	62,349
2004	268,916	5,591	1,206	7,430,686,912	27,632	4.7%	60,614

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

* Note: 2013 per capita personal income, and personal income information was not available at the time this was released. Population is an estimate until Utah Department of Workforce Services releases the information.

DAVIS COUNTY

STATISTICAL SCHEDULE 15
PRINCIPAL EMPLOYERS
PRIOR YEAR AND NINE YEARS AGO

	2012			2004		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment (140,485)**	**Employees**	**Rank**	**Percentage of Total County Employment (127,243)**
Hill Air Force Base	10,000 - 14,999	1	10.7%	15,000 - 25,000	1	19.6%
Davis County School District	7,000 - 9,999	2	7.1%	5,000 - 7,000	2	5.5%
ATK Space Systems / Alliant	1,000 - 1,999	3	1.4%	250 - 499	n/a	0.4%
Walmart	1,000 - 1,999	4	1.4%	250 - 499	n/a	0.4%
Lifetime Products	1,000 - 1,999	5	1.4%	1,000 - 1,999	3	1.6%
Lagoon Inc	1,000 - 1,999	6	1.4%	500 - 999	6	0.8%
Davis County	1,000 - 1,999	7	1.4%	500 - 999	5	0.8%
Smith's Food and Drug / Distribution Center	1,000 - 1,999	8	1.4%	1,000 - 1,999	4	1.6%
Utility Trailer & Manufacturing	500 - 999	9	0.7%	500 - 999	7	0.8%
Davis Hospital and Medical Center	500 - 999	10	0.7%	500 - 999	11	0.8%
Albertson's	n/a n/a	n/a	0.0%	500 - 999	8	0.8%
Amusement Services	n/a n/a	n/a	0.0%	500 - 999	9	0.8%
Associates Commerce Solutions	n/a n/a	n/a	0.0%	500 - 999	10	0.8%
Totals	24,000 - 38,990		27.6%	26,000 - 43,989		34.7%

Source: Utah Department of Workforce Services

Note: 2013 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

	Full-Time Equivalent Employees as of December 31,									
Function/Program	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**
General Government										
Commission	5	5	5	5	5	5	5	5	5	5
Justice Court	9	10	11	10	8	9	8	8	8	8
Personnel	9	10	7	7	7	8	6	8	8	8
Info Systems	32	31	30	30	29	29	29	27	24	24
Clerk/Auditor	24	26	24	24	23	24	21	22	22	21
Treasurer	4	4	4	4	4	4	5	4	4	5
Recorder	18	18	18	18	17	19	19	20	19	18
Attorney	43	43	40	38	39	41	40	37	38	41
Assessor	38	38	37	38	39	36	35	31	31	31
Surveyor	6	6	6	6	6	6	6	6	6	5
Tax Administration	4	5	5	4	5	n/a	n/a	n/a	n/a	n/a
Senior Services	26	29	31	32	32	33	31	32	33	33
Weatherization	13	17	19	16	12	9	n/a	n/a	n/a	n/a
Public Safety										
Sheriff's Officers	134	133	128	131	130	130	129	125	124	124
Correction's Officers	177	184	185	186	186	183	183	128	108	108
Animal Control	27	27	27	27	26	24	24	23	23	23
911-Emergency	22	21	22	22	21	21	19	23	25	25
Health/Nursing										
WIC Program	11	13	13	13	13	8	9	9	12	12
Epidimiology	7	8	8	7	6	6	3	3	3	3
Administration	9	8	9	9	8	8	7	7	7	7
I & M	3	24	28	29	29	29	29	29	28	28
Environmental	17	16	16	15	16	16	15	15	14	14
Nursing	12	14	12	12	12	29	35	42	42	42
Promotion	5	5	4	5	5	5	5	6	7	7
BT/MRC	3	4	4	4	4	4	n/a	n/a	n/a	n/a
Redevelopment										
Community and Economic Development	4	4	4	4	4	4	8	8	7	7
Planning	5	5	5	4	4	4	n/a	n/a	n/a	n/a
Parks and recreation										
Valley View Golf Course	14	16	17	18	25	24	16	18	20	20
Davis Park Golf Course	14	13	13	15	21	20	18	19	17	17
Events Center	9	9	11	14	14	13	14	15	14	14
Library	84	84	84	84	94	89	88	88	73	73
Public Works	27	28	29	29	29	28	26	28	27	27
Facilities Management	30	29	29	28	29	26	27	28	13	13
Total	845	887	885	888	902	894	860	814	762	763

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.

