



**FINANCIAL STATEMENTS**

**Year Ended December 31, 2009**

**With Report of**

**Certified Public Accountants**

# WASHINGTON COUNTY

## Table of Contents

### FINANCIAL SECTION:

Independent Auditors' Report.....	1
Management's Discussion and Analysis .....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Assets .....	12
Statement of Activities.....	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds .....	14
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds .....	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	18
Statement of Net Assets – Proprietary Funds.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Proprietary Funds .....	20
Statement of Cash Flows – Proprietary Funds .....	21
Statement of Fiduciary Net Assets – Fiduciary Funds .....	22
Component Unit Financial Statements:	
Combining Statement of Net Assets – Component Units .....	23
Combining Statement of Activities – Component Units .....	24
Notes to the Financial Statements .....	25
Required Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
General Fund (Detailed) .....	55
Assessing & Collecting Special Revenue Fund .....	59
Habitat Conservation Special Revenue Fund.....	60
Travel Board Special Revenue Fund .....	61

**WASHINGTON COUNTY**

**Table of Contents  
(Continued)**

Supplementary Information:

Major Governmental Funds:

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual:

Debt Service Fund .....64

Capital Projects Fund.....65

Combining and Individual Fund Financial Statements:

Combining Balance Sheet – Non-major Governmental Funds .....66

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Non-major Governmental Funds .....68

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual

Special Revenue Funds.....70

Combining Statement of Changes in Assets and Liabilities -

All Trust and Agency Funds.....78

Other Schedules:

Tax Collection Agency Fund – Cash Receipts and Disbursements .....81

Statement of Taxes Charged and Collected .....82

Schedule of Expenditures of Transient Room Taxes .....86

**OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS:**

Report on Compliance and on Internal Control over Financial Reporting .....89

Report on Compliance with State Fiscal Laws .....91

**FINANCIAL SECTION**

*This page intentionally left blank*

HAFEN  
BUCKNER  
EVERETT  
& GRAFF, PC  
CERTIFIED PUBLIC ACCOUNTANTS

90 East 200 North  
St. George UT 84770  
fax: (435) 673-6166  
(435) 673-6167  
hbeg.com

## INDEPENDENT AUDITOR'S REPORT

County Commission  
Washington County  
St. George, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Washington County, as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Washington County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the following component units, Ash Creek SSD, Washington County Solid Waste SSD, Rockville/Springdale Fire Protection District, Northwest Special Service District, and Leeds Area Special Service District, which statements reflect 86% of the total assets and 55% of total revenues of the aggregate discretely presented component units as of December 31, 2009, and for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the previously noted component units in the component unit columns, is based on the reports of other auditors.

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

In our opinion, 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 Washington County, as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also issued our report dated June 22, 2010, on our consideration of Washington 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, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be read in conjunction with this report considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 55 through 61 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Washington County's financial statements as a whole. The combining and individual nonmajor fund financial statements, and the other schedules listed in the table of contents have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements as a whole.

*Hafen, Buckner, Everett & Graff, PC*

Hafen, Buckner, Everett, & Graff, PC  
June 22, 2010

**WASHINGTON COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
December 31, 2009**

The following is a discussion and analysis of Washington County's financial performance and provides an overview of the County's activities for the year ending December 31, 2009. This report is in conjunction with the County's financial statements that follow this section.

**HISTORY AND BACKGROUND OF WASHINGTON COUNTY**

Washington County was created in 1856 shortly after pioneers settled here in the early 1850's. It has been known as Utah's Dixie because of mild winter weather and the fact that cotton was raised here in the early days of its existence. Not a lot of growth took place for the first 100 years. In the mid 1960's the county's population was about 10,000. Today, it is over 150,000. The population has nearly doubled each of the last three decades! Championship golf, tennis, outdoor sports events, walking and biking trails, snow-free winters and year long low humidity all make living here attractive.

The purpose of the County is to provide general services to its residents which include general government, judicial, public safety, health and sanitation, conservation and economic development, culture, and public works. Additional services provided to residents in the unincorporated areas include road maintenance, building, planning, and zoning issues, plus fire control.

**FINANCIAL HIGHLIGHTS**

- Washington County has consistently been one of the highest growth counties in the state; however, population growth has slowed due to current economic conditions this past year.
- Sales tax revenues decreased during 2009 from \$5.6 million to \$4.9 million or 12.36 %.
- Restaurant and Transient Room Taxes decreased during 2009 from \$4.8 million to \$4.7 million or 1.79 %.
- As of the end of 2009, the County's unemployment rate was 8.8% as compared to the State rate of 6.6% and the National rate of 10.0%. Both the County and State rates have gotten worse during the first several months of 2010. The County and the State both have one of the best labor and business climates in the western United States; however, along with the rest of the country job growth has declined in the past year.
- During 2009, capital projects were limited. The most significant project completed during the year was the outdoor arena cover which was approximately \$500,000.
- During 2009 the County's General Fund balance remained at approximately \$5 million with only a \$63,684 decrease. \$3.8 million of the General Fund balances are reserved or designated for future capital project needs.
- Total County assets, excluding component units, exceed total liabilities (net assets) by \$41.5 million at the close of the fiscal year. Total net assets decreased by \$65,105.
- Total revenues from all sources, excluding component units, were \$53.3 million.
- The total cost of all County programs, excluding component units, was \$53.4 million.

**USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements which include the Statement of Net Assets and the Statement of Activities. These statements provide information about the activities of the County as a whole. (2) Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. (3) Notes to the financial statements.



## **Reporting the County as a Whole**

### **The Statement of Net Assets and the Statement of Activities (Government-wide)**

The government-wide financial statements are designed to provide readers with a broad overview of Washington County's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of Washington County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Washington County is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the 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 (e.g., uncollected taxes and earned but unused vacation leave or personal time off).

Both of the government-wide financial statements distinguish functions of Washington County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Washington County include general government, judicial, public safety, health and sanitation, culture, conservation and economic development, and public works.

The government-wide financial statements include not only Washington County itself (known as the primary government, but also many legally separate special districts for which Washington County is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

## **Reporting the County's Most Significant Funds**

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Washington County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Washington County can be divided into two major types of funds, governmental and proprietary. These two types of funds use different accounting approaches as explained below.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources, as well as resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Washington County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Debt Service fund, Assessing & Collecting fund, Habitat Conservation fund, and the Capital Projects fund all of which are considered to be major funds. Data from the other eight Governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and individual budget-to-actual reports.

Washington County adopts an annual appropriated budget for all its governmental funds. Budgetary comparison statements have been provided for each fund to demonstrate compliance with those budgets.

Refer to the table of contents for the location of the governmental fund financial statements.

### **Proprietary Funds**

The internal service fund accounts for the County's self-funded health insurance services provided to other funds and departments on a cost reimbursement basis. All of the other proprietary funds of the County are in the form of component units. Each of the component units of the county prepare their own financial statements but are summarized in Washington County's presentation because of their financial accountability. The basic, but not the only, criterion for including a component unit within the reporting entity is whether or not the County exercises significant influence over the component unit. Significant influence or accountability is based primarily on operational or financial relationships with the County.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes are part of the basic financial statements.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Washington County.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

### **Reporting the County's Fiduciary Responsibilities**

The County is the trustee, or fiduciary, for certain amounts held on behalf of developers, donations for a specific purpose and others. These fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. The County is responsible for ensuring that the assets are used for their intended purposes. Therefore, fiduciary activities are excluded from the County's other financial statements because the assets cannot be used to finance operations.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As previously noted, net assets may serve over time as a useful indicator of an entity's financial position. In the case of Washington County, assets exceeded liabilities by \$40.8 million at the close of the most recent fiscal year. This is a 2% increase over the previous year.

A portion of the County's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any outstanding debt used to acquire those assets that is still outstanding. Washington County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Washington County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, as the capital assets themselves cannot be used to liquidate these liabilities.

The County reports the County's self-funded health insurance internal service fund as a business-type activity. A listing of the County's component units is included at footnote 1 of the financial statements.

The following table summarizes the County's governmental and business-type net assets as well as the County's component unit net assets at year-end.

### Washington County Statement of Net Assets

	Governmental Activities		Business-type Activities		Component Unit Activities	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 38,984,768	\$ 41,897,672	\$ 1,286,188	\$ 608,093	\$ 28,584,836	\$ 27,715,597
Capital assets	62,985,308	66,422,432	-	-	33,261,706	30,647,529
Total assets	<u>101,970,076</u>	<u>108,320,104</u>	<u>1,286,188</u>	<u>608,093</u>	<u>61,846,542</u>	<u>58,363,126</u>
Long-term liabilities	53,736,650	59,029,933	-	-	13,107,977	11,686,505
Other liabilities	7,373,544	8,355,338	668,249	-	1,290,479	1,454,745
Total liabilities	<u>61,110,194</u>	<u>67,385,271</u>	<u>668,249</u>	<u>-</u>	<u>14,398,456</u>	<u>13,141,250</u>
Net assets:						
Invested in capital assets, net of related debt	11,641,488	10,305,702	-	-	24,417,129	22,086,656
Restricted	22,591,175	25,560,191	-	-	8,632,552	10,518,182
Unrestricted	<u>6,627,219</u>	<u>5,068,940</u>	<u>617,939</u>	<u>608,093</u>	<u>14,398,405</u>	<u>12,617,038</u>
Total net assets	<u>\$ 40,859,882</u>	<u>\$ 40,934,833</u>	<u>\$ 617,939</u>	<u>\$ 608,093</u>	<u>\$ 47,448,086</u>	<u>\$ 45,221,876</u>

The County's programs include: General Government, Judicial, Public Safety, Public Works, Health and Sanitation, Conservation and Economic Development, and Culture. Each program's revenues and expenditures are presented below.