DAVIS COUNTY

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

Function/Program	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009
General Government					
Clerk/Auditor					
Veteran Abatements	5,665	5,454	5,165	4,684	4,310
Circuit Breaker Abatements	931	964	949	960	985
Blind Abatements	122	123	147	157	149
Indigent Abatements	169	163	174	172	140
Treasurer					
Number of Tax Notices Sent	98,448	97,436	97,202	96,956	96,307
Recorder					
Number of Recordings	72,679	75,848	58,756	73,504	89,770
Sheriff					
Traffic Citations	3,960	5,129	5,637	6,010	6,896
DUIs	144	175	158	221	239
Arrests	1,035	1,471	1,363	1,346	1,588
E-911 phone calls	192,705	139,699	138,802	124,502	133,733
Average number of inmates	689	727	755	642	726
Senior Services					
Total Meals Delivered	137,254	141,980	145,903	157,974	154,250
Health/Nursing					
Client Count	11,164	11,890	9,613	11,495	17,645
Number of Immunizations	20,199	16,456	15,628	15,303	18,517
Weatherization					
Homes Serviced	131	162	214	230	153
Library					
Items Loaned	2,805,128	2,807,144	2,817,866	2,843,728	2,753,295
Materials Held	728,954	714,722	716,289	690,803	675,184
Registered Users	183,179	168,062	171,254	185,051	187,639
Golf Course					
Rounds	150,556	158,395	143,542	150,487	151,217

Source: Various Departments of Davis County

Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005	Fiscal Year 2004
3,929	2,295	3,201	2,512	1,986
957	949	949	923	931
153	163	169	158	160
141	118	152	149	146
95,221	92,426	90,296	87,102	83,592
82,145	99,029	97,174	92,861	96,386
5,779	5,507	7,000	6,510	n/a
352	402	277	241	196
1,580	1,748	n/a	n/a	n/a
141,086	249,167	249,641	248,212	235,307
730	712	499	513	497
152,042	150,987	141,978	145,293	144,691
17,130	24,268	26,576	22,949	19,922
16,433	23,826	21,728	25,752	23,081
108	108	138	180	93
2,537,384	2,386,571	2,195,623	1,942,386	1,810,111
653,349	647,332	620,507	518,294	504,745
169,981	160,217	156,489	147,150	142,291
150,146	167,872	144,092	156,276	157,249

DAVIS COUNTY

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

Function/Program	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006
General								
Buildings	4	4	3	3	3	3	3	3
Total Square Footage	157,585	157,585	59,560	59,560	59,560	59,560	59,560	54,160
Vehicles	25	25	30	33	34	31	22	18
Golf Courses								
Acres	280	280	280	280	280	280	280	280
Number of Buildings	5	5	5	5	5	5	5	5
Total Square Footage	27,072	27,072	27,072	27,072	27,072	24,104	24,104	24,104
Vehicles	7	7	6	7	7	7	8	7
Events Centers								
Number of Buildings	12	12	11	11	11	11	11	4
Total Square Footage	147,209	147,209	142,982	142,982	142,982	142,982	142,982	118,400
Vehicles	5	5	5	6				
Public Libraries								
Number of Library Buildings	7	7	6	6	6	6	6	6
Total Square Footage	110,704	110,704	96,203	96,203	96,203	96,203	96,203	96,203
Vehicles	1	1	1	2	2	2	2	2
Conference Center (Sq. Ft.)	41,000	41,000	41,000	41,000	41,000	41,000	41,000	41,000
Health/Nursing								
Number of Buildings	5	5	5	6	5	5	5	5
Total Square Footage	85,520	85,520	85,520	123,216	56,663	56,663	56,663	56,663
Vehicles	22	22	22	1	1	1	1	1
Sheriff/Corrections								
Number of Buildings	4	4	4	3	3	3	3	3
Total Square Footage	325,472	325,472	325,472	259,074	259,074	259,074	259,074	259,074
Sheriff Vehicles	93	93	92	124	121	122	106	102
Animal Control								
Animal Control Square Footage	12,577	12,577	12,577	14,033	14,033	14,033	14,033	14,033
Animal Control Vehicles	18	18	18	20	20	20	19	16
Floods								
Number of Channels	24	24	24	24	24	24	24	24
Miles of Stream Channels	198	198	198	198	198	198	198	198
Miles of Stream Bank	400	400	400	400	400	400	400	400
Senior Services								
Number of Senior Centers	3	3	3	2	2	2	2	2
Total Square Footage	36,511	36,511	36,511	50,732	50,732	50,732	50,732	50,732
Vehicles	25	25	25	37	36	32	35	28
Public Works								
Number of Buildings	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
Vehicles	30	30	30	46	47	45	45	46

Source: Various Departments of Davis County

Information before 2006 not available
Trailers and ATV's were not counted in the vehicle totals starting in 2011

IV. Single Audit Section

Davis County Headquarters Library
133 South Main Street
Farmington, UT 84025

www.Davis
COUNTYUTAH.GOV

www.daviscountyutah.gov

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Chuck Palmer, CPA

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 Board of County Commissioners
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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Davis County as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Davis County's basic financial statements, and have issued our report thereon dated June 6, 2014.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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 the County'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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Christensen, Palmer & Ambrose P.C.