**Washington County  
Changes in Net Assets**

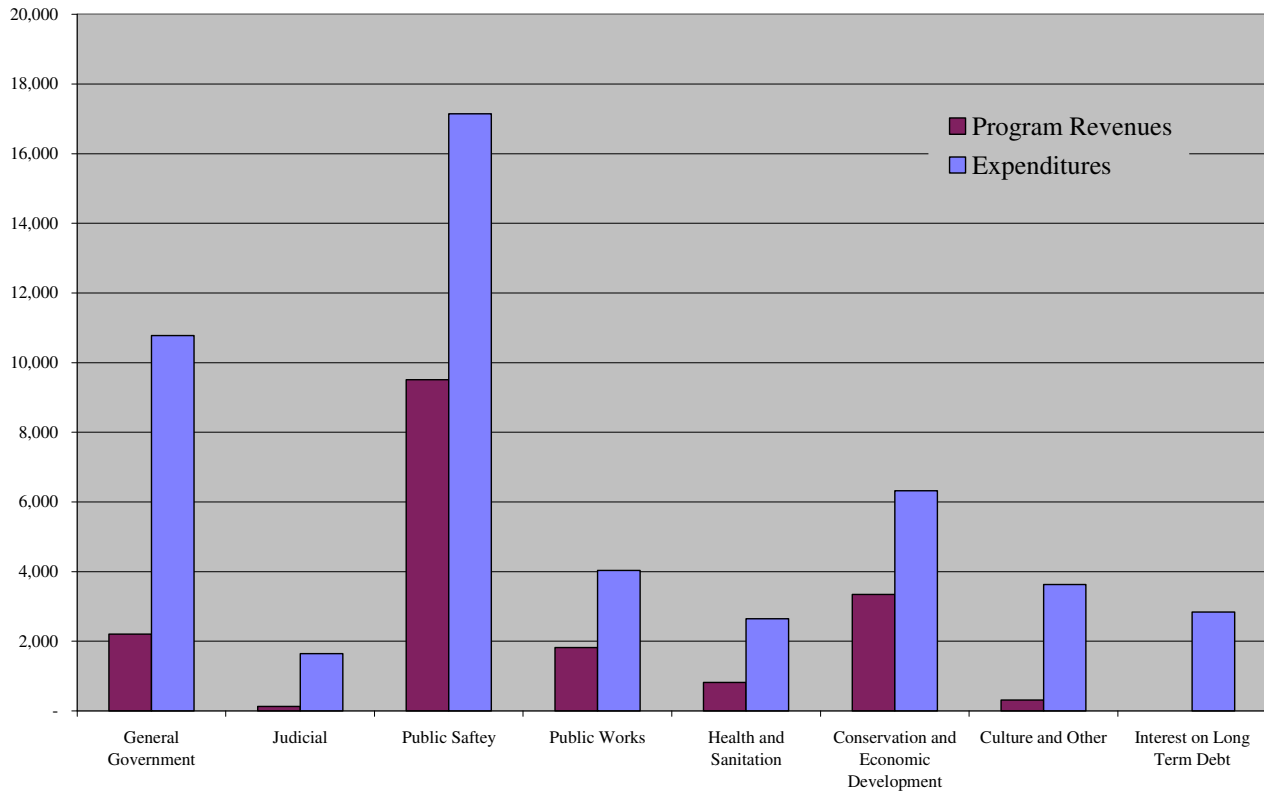
	Governmental Activities		Business-type Activities		Component Unit Activities	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 9,254,280	\$ 9,873,530	\$ 4,395,455	\$ 4,463,645	\$ 12,008,988	\$ 12,744,126
Operating grants and contributions	5,431,302	5,653,610	-	-	7,876,201	7,513,960
Capital grants and contributions	3,445,153	1,550,839	-	-	106,824	60,821
General revenues:						
Taxes	30,623,466	31,031,244	-	-	449,114	441,612
Other	195,429	866,472	-	-	621,076	5,933,596
Total revenues	<u>48,949,630</u>	<u>48,975,695</u>	<u>4,395,455</u>	<u>4,463,645</u>	<u>21,062,203</u>	<u>26,694,115</u>
Expenses:						
General government	10,773,306	10,714,034	4,385,609	3,855,552	-	-
Judicial	1,643,710	1,711,489	-	-	-	-
Public safety	17,143,496	17,944,679	-	-	882,152	889,589
Public works	4,032,100	4,917,037	-	-	9,744,656	9,770,703
Health and sanitation	2,643,364	2,584,181	-	-	8,209,155	8,581,110
Conservation and economic development	6,322,370	4,923,958	-	-	-	-
Culture and other	3,629,567	2,932,247	-	-	-	-
Interest on long term debt	2,836,668	3,185,889	-	-	-	-
Total expenses	<u>49,024,581</u>	<u>48,913,514</u>	<u>4,385,609</u>	<u>3,855,552</u>	<u>18,835,963</u>	<u>19,241,402</u>
Increase in net assets	(74,951)	62,181	9,846	608,093	2,226,240	7,452,713
Net assets, beginning	<u>40,934,833</u>	<u>40,872,652</u>	<u>608,093</u>	<u>-</u>	<u>45,221,846</u>	<u>37,769,163</u>
Net assets, ending	<u>\$ 40,859,882</u>	<u>\$ 40,934,833</u>	<u>\$ 617,939</u>	<u>\$ 608,093</u>	<u>\$ 47,448,086</u>	<u>\$ 45,221,876</u>

The cost of all Governmental activities this year was \$49 million. As shown on the Statement above, \$9.2 million of this cost was paid for by those who directly benefited from the programs; \$8.8 million was subsidized by grants received from other governmental organizations for both capital and operating activities. Overall governmental program revenues, including intergovernmental aid and fees for services were \$18 million. General taxes and investment earnings totaled \$30.8 million.

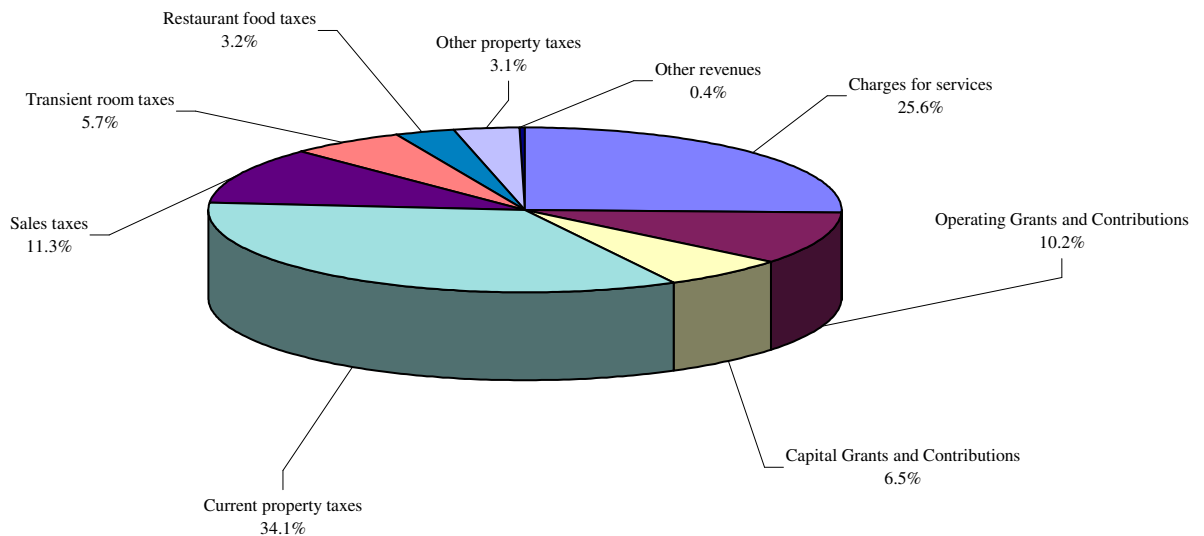
Total resources available during the year to finance operations were \$89.8 million consisting of Net assets at December 31, 2008 of \$40.9 million, program revenues of \$18 million and General Revenues of \$30.8 million. Total Governmental Activities during the year were \$49 million; thus Net Assets were decreased by \$74,951 to \$40.86 million. Most of the governmental activities remained consistent from 2008 to 2009 with some changes between programs such as conservation and economic development and culture and other due to the timing of projects and their completion dates.

The following graphs compare program revenues with program expenditures and provide a breakdown of revenues by source for governmental activities:

**Program Revenues and Expenditures - Governmental Activities  
Primary Government (in Thousands)**



**Revenue By Source - Governmental Activities  
Primary Government**



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

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following is a brief discussion of financial highlights from the fund financial statements.

### **Governmental funds**

The focus of the County's governmental fund financial statements (pages 14 to 18) is to provide information on near-term inflows, outflows, and balances of spendable resources. All major governmental funds are discretely presented in these financial statements, while the non-major funds are combined into a single column. Combining statements for the non-major funds are reported on pages 64 to 67.

For the year ended December 30, 2009, the governmental funds reflect a combined fund balance of \$25,744,899. Of this, \$16,977,368 is reserved because it is not available for expenditure or is legally segregated for a specific future use. The remaining \$8,767,531 is classified as "Unreserved". This balance may serve as a useful indicator of a government's net resources available for spending at the end of the year.

The General fund is the principal operating fund of the County and accounts for many functions of the government, including general administrative services, judicial, public safety, public works, health and sanitation, conservation and economic development, culture and other. General fund revenues and expenditures remained fairly consistent with the prior year. Revenues totaled \$21,747,379 and expenditures, before other financing sources and uses, totaled \$20,958,763. The net increase in fund balance before transfers was \$788,616. A transfer from the general fund of \$1,034,400 was made to the debt service fund, Children's Justice Center fund, Council on Aging fund and the Municipal Services fund for 2009.

The Assessing & Collecting Special Revenue Fund accounts for funds raised by levies on property taxes that are legally restricted to expenditure for the County's functions of assessing, collecting, and distributing property taxes. Assessing & Collecting fund revenues and expenditures remained fairly consistent with the prior year. Revenues totaled \$6,660,538 while expenditures, not including transfers, totaled \$6,194,692 in 2009. (See Page 59)

The Habitat Conservation Plan Special Revenue Fund is used to account for revenue sources that are legally restricted to expenditure for habitat conservation and capital improvements. Revenues have decreased from \$1,468,986 in 2007 and \$784,052 in 2008 to \$354,723 mainly due to the economic downturn and decrease in building in the County. Expenditures were also decreased during 2009. (See Page 60)

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment. Expenditures increased as expected in 2009 mainly due to activity associated with the Dixie Springs project. (See Page 64)

The Travel Board fund is used to account for transient room tax revenues used to promote travel within the County. Transient Room Taxes remained consistent during 2009 with a slight decrease of 1.71 %. Expenditures remained consistent as well.

The Capital Projects fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. This fund reported

limited activity for 2009 with only \$575,492 in capital outlay. The \$258,788 reduction in fund balance is a result of appropriations against bond proceeds received in 2007. (See Page 65)

The non-major funds of the County consist of the following special revenue funds: Municipal Service, Flood Damage, Children's Justice Center, Library, Council on Aging, Recreation, and Grants. The non-major funds are combined into one column on the governmental fund statements. (See Pages 66 to 76 for nonmajor combining and individual fund statements)

### **General Fund Budgetary Highlights**

The final appropriations for the General Fund at year-end were \$905,987 lower than actual expenditures. The budget to actual variance in appropriations was the result of various departments slightly over and under and due to estimates in contingency anticipated for miscellaneous services and supplies which were not expended. Actual revenues were less than the final budget by \$1,115,921 mainly due to actual property taxes received which were less than the budgeted revenue. Budget amendments and supplemental appropriations were made during the year to prevent budget overruns and to increase appropriations for unanticipated expenditures after adoption of the original budget.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

The capital assets of the County are those assets that are used in performance of County functions including infrastructure assets. Capital Assets include equipment, buildings, land, park facilities and roads. At the end of 2009, net capital assets of the government activities totaled \$62.98 million. Depreciation on capital assets is recognized in the Government-Wide financial statements. (See note 8 to the financial statements.)

### **Debt**

At year-end, the County had \$58 million in governmental type debt. The debt is a liability of the government and amounts to approximately \$386.67 per capita. During the current fiscal year, the County's total debt decreased by \$5 million as a result of annual debt payments. (See note 9 to the financial statements for detailed descriptions.)

## **NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

The County uses a conservative approach during the budgeting process in an effort to maintain a healthy fund balance. With the current economic condition of the County, management has proposed to budget revenues and expenditures for 2010 close to the 2009 actual results. The County has strongly maintained that no tax increases are to occur in the County without public input. The County budgets are closely monitored by Administration.

## **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Washington County Auditor at 197 East Tabernacle, St. George, UT 84770.