June 6, 2014

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

The Board of County Commissioners
Davis County, Utah

Report on Compliance for Each Major Federal Program

We have audited Davis County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Davis County's major federal programs for the year ended December 31, 2013. Davis County'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 the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Davis County'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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Davis County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Davis County complied, in all material respects, with the types of 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, 2013.

Report on Internal Control Over Compliance

Management of Davis County 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 of compliance, we considered Davis County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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's internal control over compliance.

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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 was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Christensen, Palmer & Arnhose P.C.

June 6, 2014

DAVIS COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2013

I. SUMMARY OF AUDITORS' RESULTS

1. The independent auditors' report on the financial statements expressed an unqualified opinion. The financial statements of Davis Behavioral Health (a component unit of Davis County) were audited by other auditors, whose reports have been furnished to us, and our report, insofar as it relates to the amounts included for Davis Behavioral Health, is based solely on the reports of such other auditors.

2. No deficiencies in internal control over financial reporting were required to be reported.

3. No instances of noncompliance considered to be material to the financial statements were disclosed by the audit.

4. No conditions in internal control over compliance with requirements applicable to major federal awards programs were required to be reported.

5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.

6. The audit disclosed no findings required to be reported by OMB Circular A-133.

7. The major federal programs of the County for the year ended December 31, 2013 are as follows:

Program	CFDA#	Expenditures
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	$ 4,277,238
Block Grants for Prevention and Treatment of Substance Abuse	93.959	1,435,071

8. A threshold of $300,000 was used to distinguish between Type A and Type B programs as those terms are defined in OMB Circular A-133.

9. The County qualified as a low risk auditee as that term is defined in OMB Circular A-133.

II. FINANCIAL STATEMENTS FINDINGS SECTION

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS SECTION

None

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DAVIS COUNTY

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor Agency Pass Through Grantor Program Title	Federal CFDA Number	Grant Numbers	2013 Expenditures (Modified Accrual Basis)
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	3,348,174
Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	10.557	13-1762, 14-1224	929,064
Summer Food Service Program for Children	10.559	12-0378	800
Total U.S. Department of Agriculture			$ 4,278,038
Corporation for National and Community Service			
Retired and Senior Volunteer Program	94.002	12SRPUT003	119,036
Total Corporation for National and Community Service			$ 119,036
U.S. Department of Health and Human Services			
Passed through Utah State Department of Health:			
Public Health Emergency Preparedness	93.069	13-0761	172,402
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	93.074	14-0427	167,380
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116	13-1861	6,720
Injury Prevention and Control Research and State and Community Based Programs	93.136	13-1526	2,822
Immunization Cooperative Agreements	93.268	13-1861	89,487
CDC_Investigations, Technical Assistance	93.283	12-1246, 13-1515 13-1526, 14-0307	84,300
National State Based Tobacco Control Programs	93.305	13-1526, 14-0307	11,600
ELC/EIP -2012 Prevention and Public Health Fund & other Capacity-Blding Activities	93.521	13-1586	17,926
Comm. Transformation Grants and Nat. Dissemination and Support for Comm. Transformation Grants	93.531	13-1526, 14-0303	33,729
Prevention and Public Health Funds Affordable Care Act-Immunization Program	93.539	13-1528	190,645
Empowering Older Adults and Adults with Disabilities through Chronic Diseases Self-Management Education Programs	93.734	13-1526, 14-0303	9,820
Medical Assistance Program	93.778	13-0525, 14-0938	33,515
National Bioterrorism Hospital Preparedness Program	93.889	13-0761, 14-0427	18,076
HIV Prevention Activities, Health Department Based	93.940	13-1861	81,150
Assistance Programs for Chronic Disease Prevention and Control	93.945	13-1526, 14-0303	11,492
Preventive Health Services, Sexually Transmitted Diseases Control Grants	93.977	13-1861	4,400
Preventive Health and Health Services Block Grant	93.991	13-1526, 14-0303	21,605
Maternal and Child Health Services Block Grant to the States (MCH Block Grants)	93.994	13-1448, 13-1526 14-0303	133,566
Passed through Utah State Department of Human Services:			
State Grants for Long Term Care Ombudsman Services	93.042	14-0650	3,446
Title III, Part D, Disease Prevention and Health Promotion Services	93.043	13-0780, 14-0650	14,325
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	14-0650	66,643
Title III, Part C, Nutrition Services	93.045	13-0780, 14-0650	265,168
Title IV_and Title II_Discretionary Projects	93.048	14-0650	6,492
National Family Caregiver Support, Title III, Part E	93.052	13-0780, 14-0650	124,645
Nutrition Services Incentive Program	93.053	13-0780, 14-0650	77,567
Medicare Enrollment Assistance Program	93.071	14-0650	10,894
Substance Abuse and Mental Health Services_Access to Recovery	93.275	14-0210	35,593
Social Services Block Grant	93.667	13-0374, 14-0650	239,458
Medical Assistance Program	93.778	13-0507, 14-0070	10,598
Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	93.779	11-0404, 14-0650	11,552
Block Grants for Community Mental Health Services	93.958	11-0038, 12-2434 14-0206	251,894
Block Grants for Prevention and Treatment of Substance Abuse	93.959	12-2387	1,435,071
Passed through Utah State Department of Workforce Services			
Low-Income Home Energy Assistance	93.568	11-2602, 12-2369 14-0102	589,262

See notes to supplementary schedule of federal financial assistance.

DAVIS COUNTY

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2013

Federal Grantor Agency Pass Through Grantor Program Title	Federal CFDA Number	Grant Numbers	2013 Expenditures (Modified Accrual Basis)
Passed through National Associatoin of City and County Officials			
Medical Reserve Corps Small Grant Program	93.008		11,000
Total U.S. Department of Health and Human Services			$ 4,244,243
Department of Homeland Security			
Passed through Utah State Department of Public Safety:			
Homeland Security Grant Program	97.073		11,281
Emergency Management Performance Grants	97.042	EMPG-2013-DEM-006	
		EMPG-2012-DEM-007	50,810
Total Department of Homeland Security			$ 62,091
U.S. Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grant	14.218		352,943
Total Department of Housing and Urban Development			$ 352,943
U.S. Department of Justice			
State Criminal Alien Assistance Program	16.606		157,202
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745	2011-MO-BX-0007	216,693
Joint Law Enforcement Operations Task Force	16.111	MOU	3,613
Passed through Utah State Office for Victims of Crime:			
Sexual Assault Services Formula Program	16.017	12VOCA17, 12VOCA18	54,214
Crime Victim Assistance	16.575	11VOCA16, 13VOCA20	50,269
Passed through Utah State Dept. of Public Safety:			
Enforcing Underage Drinking Laws Program	16.727	J1107	5,438
Passed through Utah State Commission on Criminal and Juvenile Justice			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2011-DJ-BX-0318	5,000
Passed through Layton City			
Edward Byrne Memorial Justice Assistance Grant Program	16.738		2,158
Passed through National Childrens Alliance			
Improving the Investigation and Prosecution of Child Abuse and the Regional and Local Children's Advocacy Centers	16.758		9,000
Passed through Utah Attorney Generals Office			
Internet Crimes against Children Task Force Program	16.800	MOU	3,830
Total U.S. Department of Justice			$ 507,417
U.S. Department of Labor			
Passed through Utah State Department of Social Services:			
Senior Community Service Employment Program	17.235	13-0780	526
Total U.S. Department Labor			$ 526
U.S. Department of Energy			
Passed through Utah State Department of Workforce Services:			
Weatherization Assistance for Low Income Persons	81.042	13-1196, 14-1914	319,896
Total U.S. Department of Energy			$ 319,896
U.S. Department of Transportation			
Passed through Utah State Department of Public Safety:			
State and Community Highway Safety	20.600	CP130201	23,112
Alcohol Impaired Driving Countermeasures Incentive Grants I	20.601	K8120306	18,966
Total U.S. Department of Transportation			$ 42,078
Environmental Protection Agency			
Passed through Utah State Department of Environmental Quality:			
Capitalization Grants for Drinking Water State Revolving Fund	66.468	13-0468, 13-2509	5,926
Performance Partnership Grants	66.605	13-0468, 13-2509	5,919
Total Environmental Protection Agency			$ 11,845
TOTAL FEDERAL FINANCIAL ASSISTANCE			$ 9,938,113

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, 2013

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, 2013. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

   b. 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.