## **BASIC FINANCIAL STATEMENTS**



**WASHINGTON COUNTY**  
**Statement of Net Assets**  
**December 31, 2009**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Assets</b>				
Cash and investments	\$ 3,503,258	\$ 1,195,644	\$ 4,698,902	\$ 17,586,258
Receivables (net of allowance for uncollectibles)	14,983,573	90,544	15,074,117	2,246,786
Prepaid assets	-	-	-	41,837
Deferred charges	378,237	-	378,237	-
Restricted cash and investments	15,440,220	-	15,440,220	8,709,955
Note receivable	4,679,480	-	4,679,480	-
Capital assets not being depreciated	4,500,044	-	4,500,044	11,420,800
Capital assets being depreciated, net of accumulated depreciation	58,485,264	-	58,485,264	21,840,906
Total assets	<u>101,970,076</u>	<u>1,286,188</u>	<u>103,256,264</u>	<u>61,846,542</u>
<b>Liabilities</b>				
Accounts payable and other current liabilities	1,433,196	668,249	2,101,445	759,600
Unearned revenue	1,135,149	-	1,135,149	-
Accrued interest payable	594,199	-	594,199	180,478
Noncurrent liabilities:				
Due within one year	4,211,000	-	4,211,000	350,401
Due in more than one year	53,736,650	-	53,736,650	13,107,977
Total liabilities	<u>61,110,194</u>	<u>668,249</u>	<u>61,778,443</u>	<u>14,398,456</u>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	11,641,488	-	11,641,488	24,417,129
Restricted for:				
Capital projects	1,451,019	-	1,451,019	-
Class "B" roads	538,985	-	538,985	-
Debt Service	9,068,423	-	9,068,423	-
Other purposes	11,532,748	-	11,532,748	8,632,552
Unrestricted	6,627,219	617,939	7,245,158	14,398,405
Total net assets	<u>\$ 40,859,882</u>	<u>\$ 617,939</u>	<u>\$ 41,477,821</u>	<u>\$ 47,448,086</u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Statement of Activities**  
**For the Year Ended December 31, 2009**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 10,773,306	\$ 1,879,893	\$ 83,655	\$ 236,946	\$ (8,572,812)	\$ -	\$ (8,572,812)	-
Judicial	1,643,710	63,355	61,962	-	(1,518,393)	-	(1,518,393)	-
Public safety	17,143,496	5,680,430	3,442,851	385,857	(7,634,358)	-	(7,634,358)	-
Public works	4,032,100	64,896	1,345,610	409,637	(2,211,957)	-	(2,211,957)	-
Health and sanitation	2,643,364	599,731	219,259	-	(1,824,374)	-	(1,824,374)	-
Conservation & economic development	6,322,370	654,665	277,965	2,412,713	(2,977,027)	-	(2,977,027)	-
Culture and other	3,629,567	311,310	-	-	(3,318,257)	-	(3,318,257)	-
Interest on long-term debt	2,836,668	-	-	-	(2,836,668)	-	(2,836,668)	-
Total governmental activities	<u>49,024,581</u>	<u>9,254,280</u>	<u>5,431,302</u>	<u>3,445,153</u>	<u>(30,893,846)</u>	<u>-</u>	<u>(30,893,846)</u>	<u>-</u>
Business-type activities:								
Internal Service	4,385,609	4,395,455	-	-	-	9,846	9,846	-
Total business-type activities	<u>4,385,609</u>	<u>4,395,455</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,846</u>	<u>9,846</u>	<u>-</u>
Total primary government	<u>\$ 53,410,190</u>	<u>\$ 13,649,735</u>	<u>\$ 5,431,302</u>	<u>\$ 3,445,153</u>	<u>\$(30,893,846)</u>	<u>\$ 9,846</u>	<u>\$(30,884,000)</u>	<u>\$ -</u>
<b>Component units:</b>								
Public safety	882,152	315,874	45,244	31,935	-	-	-	(489,099)
Public works	9,744,656	10,218,892	-	74,889	-	-	-	549,125
Health and sanitation	8,209,155	1,474,222	7,830,957	-	-	-	-	1,096,024
Total component units	<u>\$ 18,835,963</u>	<u>\$ 12,008,988</u>	<u>\$ 7,876,201</u>	<u>\$ 106,824</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,156,050</u>
General revenues:								
Current property taxes					18,215,216	-	18,215,216	326,819
Sales taxes					6,028,049	-	6,028,049	-
Transient room taxes					3,029,333	-	3,029,333	-
Restaurant food taxes					1,699,093	-	1,699,093	-
Other property taxes					1,651,775	-	1,651,775	122,295
Unrestricted investment earnings					194,979	-	194,979	270,843
Gain on the sale of assets					450	-	450	-
Other revenues					-	-	-	350,233
Total general revenues and transfers					<u>30,818,895</u>	<u>-</u>	<u>30,818,895</u>	<u>1,070,190</u>
Change in net assets					(74,951)	9,846	(65,105)	2,226,240
Net assets - beginning					<u>40,934,833</u>	<u>608,093</u>	<u>41,542,926</u>	<u>45,221,846</u>
Net assets - ending					<u>\$ 40,859,882</u>	<u>\$ 617,939</u>	<u>\$ 41,477,821</u>	<u>\$ 47,448,086</u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2009**

	General Fund	Debt Service	Special Revenue	
			Assessing & Collecting	Habitat Conservation
<b>Assets</b>				
Cash and investments	\$ 2,649	\$ 2,024,299	\$ -	\$ 100
Property taxes receivable	2,624,150	910,234	1,861,628	-
Assessments receivable	-	5,675,213	-	-
Due from other governments	1,513,098	-	-	40,482
Due from other funds	1,428,482	-	-	-
Restricted cash and investments	339,916	2,323,462	-	5,158,095
Total assets	<u>\$ 5,908,295</u>	<u>\$ 10,933,208</u>	<u>\$ 1,861,628</u>	<u>\$ 5,198,677</u>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Accounts payable	402,554	-	200,760	113,373
Accrued liabilities	305,523	-	23,715	2,018
Due to other funds	-	-	1,526,505	-
Unearned revenue	185,577	5,675,213	3,425	-
Total liabilities	<u>893,654</u>	<u>5,675,213</u>	<u>1,754,405</u>	<u>115,391</u>
Fund balances:				
Reserved for:				
Class "B" roads	538,985	-	-	-
Debt service fund	-	3,454,616	-	-
Other purposes	-	-	-	5,083,286
Unreserved, designated for subsequent year	-	1,074,546	-	-
Unreserved, designated for capital projects	3,800,000	-	-	-
Unreserved, undesignated	675,656	728,833	107,223	-
Unreserved, undesignated, reported in nonmajor: Special revenue funds	-	-	-	-
Total fund balances	<u>5,014,641</u>	<u>5,257,995</u>	<u>107,223</u>	<u>5,083,286</u>
Total liabilities and fund balances	<u>\$ 5,908,295</u>	<u>\$ 10,933,208</u>	<u>\$ 1,861,628</u>	<u>\$ 5,198,677</u>

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

Some receivables are not available in the current period and therefore are not reported in the funds.

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Revenues considered unearned and not reported in the funds

Some liabilities, including bonds payable and capital leases, are not due and payable in the current period and therefore are not reported in the funds.

Net assets of governmental activities

The accompanying notes are an integral part of the financial statements

<u>Travel Board</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 35	\$ -	\$ 1,476,175	\$ 3,503,258
-	-	998,678	6,394,690
-	-	-	5,675,213
326,324	-	1,033,766	2,913,670
-	-	176,220	1,604,702
<u>3,583,469</u>	<u>1,474,790</u>	<u>2,560,488</u>	<u>15,440,220</u>
<u>\$ 3,909,828</u>	<u>\$ 1,474,790</u>	<u>\$ 6,245,327</u>	<u>\$ 35,531,753</u>
55,817	23,771	270,303	1,066,578
3,010	-	32,352	366,618
-	-	78,197	1,604,702
<u>6,750</u>	<u>-</u>	<u>877,991</u>	<u>6,748,956</u>
<u>65,577</u>	<u>23,771</u>	<u>1,258,843</u>	<u>9,786,854</u>
-	-	-	538,985
-	-	-	3,454,616
3,844,251	1,451,019	2,605,211	12,983,767
-	-	-	1,074,546
-	-	-	3,800,000
-	-	-	1,511,712
-	-	2,381,273	2,381,273
<u>3,844,251</u>	<u>1,451,019</u>	<u>4,986,484</u>	<u>25,744,899</u>
<u>\$ 3,909,828</u>	<u>\$ 1,474,790</u>	<u>\$ 6,245,327</u>	
			4,679,480
			62,985,308
			5,613,807
			<u>(58,163,612)</u>
			<u>\$ 40,859,882</u>

**WASHINGTON COUNTY**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2009**

	General Fund	Debt Service	Special Revenue	
			Assessing & Collecting	Habitat Conservation
<b>Revenues</b>				
Taxes	\$ 13,752,758	\$ 2,479,042	\$ 5,836,877	\$ -
Licenses and permits	23,780	-	-	-
Intergovernmental	4,953,426	268,555	-	308,906
Charges for services	984,557	-	820,456	-
Fines and forfeitures	1,143,313	-	-	-
Interest	50,767	31,938	-	43,413
Sub-lease revenue	-	-	-	-
Other revenue	838,778	1,603,759	3,205	2,404
Total revenues	<u>21,747,379</u>	<u>4,383,294</u>	<u>6,660,538</u>	<u>354,723</u>
<b>Expenditures</b>				
Current:				
General government	3,369,650	63,401	6,194,692	-
Judicial	1,612,686	-	-	-
Public Safety	12,435,252	-	-	-
Public Works	2,029,425	-	-	-
Health and Sanitation	1,130,465	-	-	-
Conservation & Economic Development	183,750	-	-	613,570
Culture and other	166,410	-	-	-
Matching Funds & contributions	31,125	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	4,190,000	-	-
Interest	-	2,175,450	-	-
Total expenditures	<u>20,958,763</u>	<u>6,428,851</u>	<u>6,194,692</u>	<u>613,570</u>
Excess revenues over (under) expenditures	<u>788,616</u>	<u>(2,045,557)</u>	<u>465,846</u>	<u>(258,847)</u>
<b>Other financing sources (uses)</b>				
Transfers in	182,100	500,000	-	-
Transfers out	(1,034,400)	-	(300,000)	-
Total other financing sources and uses	<u>(852,300)</u>	<u>500,000</u>	<u>(300,000)</u>	<u>-</u>
Net change in fund balances	(63,684)	(1,545,557)	165,846	(258,847)
Fund balances - beginning of year	<u>5,078,325</u>	<u>6,803,552</u>	<u>(58,623)</u>	<u>5,342,133</u>
Fund balances - end of year	<u>\$ 5,014,641</u>	<u>\$ 5,257,995</u>	<u>\$ 107,223</u>	<u>\$ 5,083,286</u>

The accompanying notes are an integral part of the financial statements

<u>Travel Board</u>	<u>Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,029,333	\$ -	\$ 5,395,608	\$ 30,493,618
-	-	88,160	111,940
-	-	7,325,961	12,856,848
-	-	482,819	2,287,832
-	-	86,388	1,229,701
21,386	16,704	30,771	194,979
-	-	676,389	676,389
342,887	-	184,592	2,975,625
<u>3,393,606</u>	<u>16,704</u>	<u>14,270,688</u>	<u>50,826,932</u>
-	-	292,949	9,920,692
-	-	-	1,612,686
-	-	3,712,518	16,147,770
-	-	345,638	2,375,063
-	-	1,276,000	2,406,465
1,927,061	-	3,955,887	6,680,268
-	-	2,798,265	2,964,675
-	-	-	31,125
-	575,492	-	575,492
267,586	-	799,414	5,257,000
281,453	-	616,767	3,073,670
<u>2,476,100</u>	<u>575,492</u>	<u>13,797,438</u>	<u>51,044,906</u>
<u>917,506</u>	<u>(558,788)</u>	<u>473,250</u>	<u>(217,974)</u>
200,000	300,000	546,651	1,728,751
-	-	(394,351)	(1,728,751)
<u>200,000</u>	<u>300,000</u>	<u>152,300</u>	<u>-</u>
1,117,506	(258,788)	625,550	(217,974)
<u>2,726,745</u>	<u>1,709,807</u>	<u>4,360,934</u>	<u>25,962,873</u>
<u>\$ 3,844,251</u>	<u>\$ 1,451,019</u>	<u>\$ 4,986,484</u>	<u>\$ 25,744,899</u>

**WASHINGTON COUNTY**  
**Reconciliation of the Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances of Governmental Funds**  
**To The Statement of Activities**  
**For the Year Ended December 31, 2009**

---

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

Net changes in fund balances - total governmental funds	\$ (217,974)
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 exceeded capital outlays in the current period.	(3,400,950)
The statement of activities only reports the loss on the sale of capital assets. In the governmental funds, only the proceeds from the sale are reported. This is the difference between the net book value of the capital assets sold and the proceeds.	(36,173)
Donations of capital assets do not provide current financial resources and, therefore, are not reported as revenues/expenditures in governmental funds.	(1,194,122)
Sub-lease revenues reported in the funds that provide current financial resources are reported as a reduction of notes receivable in the statement of net assets.	(438,860)
The issuance of long-term debt (e.g., bonds, leases) provide 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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	5,295,001
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	<u>(81,873)</u>
Change in net assets of governmental activities	<u><u>\$ (74,951)</u></u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Statement of Net Assets**  
**Proprietary Funds**  
**December 31, 2009**

---

	<u>Internal Service Fund</u>
<b>Assets:</b>	
Cash	\$ 1,195,644
Accounts receivable	90,544
Total Assets	<u>1,286,188</u>
<b>Liabilities:</b>	
Accounts payable	<u>668,249</u>
Total Liabilities	<u>668,249</u>
<b>Net Assets:</b>	
Unrestricted	<u>617,939</u>
Total Net Assets	<u>\$ 617,939</u>

The accompanying notes are an integral part of the financial statements



**WASHINGTON COUNTY**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Year Ended December 31, 2009**

---

	<u>Internal Service Fund</u>
<b>Operating Revenues</b>	
Charges for services	
County contributions	\$ 3,861,125
Employee contributions	<u>534,330</u>
Total operating revenues	<u>4,395,455</u>
<b>Operating Expenses</b>	
Claims expense	3,696,463
Premium expense	<u>689,146</u>
Total operating expenses	<u>4,385,609</u>
Operating income	9,846
<b>Net assets, beginning of the year</b>	<u>608,093</u>
<b>Net assets, end of the year</b>	<u><u>\$ 617,939</u></u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2009**

---

	Internal Service Fund
<b>Cash Flows From Operating Activities:</b>	
Cash received from customers, service fees	\$ 4,304,911
Cash paid to suppliers	(3,717,360)
Cash flows from operating activities	587,551
 <b>Net Change in Cash and Cash Equivalents</b>	 587,551
 Cash and cash equivalents including restricted cash, beginning of year	 608,093
 Cash and cash equivalents including restricted cash, end of year	 \$ 1,195,644
 Reconciliation of operating income (loss) to cash flows from operating activities:	
Net operating income (loss)	\$ 9,846
Adjustments to reconcile net income (loss) to cash flows from operating activities:	
Changes in operating assets and liabilities	
(Increase)/Decrease in receivables	(90,544)
Increase/(Decrease) in accounts payable	668,249
Net cash flows from operating activities	\$ 587,551

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Combined Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**December 31, 2009**

---

	Agency Funds
<b>Assets</b>	
Cash and investments	\$ 46,317,118
Property taxes receivable	785,684
Total Assets	\$ 47,102,802
<b>Liabilities</b>	
Deposits held in trust	\$ 4,938,140
Due to taxing districts	35,883,468
Due to Washington County General Fund	2,624,149
Due to Assessing & Collecting Fund	1,861,627
Due to other funds	1,795,418
Total Liabilities	\$ 47,102,802
<b>Net Assets</b>	
Held in trust for individuals, organizations, and other governments	\$ -

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Combining Statement of Net Assets**  
**Component Units**  
**December 31, 2009**

	Southwest Utah Public Health Dept.	Ash Creek SSD	Washington County Solid Waste SSD	Nonmajor Component Units	Total Component Units
<b>Assets</b>					
Current assets:					
Cash and investments	\$ 1,980,378	\$ 4,259,041	\$ 10,272,973	\$ 1,073,866	\$ 17,586,258
Property Taxes Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Due from other governments	776,624	-	-	139,916	916,540
Due from other sources	-	307,005	676,964	346,277	1,330,246
Prepaid assets	32,566	-	-	9,271	41,837
Total current assets	<u>2,789,568</u>	<u>4,566,046</u>	<u>10,949,937</u>	<u>1,569,330</u>	<u>19,874,881</u>
Noncurrent assets:					
Deferred charges	-	-	-	-	-
Restricted cash and investments	144,750	3,026,704	5,256,915	281,586	8,709,955
Capital assets not being depreciated	-	10,845,779	57,000	518,021	11,420,800
Capital assets being depreciated, net of accumulated depreciation	4,923,929	7,840,542	3,889,354	5,187,081	21,840,906
Total noncurrent assets	<u>5,068,679</u>	<u>21,713,025</u>	<u>9,203,269</u>	<u>5,986,688</u>	<u>41,971,661</u>
Total assets	<u>\$ 7,858,247</u>	<u>\$ 26,279,071</u>	<u>\$ 20,153,206</u>	<u>\$ 7,556,018</u>	<u>\$ 61,846,542</u>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	\$ 42,577	\$ 15,437	\$ 500,805	\$ 20,601	\$ 579,420
Accrued liabilities	110,093	14,856	2,880	52,351	180,180
Compensated absences	209,476	41,988	40,160	-	291,624
Accrued interest payable	97,445	77,403	-	5,630	180,478
Total current liabilities	<u>459,591</u>	<u>149,684</u>	<u>543,845</u>	<u>78,582</u>	<u>1,231,702</u>
Noncurrent liabilities:					
Due within one year	148,000	138,000	-	64,401	350,401
Due in more than one year	4,747,750	1,992,098	4,341,671	1,734,834	12,816,353
Total noncurrent liabilities	<u>4,895,750</u>	<u>2,130,098</u>	<u>4,341,671</u>	<u>1,799,235</u>	<u>13,166,754</u>
Total liabilities	<u>5,355,341</u>	<u>2,279,782</u>	<u>4,885,516</u>	<u>1,877,817</u>	<u>14,398,456</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	630,503	16,575,321	3,946,354	3,264,951	24,417,129
Restricted	144,750	2,949,301	5,256,915	281,586	8,632,552
Unrestricted	1,727,653	4,474,667	6,064,421	2,131,664	14,398,405
Total net assets	<u>\$ 2,502,906</u>	<u>\$ 23,999,289</u>	<u>\$ 15,267,690</u>	<u>\$ 5,678,201</u>	<u>\$ 47,448,086</u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Combining Statement of Activities**  
**Component Units**  
**For the Year Ended December 31, 2009**

	Southwest Utah Public Health Dept.	Ash Creek SSD	Washington County Solid Waste SSD	Nonmajor Component Units	Total Component Units
<b>Expenses:</b>					
Public safety:					
Fire and emergency services	\$ -	\$ -	\$ -	\$ 882,152	\$ 882,152
Public works					
Sewer services	-	1,801,997	-	-	1,801,997
Solid waste services	-	-	7,619,866	-	7,619,866
Water services	-	-	-	322,793	322,793
Health and sanitation					
Health services	8,209,155	-	-	-	8,209,155
Mosquito abatement	-	-	-	-	-
Total expenses	<u>8,209,155</u>	<u>1,801,997</u>	<u>7,619,866</u>	<u>1,204,945</u>	<u>18,835,963</u>
<b>Program revenues:</b>					
Charges for services	1,474,222	2,097,052	7,768,328	669,386	12,008,988
Operating grants and contributions	7,830,957	-	-	45,244	7,876,201
Capital grants and contributions	-	-	-	106,824	106,824
Net (expense) revenue	<u>1,096,024</u>	<u>295,055</u>	<u>148,462</u>	<u>(383,491)</u>	<u>1,156,050</u>
<b>General revenues:</b>					
Property taxes	-	-	-	326,819	326,819
Sales taxes	-	-	-	-	-
Other taxes	-	-	-	122,295	122,295
Unrestricted investment earnings	590	83,075	160,349	26,829	270,843
Miscellaneous	59,342	534,835	(2,867)	(241,077)	350,233
Debt Proceeds	-	-	-	-	-
Total general revenues and transfers	<u>59,932</u>	<u>617,910</u>	<u>157,482</u>	<u>234,866</u>	<u>1,070,190</u>
Change in net assets	1,155,956	912,965	305,944	(148,625)	2,226,240
Total net assets - beginning	<u>1,346,950</u>	<u>23,086,324</u>	<u>14,961,746</u>	<u>5,826,826</u>	<u>45,221,846</u>
Total net assets - ending	<u>\$ 2,502,906</u>	<u>\$ 23,999,289</u>	<u>\$ 15,267,690</u>	<u>\$ 5,678,201</u>	<u>\$ 47,448,086</u>

The accompanying notes are an integral part of the financial statements

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies**

---

**General**

The County is a political subdivision of the State of Utah with a County Commission comprised of three commissioners elected at large. The financial statements of Washington County (the County) have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are described below.

**Reporting Entity**

For financial reporting purposes, the County has included all funds, and account groups. The County has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationships with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP. The basic, but not the only, criterion for including a potential component unit within the reporting entity is whether or not the County exercises significant influence over the potential component unit. Significant influence or accountability is based primarily on operational or financial relationships with the County.

The accompanying financial statements include all activities of Washington County (the primary government) and its component units. Blended component units, although legally separate entities, are in substance, part of the government's operations. Data from these units are combined with data of the primary government. Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

The following **blended component unit** transactions are blended into the audit report issued by the County. No separate audit report is issued:

The Municipal Building Authority of Washington County, Utah (the Authority) was formally recognized by the State of Utah as a incorporated entity in 1998. The Authority was formed for the purpose of accomplishing the public purposes for which Washington County exists by acquiring, improving, or extending one or more projects and financing the cost of such projects on behalf of Washington County. The Authority is governed by a board of trustees comprised of the elected officials of Washington County.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

The following **discretely presented component units** had separately issued audited financial statements:

Southwest Utah Public Health Department (Major Special Revenue Fund) - The Department provides health related services to the citizens and government units in Washington, Iron, Kane, Beaver, and Garfield counties. The department is funded by state and federal financial assistance, county contributions and charges for services. The Department issued separate audited financial statements dated June 11, 2009.

Ash Creek Special Service District (Major Enterprise Fund) - The District provides sewer service to the communities of Hurricane, LaVerkin and Toquerville and is funded mainly through user fees. The District was created by the County under the Utah Special Service District Act. The District issued separate audited financial statements June 14, 2010.

Washington County Solid Waste Special Service District No. 1 (Major Enterprise Fund) - The District provides solid waste disposal service to the residents of the various municipalities within the County and to the unincorporated areas of the County. The District is funded entirely by charges for services. The County appoints one of twenty board members and provides no financial support to the District. The district issued separate audited financial statements dated April 28, 2010.

Rockville/Springdale Fire Protection District (Non-major Enterprise Fund) - The District provides fire protection to the communities of Rockville and Springdale, Utah and is funded mainly through user fees. The District issued separate audited financial statements dated June 10, 2010.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

The following **discretely presented component units** did not have separately issued audited financial statements. All of the following were created by the County under the Utah Special Service District Act:

Angell Springs Special Service District (Non-major Enterprise Fund) - The District provides water for the Angell Springs Subdivision and is funded through user fees and grants and loans.

Dixie Deer Special Service District (Non-major Enterprise Fund) - The District provides water, sewer services and fire protection to the Dixie Deer Estates and is funded through user fees.

Dammeron Valley Special Service District (Non-major Enterprise Fund) - The District provides water and other services to the community of Dammeron Valley funded through user fees and other revenues.

Gunlock Special Service District (Non-major Enterprise Fund) - The District provides water, street lights and park services to the community of Gunlock funded through user fees and other revenues.

Leeds Area Special Service District (Non-major General Fund) - The District provides fire protection and ambulatory services to the community of Leads, Utah funded through user fees and other revenues.

New Harmony Valley Special Service District (Non-major General Fund) – The District provides fire protection for the community of New Harmony and the surrounding area funded through user fees and other revenues.

Northwestern Special Service District (Non-major Enterprise Fund) - The District provides fire protection to the community of Veyo, Gunlock, Central and Brookside, Utah funded through user fees and other revenues.

Pine Valley Special Service District (Non-major Enterprise Fund) - The District provides water for the Pine Valley area and is funded through user fees.

Southwestern Special Service District (Non-major General Fund) - The District provides fire protection to the communities of Winchester Hills and Diamond Valley funded through user fees and other revenues.

The Hurricane Valley Fire Special Service District was established in December, 2007. The District will not be funded until 2010 and therefore has not been included in these financial statements.



**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

A **related organization** for which the County is accountable because it appoints a voting majority of the board, but is not financially accountable based on the previously mentioned criteria is:

Washington County Water Conservancy District.

Organizations which are considered as **jointly governed organizations** based on the criteria set forth by the GASB are as follows:

Southwest Behavioral Health Center - the Center provides mental health and drug and alcohol services to the five counties of southwestern Utah. One of the County's commissioners serves on the center's authority board. The Center is funded through state and federal government grants and contracts, fees for services and contributions from the five counties served. In 2009, the County provided \$385,707 in funding to the Center. The County does not retain an ongoing financial interest or responsibility in the Center.

Five County Association of Governments - The Association provides various services to the various governmental and educational units in the five counties of southwestern Utah. One of the County's commissioners serves on the steering committee of the association. The Association is funded through state and federal government grants and contracts and through contributions from the participating entities. In 2009 the County contributed \$15,000 to the Association. The County does not retain an ongoing financial interest or responsibility in the Association.

Washington County/St. George Interlocal Agency (WCIA) - The Agency constructs, operates and maintains convention and regional park facilities for the County and St. George City (the City), Two of the County's commissioners serve on the Agency's governing body along with two representatives appointed by the City along with an at-large member appointed by the WCIA. The County leases the convention center and regional park facilities from the WCIA and subleases an undivided 38% interest in the convention center to the City. See Long-Term Debt footnote for additional disclosures.

Southwestern Mosquito Abatement District – The District provides mosquito abatement and control services for Washington County and the municipalities of Enterprise, Hildale, Hurricane, Ivins, LaVerkin, Leeds, New Harmony, Rockville, Santa Clara, St. George, Toquerville, Virgin and Washington City funded by tax revenues.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of the inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Government-wide financial statements** are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a 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. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The use of financial resources to acquire capital assets is capitalized as assets in the government-wide financial statements, rather than as an expenditure. Proceeds from long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of a related liability, rather than an expenditure in the government-wide financial statements.

**Governmental fund financial statements** are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, room taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

The County reports the following major governmental funds:

The **General Fund** is used to account for all financial resources applicable to the general operations of County government which are not accounted for in other funds. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund.

The **Debt Service funds** are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

The **Habitat Conservation Plan Special Revenue Fund** is used to account for revenue sources that are legally restricted to expenditure for habitat conservation and capital improvements.

The **Assessing and Collecting Special Revenue Fund** is used to account for funds raised by levies on property taxes that are legally restricted to expenditure for the County's functions of assessing, collecting, and distributing property taxes.

The **Travel Board** is used to account for transient room tax revenues used to promote travel within the County and assist the Washington County/St. George Interlocal Agency.

The **Capital Projects Fund** is used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

The County's **non-major governmental funds** account for specific revenue sources that are legally restricted to expenditures for specific purposes. Non-major funds are the Municipal Services, Library, Council on Aging, Recreation, Flood Damage, Children's Justice Center and Grants.

The County reports the following fiduciary funds:

**Agency Funds** account for assets held by the County as an agent for individuals, private organizations and other governmental units. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

Additionally, the County reports the following fund type:

**The Internal Service Fund** accounts for the self-funded health insurance services provided to other funds and departments, on a cost reimbursement basis.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**Deposits and Investments**

Cash includes cash on hand, demand deposits with banks and other financial institutions, deposits in other types of accounts or cash management pools that have the general characteristics of demand deposit accounts and short-term investments with original maturities of three months or less from the date of acquisition. The County's policy allows for the investment of funds in time certificates of deposit with federally insured depositories, investment in the state treasurer's pool, obligations of the U. S. Government and other investments as allowed by the State of Utah's Money Management Act. All investments are carried at fair value with unrealized gains and losses recorded as adjustments to interest earnings. Fair market values are based on quoted market prices.

**Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to" or "due from other funds." The County does not have any trade accounts receivable, all other receivables are deemed collectible and an allowance for uncollectible accounts is deemed immaterial and has not been recorded. Component Unit proprietary fund receivables are recorded net of allowances as determined by each respective component unit.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

**Property Taxes**

The property taxes of Washington County are levied, collected, and distributed by the County as required by Utah State law. Utah statutes established the process by which taxes are levied and collected. The County Assessor is required to assess real property as of January 1 and complete the tax rolls by June 22. By July 22, the County Auditor is to mail notices of assessed value and tax changes to property owners. A taxpayer may then petition the County Board of Equalization on specified dates in August for a revision of the assessed value.

Approved changes in assessed value are made by the County Auditor by November 1, who also delivers the completed assessment rolls to the County Treasurer on that same date. September 1, is the approximate levy date with a due date of November 30. Delinquent taxes are subject to 2% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15, of the following year, these delinquent taxes, including penalties, are subject to an interest charge at a rate equal to the federal discount rate plus 6%; the interest period is from January 1 until date paid. If in May of the fifth year, the taxes remain delinquent, the County will advertise and sell the property at a tax sale. As of January 1, all unpaid property taxes are considered to have liens against the property.

**Inventories**

The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

**Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the County as assets with an individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 1. Summary of Significant Accounting Policies (Continued)**

---

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Building and improvements	40 years
Treatment facilities and improvements	40 years
Machinery and equipment	7 to 10 years
Storm drains and inlets	40 years
Streets and sidewalks	20 years
Signs	40 years

**Compensated Absences**

The estimated current portion of the liability for vested vacation and sick leave benefits attributable to the County's governmental funds is recorded as an expenditure and liability in the respective funds. The long-term portion is recorded in the General Long-Term Debt Account Group. The amounts attributable to proprietary funds are charged to expense and a corresponding liability in the applicable fund.

**Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums, discounts, and issuance costs are deferred and amortized over the life of the applicable debt. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Estimates**

Generally accepted accounting principles require management to make estimates and assumptions that affect assets and liabilities, contingent assets and liabilities, and revenues and expenditures. Actual results could differ from those estimates.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 2. Reconciliation of Government-Wide and Fund Financial Statements**

**Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:**

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net assets of governmental activities as reported in the government-wide statement of net assets. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds payable	33,864,000
Less: Deferred charge for issuance costs (to be amortized)	(378,237)
Less: Deferred charge on refunding (to be amortized)	(363,462)
Capital leases payable	17,698,999
Special assessment debt payable	5,202,000
Compensated absences	1,546,113
Accrued interest payable	<u>594,199</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ 58,163,612</u></u>

**Explanation of differences between governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities:**

The governmental fund statement of revenues, expenditures, and changes in fund balance includes a reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. The first element of this reconciliation states that capital outlays are reported in the governmental funds as expenditures while the government-wide statement of activities allocates these costs over the useful lives of the assets as depreciation. While shown in the reconciliation as the net difference, the elements of this difference are as follows:

Capital outlay	\$ 1,525,798
Depreciation expense	<u>(4,926,748)</u>
Net adjustment to decrease <i>net changes in fund balance -- total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u><u>\$ (3,400,950)</u></u>

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 2. Reconciliation of Government-Wide and Fund Financial Statements (Continued)**

---

Another element of that reconciliation states that “issuance of long-term debt (e.g., bonds, leases) 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 assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.” The details of this difference are as follows:

Principal repayments:	
Bonds payable	\$ 4,086,000
Capital leases	<u>1,209,001</u>
Net adjustment to increase <i>net changes in fund balances</i> <i>total governmental funds</i> to arrive at <i>changes in net assets</i> <i>of governmental activities</i>	<u>\$ 5,295,001</u>

Another element of the reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The detail of this difference is as follows:

Compensated absences	\$ (189,795)
Accrued interest	191,153
Amortization of deferred charge on refunding and bond issuance costs	<u>(83,231)</u>
Net adjustment to decrease <i>net changes in fund balances -</i> <i>total governmental funds</i> to arrive at <i>changes in net assets</i> <i>of governmental activities</i>	<u>\$ (81,873)</u>



**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 3. Stewardship, Compliance and Accountability**

---

**Budgets and Budgetary Accounting**

Stewardship, compliance, and accountability are key concepts in defining the responsibilities of the County. The use of budgets and monitoring of equity status facilitate the County's compliance with legal requirements.

The County uses the following procedures to establish, modify and control the budgetary data presented in the financial statements.

The County Commission adopts a budget for all of the County's funds except trust and agency funds. The Boards of the component units adopt their own budgets independent of the County. All budget amounts presented in the accompanying financial statements and supplementary information have been adjusted for legally authorized revisions of the annual budgets during the year. During the current fiscal year there were amendments to the budget. Procedures followed for amending the budgets were in accordance with State laws.

All Governmental Fund budgets are maintained on the modified accrual basis of accounting.

The actual results of operations are presented in accordance with GAAP.

**Expenditures over Appropriations**

Expenditures may not legally exceed budgeted appropriations at the department level. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual reports beginning on page 55 present all of the departments which incurred an excess of expenditures/expenses over appropriations for the year ended December 31, 2009, if any.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the County.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 4. Deposits and Investments**

---

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state and review the rules adopted under the authority of the State of Utah Money Management Act that relate to the deposit and investment of public funds.

The County follows the requirements of the Utah Money Management Act (*Utah code*, Section 51, chapter 7) in handling its depository and investment transactions. The Act requires the depositing of County funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

**Deposits**

*Custodial Credit Risk*

For deposits this is the risk that in the event of a bank failure, the government's deposit may not be returned to it. The County does not have a formal policy for custodial credit risk. As of December 31, 2009, \$1,772,266 of the County's bank balance of \$2,868,856 was exposed to custodial credit risk because it was uninsured and uncollateralized. No deposits are collateralized, nor is it required by state statute.

As of December 31, 2009, \$8,409,397 of the Washington County Solid Waste Special Service District bank balance of \$8,909,397 and none of Ash Creek Special Service District bank balance of \$38,992 was exposed to custodial credit risk because it was uninsured and uncollateralized

The County Treasurer by statute is also the treasurer of the Southwest Utah Public Health Department (Health Department), which is a discretely presented component unit of the County. The Health department's cash and investments are reported in the County's Agency Fund and are pooled with the County's and deposited and invested in accordance with the policies of the County.

**Investments**

The Money Management Act defines the types of securities authorized as appropriate investment for the County and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 4. Deposits and Investments (Continued)**

Statutes authorize the County to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is 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 United States Treasury including bills, notes, and bonds; bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer’s Investment Fund

The Utah State Treasurer’s Office operates the Public Treasurer’s Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer.

The PTIF is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated, 1953*, as amended.

The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gain or losses on investments.

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 upon the participant’s average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

As of December 31, 2009 the County had the following investments and maturities:

Investment Type	Fair Value	Investments Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Local Government Pooled Investment Fund	\$ 60,154,708	\$ 60,154,708	\$ -	\$ -	\$ -

**Interest rate risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County’s policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the State’s Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 4. Deposits and Investments (Continued)**

**Credit risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's policy for reducing its exposure to credit risk is to comply with the State's Money Management Act.

At December 31, 2009 the County had the following investments and quality ratings:

Investment Type	Fair Value	Quality Ratings			
		AAA	AA	A	Unrated
Local Government Pooled Investment Fund	\$ 60,154,708	\$ -	\$ -	\$ -	\$ 60,154,708
<b>Total Fair Value</b>	<b>\$ 60,154,708</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,154,708</b>

Significant investments of discretely presented **component units** are all with the State Treasurer's Investment Pool which are categorized the same as the County PTIF above and are as follows:

	Carrying Amount	Quality Rating
Ash Creek Special Service District	\$ 8,246,753	Unrated
Wash. County Solid Waste Special Svc. Dist. No. 1	\$ 6,628.073	Unrated

**NOTE 5. Receivables**

**Property taxes receivable** in the governmental funds represent property taxes collected by the County and held in the Treasurer's Trust Fund at December 31, 2009. These monies were distributed to the various County funds in January 2010 and thereafter. Amounts not distributed within 60 days of year-end are reported as deferred revenue in the funds. Assessing and Collecting receivables are also included in taxes receivable. The County is allowed by state statute to set a tax rate to cover the costs of assessing and collecting property taxes. For 2009, the County's combined tax rate for assessing and collecting was .000507. Property taxes receivable that are shown in the Trust Funds represent accruals for property taxes collected by the County subsequent to year end through January 15, 2010.

**Notes receivable** that are shown on the Statement of Net Assets include \$4,679,480 receivable from St. George City for payments due on the Convention Center, Convention Center Land and the Museum subleases. See Note 9 also.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 6. Interfund Receivables, Payables and Transfers**

The composition of interfund balances as of December 31, 2009, is as follows:

<b>Due to Other Funds reported in:</b>	<b>Due from Other Funds reported in:</b>		
	General Fund	Nonmajor Municipal Service Fund	Total
Assessing and Collecting Fund	\$ 1,428,482	\$ 98,023	\$ 1,526,505
Nonmajor Special Revenue Funds:			
Children's Justice Center Fund	-	37,741	37,741
Library Fund	-	40,456	40,456
Total Interfund Balances	\$ 1,428,482	\$ 176,220	\$ 1,604,702

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, 2009 are shown in the following table:

<b>Transfers in reported in:</b>	<b>Transfers out reported in:</b>					<b>Total</b>
	General Fund	Assessing and Collecting	Nonmajor Special Revenue Funds			
	Recreation Fund	Children's Justice Center	Municipal Services Fund			
Debt Service Fund	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Capital Projects Fund	-	300,000	-	-	-	300,000
Travel Board Fund	-	-	200,000	-	-	200,000
General Fund	-	-	-	182,100	-	182,100
Nonmajor Special Revenue Funds:						
Children's Justice Center Fund	30,000	-	-	-	-	30,000
Council on Aging Fund	484,400	-	-	-	-	484,400
Municipal Service Fund	20,000	-	-	-	-	20,000
Grants Fund	-	-	-	12,251	-	12,251
Total Transfers	\$ 1,034,400	\$ 300,000	\$ 200,000	\$ 12,251	\$ 182,100	\$ 1,728,751

**NOTE 7. Due to Taxing Districts**

Due to taxing districts shown in the combined statement of fiduciary net assets represents property taxes collected by the County for the various taxing districts in the County and held in the treasurer's Trust Fund at December 31, 2009. These monies were distributed in January of 2010 and thereafter.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 8. Capital Assets**

The following table summarizes the changes to capital assets during the year.

<b>Governmental Activities:</b>	<b>Balance 12/31/2008</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/2009</b>
Capital assets, not being depreciated:				
Land	\$ 4,359,854	\$ 140,190	\$ -	\$ 4,500,044
Total capital assets, not being depreciated:	<u>4,359,854</u>	<u>140,190</u>	<u>-</u>	<u>4,500,044</u>
Capital assets, being depreciated:				
Buildings and improvements	47,581,142	568,183	-	48,149,325
Convention Center	12,344,835	-	-	12,344,835
Regional Park	4,313,510	-	-	4,313,510
Museum	2,279,863	-	-	2,279,863
Autos and trucks	4,991,233	-	-	4,991,233
Equipment	8,181,473	296,207	(51,500)	8,426,180
Furniture and fixtures	641,206	80,472	-	721,678
Bridges, Towers, Trails	4,456,596	440,746	(208,000)	4,689,342
Streets and sidewalks	26,473,463	-	-	26,473,463
Total capital assets, being depreciated:	<u>111,263,321</u>	<u>1,385,608</u>	<u>(259,500)</u>	<u>112,389,429</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,043,250)	(1,465,049)	-	(9,508,299)
Convention Center	(3,824,789)	(316,535)	-	(4,141,324)
Regional Park	(1,322,758)	(120,207)	-	(1,442,965)
Museum	(702,159)	(58,458)	-	(760,617)
Autos and trucks	(3,221,680)	(601,621)	-	(3,823,301)
Equipment	(4,392,195)	(932,461)	15,327	(5,309,329)
Furniture and fixtures	(270,908)	(75,133)	-	(346,041)
Bridges, Towers, Trails	(2,355,050)	(142,952)	208,000	(2,290,002)
Streets and sidewalks	(25,067,955)	(1,214,332)	-	(26,282,287)
Total accumulated depreciation	<u>(49,200,744)</u>	<u>(4,926,748)</u>	<u>223,327</u>	<u>(53,904,165)</u>
Total capital assets, being depreciated, net	<u>62,062,577</u>	<u>(3,541,140)</u>	<u>(36,173)</u>	<u>58,485,264</u>
Governmental activities capital assets, net	<u>\$ 66,422,432</u>	<u>\$(3,400,950)</u>	<u>\$ (36,173)</u>	<u>\$ 62,985,309</u>

Depreciation expense was charged to the functions/programs of the County as follows:

<b>Governmental Activities:</b>	
General government	\$ 989,853
Public safety	1,075,780
Judicial	7,110
Public works	1,683,315
Health and sanitation	216,591
Conservation and economic development	246,659
Other	707,440
Total depreciation expense - governmental activities	<u>\$ 4,926,748</u>

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 9. Long-Term Debt**

---

The following is a summary of changes in long-term debt for the year ended December 31, 2009.

<b>Governmental activities:</b>	Balance			Current	
<b>General Obligation:</b>	12/31/2008	Additions	Retirements	12/31/2009	Portion
Refunding G.O. bonds	\$ 5,910,000	\$ -	\$ 575,000	\$ 5,335,000	\$ 590,000
Less deferred amounts on refunding	(415,385)	-	(51,923)	(363,462)	-
Series 2004B G.O. bonds	6,875,000	-	315,000	6,560,000	325,000
Series 2002 G.O. bonds	7,565,000	-	410,000	7,155,000	425,000
Series 2007 G.O. bonds	4,955,000	-	190,000	4,765,000	195,000
Capital leases (Convention)	15,715,000	-	820,000	14,895,000	895,000
Capital leases (Museum)	542,000	-	38,000	504,000	38,000
Capital leases (Land)	2,651,000	-	351,001	2,299,999	217,000
Accrued Compensated Absences	1,356,318	304,637	114,842	1,546,113	261,000
<b>Total General Obligation</b>	<b>45,153,933</b>	<b>304,637</b>	<b>2,761,920</b>	<b>42,696,650</b>	<b>2,946,000</b>
<b>Revenue Obligation:</b>					
Sales tax revenue bonds, series 2006	8,080,000	-	120,000	7,960,000	165,000
MBA Lease revenue bonds, series 2006	825,000	-	21,000	804,000	21,000
Lease revenue bonds	1,395,000	-	110,000	1,285,000	115,000
<b>Total Revenue Obligation</b>	<b>10,300,000</b>	<b>-</b>	<b>251,000</b>	<b>10,049,000</b>	<b>301,000</b>
<b>Special Assessment Debt with Government Commitment:</b>					
SID No. 2002-1 - Diamond Valley	41,000	-	-	41,000	41,000
SID No. 2004-1 - Dixie Springs	7,506,000	-	2,345,000	5,161,000	923,000
<b>Total Special Assessment</b>	<b>7,547,000</b>	<b>-</b>	<b>2,345,000</b>	<b>5,202,000</b>	<b>964,000</b>
<b>Total Governmental activity long-term liabilities</b>	<b>\$ 63,000,933</b>	<b>\$ 304,637</b>	<b>\$ 5,357,920</b>	<b>\$ 57,947,650</b>	<b>\$ 4,211,000</b>

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

Debt service requirements to maturity for bonds payable are as follows:

Period Ending December 31	Principal	Interest	Total
2010	\$ 2,783,000	\$ 1,820,399	\$ 4,603,399
2011	2,899,000	1,688,640	4,587,640
2012	3,044,000	1,549,730	4,593,730
2013	3,187,000	1,399,870	4,586,870
2014	3,175,000	1,239,643	4,414,643
2015-2019	10,302,000	4,363,038	14,665,038
2020-2024	7,853,000	2,220,259	10,073,259
2025-2029	2,567,000	960,892	3,527,892
2030-2034	2,229,000	514,145	2,743,145
2035-2038	1,027,000	66,701	1,093,701
	<u>\$ 39,066,000</u>	<u>\$ 15,823,317</u>	<u>\$ 54,889,317</u>

The County issued \$7,330,000 of general obligation refunding bonds in 2004 to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for future debt service payments of the Public Safety G.O. Bonds. As a result, \$6,655,000 of the refunded bonds are considered to be defeased and the liability has been removed from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$675,000. This amount is being netted against the new debt and amortized over the remaining life of the new debt, which is the same life as the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next 13 years by \$386,069 and resulted in an economic gain of \$299,354.

See note 16 regarding conduit debt obligations outstanding and related lease receivables.



**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

Bonds payable at December 31, 2009, consist of the following:

**General Obligation:**

Refunding G. O. Bonds Series 2004 for the purpose of refunding Public Safety Bonds, Series 1997, payable in amounts ranging from \$327,570 to \$798,800 including interest ranging from 2% to 5%, maturing December 1, 2017. \$ 5,335,000

G. O. Bonds Series 2002 for the purpose of constructing and/or remodeling libraries within the County, payable in amounts ranging from \$355,000 to \$715,000 plus interest ranging from 2% to 5%, maturing October 1, 2022. 7,155,000

G. O. Bonds Series 2004B for the purpose of constructing and/or remodeling libraries and the Senior Center within the County, payable in amounts ranging from \$619,750 to \$624,750 including interest ranging from 3% to 5%, maturing October 1, 2024. 6,560,000

G. O. Bonds Series 2007 for the purpose of paying for civic improvements including remodeling, constructing and expanding libraries, payable in amounts ranging from \$90,000 to \$385,000 including interest ranging from 4% to 4.25%, maturing April 1, 2026. 4,765,000

**Special Assessment:**

Dixie Springs SID No. 2004-1 Special Assessment Bonds, Series 2005, payable in annual installments ranging from \$1,404,268 to \$1,405,185 including interest at 7.25%, maturing June 1, 2015. 5,161,000

Diamond Valley SID No. 2002-1 Special Assessment Bonds, Series 2003, payable in annual installments ranging from \$28,218 to \$29,731 including interest ranging from 2.0% to 4.5%, maturing May 1, 2013. 41,000

**Revenue Obligation:**

Sales Tax Revenue Bonds, Series 2006, for the purpose of paying costs of building acquisitions and improvements, payable in amounts ranging from \$115,000 to \$485,000 plus interest ranging from 4% to 4.5%, maturing September 1, 2036. 7,960,000

MBA Lease Revenue Bonds, Series 2006B, for \$865,000 for the expansion of the Hurricane Senior Center, payable in amounts ranging from \$20,000 to \$39,000 plus interest at 2.5%, maturing January 1, 2037. 804,000

Lease Revenue Bonds, Series 1998, for the purpose of paying costs of building acquisitions and improvements, payable in amounts ranging from \$45,000 to \$75,000 plus interest ranging from 4% to 5.2%, maturing June 15, 2018. 1,285,000

Total Bonds Payable \$39,066,000

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

**Capital Leases (Agency):**

**Convention Center and Regional Park:**

The Washington County/St. George City Interlocal Agency (the Agency) and Washington County entered into a direct financing lease agreement, dated November 1, 1997, for the lease of the convention facilities constructed by the Agency. The lease term commenced on the date of delivery of the Series 1998A Bonds and ended December 31, 1998; however, the lease term has been continued, and may be continued, solely at the option of the County, beyond the first “renewal term” and for 24 consecutive additional renewal terms thereafter each of one year in duration (except that the final renewal term shall commence January 1, 2022 and end on December 31, 2022). The County pays base rentals which correspond with the debt service on the Agency's \$20,290,000 Lease Revenue Bonds.

The County has entered into a sub-lease agreement with St. George City, whereby the City has leased a 38% undivided interest in the Agency’s convention center facilities. The Agency will receive from the City sublease payments totaling \$10,179,096 over the 25 year period with annual payments ranging from \$304,057 to \$578,188.

The Agency's right and interest in the facilities will be transferred to the County and St. George City upon payment by the County and the City of the then applicable purchase option price, or all the base rentals, or upon the discharge of the lien on the Indenture. The lease is considered a capital lease based on GASB's *Codification*, Section L20.119-122 and FASB's Statement 13. The following is an annual schedule of future minimum lease payments and St. George City’s sublease payments:

Fiscal Period Ending December 31	St. George City Share	County Share	County Regional Park	Total
2010	\$ 467,052	\$ -	\$ 678,184	\$ 1,145,236
2011	203,608	-	781,592	985,200
2012	214,301	753,299	-	967,600
2013	225,837	809,248	-	1,035,085
2014	237,753	853,471	-	1,091,224
2015-2019	1,423,019	5,094,757	-	6,517,776
2020-2022	1,276,468	3,894,512	-	5,170,980
Total remaining minimum lease payments	4,048,038	11,405,287	1,459,776	16,913,101
Less amount representing interest	488,038	1,195,287	334,776	2,018,101
Present value of net remaining minimum lease payments	<u>\$ 3,560,000</u>	<u>\$ 10,210,000</u>	<u>\$ 1,125,000</u>	<u>\$ 14,895,000</u>

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

**Museum:**

The Agency and Washington County entered into a direct financing lease agreement, dated May 15, 2000, for the lease of the natural museum facilities constructed by the Agency. The museum (approximately 20,000 square feet) was built as an addition to the Dixie Center. The lease term commenced on the date of delivery of the Series 2000 Bonds and ended December 31, 2000; however, the lease term has been continued, and may be continued, solely at the option of the County, beyond the first “renewal term” and for 19 consecutive additional renewal terms thereafter each of one year in duration (except that the final renewal term shall commence January 1, 2020 and end on December 31, 2020). The County pays base rentals which correspond with the debt service on the Agency’s \$2,968,000 Series 2000A&B and \$800,000 Series 2000C Lease Revenue Bonds. However, during 2004, the Agency received a prepayment on the lease from the Rosenbruch Foundation which was used to pay off the Series 2000A&B Bonds in full. Thus, the County’s remaining lease payments will correspond to the remaining balance of the Series 2000C Bond.

Washington County has entered into a sub-lease agreement with St. George City, whereby the City has leased a 38% undivided interest in the Agency’s natural museum facilities. The Agency will receive from the City sublease payments totaling \$2,516,582 over the 20 year period with annual payments ranging from \$55,140 to \$56,970. However, due to the Series 2000A&B Bond payoff mentioned above, the payments remaining on the City sub-lease will be limited to the portion applicable to the Series 2000C Bond.

The Agency’s right and interest in the facilities will be transferred to the County and St. George City upon payment by the County and the City of the then applicable purchase option price, or all the base rentals, or upon the discharge of the lien on the remaining Indenture. The lease is considered a capital lease based on GASB’s *Codification*, Section L20.119-122 and FASB’s Statement 13. The following is an annual schedule of future minimum lease payments and St. George City’s sublease payments:

Fiscal Period Ending December 31	St. George City Share	County Share	Total
2010	\$ 21,143	\$ 34,497	\$ 55,640
2011	21,398	34,912	56,310
2012	21,246	34,664	55,910
2013	21,461	35,014	56,475
2014	21,269	34,701	55,970
2015-2019	106,233	173,327	279,560
2020	21,238	34,652	55,890
Total remaining minimum lease payments	233,988	381,767	615,755
Less amount representing interest	42,468	69,287	111,755
Present value of net remaining minimum lease payments	<u>\$ 191,520</u>	<u>\$ 312,480</u>	<u>\$ 504,000</u>

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

**Convention Center Land:**

The Washington County/St. George City Interlocal Agency (the Agency) and Washington County entered into a direct financing lease agreement, dated April 30, 2004, for the lease of approximately 8.9 acres of land adjacent to the Convention Center. The lease term commenced on the date of delivery of the Series 2003 Bonds and ended December 1, 2004; however, the lease term has been continued, and may be continued, solely at the option of the County, beyond the first "renewal term" and for 20 consecutive additional renewal terms thereafter each of one year in duration (except that the final renewal term shall commence January 1, 2023 and end on December 31, 2023). The County pays base rentals which correspond with the debt service on the Agency's \$3,049,000 Lease Revenue Bonds.

The County has entered into a sub-lease agreement with St. George City, whereby the City has leased a 38% undivided interest in the Agency's convention center land and facilities. The Agency will receive from the City sublease payments over the 20 year period with annual payments of approximately \$117,500.

The Agency's right and interest in the facilities will be transferred to the County and St. George City upon payment by the County and the City of the then applicable purchase option price, or all the base rentals, or upon the discharge of the lien on the Indenture. The lease is considered a capital lease based on GASB's *Codification*, Section L20.119-122 and FASB's Statement 13. The following is an annual schedule of future minimum lease payments and St. George City's sublease payments:

Fiscal Period Ending December 31	St. George City Share	County Share	Total
2010	\$ 117,776	\$ 192,162	\$ 309,938
2011	117,898	192,360	310,258
2012	117,668	191,984	309,652
2013	117,539	191,773	309,312
2014	117,863	192,303	310,166
2015-2019	526,869	859,625	1,386,494
Total remaining minimum lease payments	1,115,613	1,820,207	2,935,820
Less amount representing interest	241,613	394,207	635,820
Present value of net remaining minimum lease payments	\$ 874,000	\$ 1,426,000	\$ 2,300,000

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 9. Long-Term Debt (Continued)**

Washington County and St. George City have entered into a sub-lease agreement with the Rosenbruch Foundation, Inc. (DBA World Wildlife Heritage Foundation), whereby the Rosenbruch Foundation has leased a 100% undivided interest in the Agency's natural museum facilities. The sub-lease requires that the Rosenbruch Foundation, Inc., as sub-lessee, pay all museum sublease rentals directly to the Trustee and that such payments are assigned by the County and the City to the Trustee for the benefit of the bond holders. In the event the Rosenbruch Foundation, Inc. fails to pay all or any portion of the museum sub-lease rentals, the County and the City are obligated to pay all base rentals, subject to nonappropriation. However, Jim and MaryAnn Rosenbruch, as individuals, have executed a guaranty agreement whereby they guarantee payment of all museum sub-lease payments.

**NOTE 10. Reserved and Designated Fund Equity**

Reservations and designations are used to indicate that a portion of the fund balance is not available for appropriation or expenditure, or is legally segregated for a specific future use. At December 31, 2009, the County's reserved and designated fund equity balances are as follows:

**General Fund:**

Reserved for B & C Road Funds	<u>\$ 538,985</u>
Designated for Capital Projects	<u>\$ 3,800,000</u>

**Special Revenue Fund:**

Library	\$ 25,000
Children's Justice Center`	20,540
Habitat Conservation Plan	5,083,286
Council on Aging	223,241
Travel Board/Transient Room Tax	3,844,251
Recreation/Restaurant Tax	841,667
Flood Damage	1,391,828
Miscellaneous Grants	<u>102,935</u>
	<u>\$11,532,748</u>

**Debt Service Fund:**

Debt Service Reserve/Lease Revenue Bond	\$ 260,546
General Obligation Bond	1,797,510
Special Assessment Bonds	<u>1,396,560</u>
	<u>\$ 3,454,616</u>
Public Safety Bond (designated)	\$ 921,823
Lease Revenue Bond (designated)	<u>152,723</u>
	<u>\$ 1,074,546</u>

**Capital Projects Fund:**

Bond Construction Funds	<u>\$ 1,451,019</u>
-------------------------	---------------------

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 11. Defined Benefit Pension Plan**

**Plan Description**

Washington County contributes to the Local Governmental Noncontributory retirement System, Public Safety Retirement System for employers with (without) Social Security coverage, all of which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes established and amended by the State Legislature.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah state Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems and Plans. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 800-365-8772.

**Funding Policy**

In the Local Governmental Noncontributory Retirement System the County is required to contribute 11.62% of their annual covered salary. In the Public Safety Retirement System for employers in division A, members are required to contribute 12.29% of their salary (all or part may be paid by the employer for the employee) and the County is required to contribute 11.22% of their annual salary and 22.61% of their annual covered salary for members in the noncontributory division. The contribution rates are the actuarially determined rates. The contribution requirements of the systems are authorized by statute and specified by the Board.

The required contributions and amounts received for the 2009 fiscal year and the two previous years are as follows:

<u>System</u>	<u>Year Ended December 31</u>	<u>Employee paid Contributions</u>	<u>Employer paid for employee Contributions</u>	<u>Employer Contributions</u>	<u>Salary subject to retirement Contributions</u>
Contributory System:	2009	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Local Governmental Division	2008	0.00	0.00	0.00	0.00
	2007	0.00	0.00	0.00	0.00
Noncontributory System	2009	N/A	N/A	\$ 1,211,205	\$ 10,405,889
Local Governmental Division	2008	N/A	N/A	1,270,976	10,937,806
	2007	N/A	N/A	1,180,107	10,168,714
Public Safety System:	2009	\$ 0.00	\$ 18,795	\$ 17,941	\$ 152,934
Other Division A Contributory	2008	0.00	21,985	20,071	178,884
	2007	0.00	42,388	38,270	344,898

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 11. Defined Benefit Pension Plan (Continued)**

Required contributions and amounts received for the 2009 fiscal year and the two previous years (continued):

<u>System</u>	<u>Year Ended December 31</u>	<u>Employee paid Contributions</u>	<u>Employer paid for employee Contributions</u>	<u>Employer Contributions</u>	<u>Salary subject to retirement Contributions</u>
Other Division A Noncontributory	2009	N/A	N/A	\$ 1,334,893	\$ 5,812,070
	2008	N/A	N/A	1,244,095	5,502,403
	2007	N/A	N/A	1,113,409	4,949,235
Defined Contribution System:					
457 Plan	2009	\$ 55,549	\$ 0.00	N/A	N/A
	2008	71,936	0.00	N/A	N/A
	2007	84,459	0.00	N/A	N/A
401(k) Plan	2009	\$ 377,223	\$ 238,792	N/A	N/A
	2008	450,823	253,307	N/A	N/A
	2007	473,878	223,708	N/A	N/A
IRA Plans	2009	\$ 20,130	\$ 0.00	N/A	N/A
	2008	18,990	0.00	N/A	N/A
	2007	14,462	0.00	N/A	N/A

The contributions were equal to the required contributions for each year.

The Southwest Utah District Health Department, and Washington County Solid Waste District No. 1, discretely presented component units of the County, are all members of the Utah Retirement Systems. Participation, eligibility and contribution rates and requirements are the same as the County's.

**Health Department**

<u>System</u>	<u>Year</u>	<u>Employee paid Contributions</u>	<u>Employer paid for employee Contributions</u>	<u>Employer Contributions</u>	<u>Salary subject to retirement Contributions</u>
Local Governmental - Contributory	2009	N/A	N/A	\$ 10,538	
	2008	N/A	N/A	10,183	
	2007	N/A	N/A	16,147	
Local Governmental- Noncontributory	2009	N/A	N/A	\$ 274,301	
	2008	N/A	N/A	284,813	
	2007	N/A	N/A	277,203	
401(k) Contributions	2009	\$ 109,156	\$ 84,219	N/A	N/A
	2008	112,162	95,808	N/A	N/A
	2007	106,809	91,180	N/A	N/A
IRA Plans	2009	\$ 850	\$ 0.00	N/A	N/A
	2008	700	0.00	N/A	N/A
	2007	0.00	0.00	N/A	N/A

The contributions were equal to the required contributions for each year.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

**NOTE 11. Defined Benefit Pension Plan (Continued)**

**Solid Waste District**

<u>System</u>	<u>Year</u>	<u>Employee paid Contributions</u>	<u>Employer paid for employee Contributions</u>	<u>Employer Contributions</u>	<u>Salary subject to retirement Contributions</u>
Local Governmental - Contributory	2009	0	0	0	0
	2008	0	0	0	0
	2007	0	0	0	0
Local Governmental- Noncontributory	2009	N/A	N/A	\$ 60,769	\$ 547,745
	2008	N/A	N/A	50,164	431,703
	2007	N/A	N/A	41,780	359,929
457 Contributions	2009	\$ 7,456	0	N/A	
	2008	6,921	0	N/A	
	2007	6,205	0	N/A	
401(k) Contributions	2009	\$ 2,228	\$ 7,438	N/A	
	2008	3,953	5,957	N/A	
	2007	8,555	5,021	N/A	

The contributions were equal to the required contributions for each year.

**NOTE 12. Risk Management**

The County is exposed to various risks of loss to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries individual policies of insurance and joint venture protection agreements with the Utah Association of Counties Insurance Mutual. The County is insured by Utah State Workers Compensation Insurance Fund for potential job-related accidents. There were no significant reductions in insurance coverage from the previous year and the amount of settlements did not exceed insurance coverage for each of the past three fiscal years.



**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 12. Risk Management (Continued)**

---

The County, effective January 1, 2008 is partially self-insured up to \$50,000 per insured for health and prescription drug coverage with excess loss insurance up to \$950,000 provided by Westport Insurance Corporation. Educators Mutual administers the partially self-funded insurance plan. Alternative Risk Solutions, LLC administers the excess loss insurance. The County has an additional aggregating specific deductible liability of \$150,000 and has aggregate excess loss insurance for medical, prescription drugs and dental based on a factor of \$1,040.32 per employee per month.

	<u>12/31/2009</u>
Unpaid claims beginning of year	\$ -
Incurred claims	3,696,464
Claim payments	<u>(3,696,464)</u>
Unpaid claims, end of year	<u>\$ -</u>

---

**NOTE 13. Commitments and Contracts**

---

**Washington County/St. George City Interlocal Agency (Agency):**

As discussed in Note 9, the County has entered into a direct financing lease with the Agency. Note 9 discloses the base rental payments on the lease. In addition to the base rent payments, the County will pay other costs including trustee fees, maintenance and repairs, utilities, promotion and marketing, taxes, and liability insurance.

**St. George City Sub-Lease Agreement:**

The County has entered into a sub-lease agreement with St. George City, whereby the City has leased a 38% undivided interest in the Agency's convention center facilities. The sub-lease is associated with the County's direct financing lease described at Note 9 and above. The Agency will receive from the City sublease payments totaling \$10,179,096 over the 25 year period with annual payments ranging from \$304,057 to \$578,188 except for the portion of the Museum sublease which was paid in full by the Rosenbruch Foundation in 2003.

---

**NOTE 14. Contingencies**

---

The County is involved in various matters of litigation. It is the opinion of County officials that none of the cases should have a material affect on the County's financial condition.

**WASHINGTON COUNTY**  
**Notes to the Financial Statements**  
**December 31, 2009**

---

**NOTE 15.      Component Unit Disclosures**

---

Additional required disclosures of the component units are included in separately issued audited financial statements as noted in Note 1.

---

**NOTE 16.      Conduit Debt Obligations**

---

To provide for the purchase and improvements to an existing building for the Southwest Utah Public Health Department (a component unit of the County), the Municipal Building Authority of Washington County, Utah issued \$3,500,000 Lease Revenue Bonds Series, 2006A. The County leases the property from the Authority and subleases the property to the Southwest Utah Public Health Department.

To provide for the purchase and improvements to an existing building for the Northwestern Special Service District (a component unit of the County), the Municipal Building Authority of Washington County, Utah issued \$300,000 Lease Revenue Bonds Series, 2005. The County leases the property from the Authority and subleases the property to the Northwestern Special Service District.

To provide for the construction of a building for the Southwestern Special Service District (a component unit of the County), the Municipal Building Authority of Washington County, Utah issued \$535,000 Lease Revenue Bonds Series, 2009. The County leases the property from the Authority and subleases the property to the Southwestern Special Service District.

The lease payments coincide with the debt service payments on the bonds. The bonds are payable from and secured by the lease payments and do not constitute a pledge of the faith and credit of the County and have not been reported in the accompanying financial statements. At December 31, 2009, the principal amount outstanding on the bonds was \$3,317,000, \$267,000 and \$535,000.

## REQUIRED SUPPLEMENTARY INFORMATION

### BUDGETARY COMPARISON SCHEDULES

#### FOR THE FOLLOWING FUNDS:

- The **General fund** is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.
- The **Assessing and Collecting fund** is used to account for funds raised by levies on property taxes that are legally restricted to expenditure for the County's functions of assessing, collecting, and distributing property taxes.
- The **Habitat Conservation Plan fund** is used to account for revenue sources that are legally restricted to expenditure for habitat conservation and capital improvements.
- The **Travel Board fund** is used to account for transient room tax revenues used to promote travel within the County and assist the Washington County/St. George Interlocal Agency.

**WASHINGTON COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
<b>Taxes:</b>				
Current Property Taxes	\$7,500,000	\$7,400,000	\$6,789,102	(\$610,898)
Fee in lieu Taxes	700,000	900,000	1,050,322	150,322
Prior Years Delinquent Taxes	300,000	360,000	434,471	74,471
County Sales & Use Taxes	6,000,000	5,000,000	4,944,138	(55,862)
Penalties & Interest	300,000	400,000	534,725	134,725
Total Taxes	<u>14,800,000</u>	<u>\$14,060,000</u>	<u>13,752,758</u>	<u>(307,242)</u>
<b>Licenses, Permits:</b>				
Marriage Licenses	25,000	25,000	23,780	(1,220)
<b>Intergovernmental:</b>				
Class "B" Roads	1,300,000	1,265,000	1,259,720	(5,280)
Forest Reserve	320,000	116,000	61,463	(54,537)
Prison Reimbursement	3,035,000	3,210,000	3,251,837	41,837
FHWA Reimbursement	25,000	25,000	24,427	(573)
Bailiff/Security Reimbursement	300,000	240,000	355,979	115,979
Total Intergovernmental	<u>4,980,000</u>	<u>4,856,000</u>	<u>4,953,426</u>	<u>97,426</u>
<b>Charges for Services:</b>				
Clerk's Fees	70,000	70,000	42,835	(27,165)
Data Processing Fees	90,000	90,000	92,555	2,555
Jail Commissary, Phone and Medical	550,000	550,000	428,463	(121,537)
State Medical Reimbursements	75,000	75,000	35,030	(39,970)
Prisoner Industry and Other	361,200	425,700	374,434	(51,266)
Fuel Revenue - Other Departments	20,000	20,000	11,240	(8,760)
Total Charges for Services	<u>1,166,200</u>	<u>1,230,700</u>	<u>984,557</u>	<u>(246,143)</u>
<b>Fines and Forfeitures:</b>				
Court and Precinct Fines	1,398,600	1,398,600	1,143,313	(255,287)
Total Fines and Forfeitures	<u>1,398,600</u>	<u>1,398,600</u>	<u>1,143,313</u>	<u>(255,287)</u>
<b>Other Revenues:</b>				
Interest Revenue	300,000	315,000	50,767	(264,233)
Rent-Property	615,300	615,300	620,451	5,151
Sale of Property, Material & Supplies	165,000	100,000	450	(99,550)
Noxious Weed Revenue	-	10,000	7,474	(2,526)
Vending Revenue	-	-	183	183
Xerox Revenue	10,000	10,000	3,187	(6,813)
Other	176,700	242,700	207,033	(35,667)
Total Other Revenues	<u>1,267,000</u>	<u>1,293,000</u>	<u>889,545</u>	<u>(403,455)</u>
<b>TOTAL REVENUES</b>	<u>\$ 23,636,800</u>	<u>\$22,863,300</u>	<u>\$ 21,747,379</u>	<u>\$ (1,115,921)</u>

(continued)

**WASHINGTON COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Continued)**  
**For the Year Ended December 31, 2009**

<b>EXPENDITURES:</b>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>GENERAL GOVERNMENT</b>				
<b>Commission:</b>				
Salaries	\$ 273,500	\$ 273,500	\$ 300,236	(26,736)
Employee Benefits	150,000	150,000	155,319	(5,319)
Services, Supplies and Other	77,800	127,800	99,286	28,514
Capital Outlay	5,000	5,000	5,184	(184)
	<u>506,300</u>	<u>556,300</u>	<u>560,025</u>	<u>(3,725)</u>
<b>Human Resource:</b>				
Salaries	135,400	124,990	123,526	1,464
Employee Benefits	85,500	81,051	79,143	1,908
Services, Supplies and Other	31,700	30,704	29,288	1,416
Capital Outlay	1,000	1,000	866	134
	<u>253,600</u>	<u>237,745</u>	<u>232,823</u>	<u>4,922</u>
<b>Info Tech Services:</b>				
Salaries	97,260	97,260	97,531	(271)
Employee Benefits	80,020	80,020	74,504	5,516
Services, Supplies and Other	158,920	130,520	124,072	6,448
Capital Outlay	35,000	8,620	7,579	1,041
	<u>371,200</u>	<u>316,420</u>	<u>303,686</u>	<u>12,734</u>
<b>Clerk/Auditor:</b>				
Salaries	176,730	156,598	158,292	(1,694)
Employee Benefits	74,770	68,629	63,588	5,041
Services, Supplies and Other	66,500	63,900	64,872	(972)
Capital Outlay	6,000	6,000	1,131	4,869
	<u>324,000</u>	<u>295,127</u>	<u>287,883</u>	<u>7,244</u>
<b>Attorney:</b>				
Salaries	1,009,600	947,200	921,334	25,866
Employee Benefits	628,200	601,400	559,147	42,253
Services, Supplies and Other	149,900	148,353	118,501	29,852
Capital Outlay	17,500	2,500	2,952	(452)
	<u>1,805,200</u>	<u>1,699,453</u>	<u>1,601,934</u>	<u>97,519</u>
<b>Non-Departmental:</b>				
Services, Supplies and Other	50,000	67,000	57,430	9,570
Insurance - Buildings and Vehicles	275,000	275,000	283,815	(8,815)
	<u>325,000</u>	<u>342,000</u>	<u>341,245</u>	<u>755</u>
<b>Elections:</b>				
Services, Supplies and Other	85,000	70,200	41,787	28,413
Capital Outlay	7,000	5,500	267	5,233
	<u>92,000</u>	<u>75,700</u>	<u>42,054</u>	<u>33,646</u>
Total General Government	<u>3,677,300</u>	<u>3,522,745</u>	<u>3,369,650</u>	<u>153,095</u>

(continued)

**WASHINGTON COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Continued)**  
**For the Year Ended December 31, 2009**

<b>EXPENDITURES (Continued):</b>	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>JUDICIAL</b>				
<b>Justice of the Peace:</b>				
Salaries	670,600	641,307	661,388	(20,081)
Employee Benefits	288,400	281,077	289,239	(8,162)
Services and Supplies	58,500	48,500	63,514	(15,014)
Capital Outlay	9,000	4,000	587	3,413
	1,026,500	974,884	1,014,728	(39,844)
<b>Public Defender:</b>				
Services, Supplies and Other	623,800	623,800	597,958	25,842
Total Judicial	1,650,300	1,598,684	1,612,686	(14,002)
<b>PUBLIC SAFETY</b>				
<b>Public Safety/County Jail:</b>				
Salaries	7,793,000	7,793,000	7,807,461	(14,461)
Employee Benefits	3,689,500	3,689,500	3,960,047	(270,547)
Services, Supplies and Other	751,000	920,000	613,819	306,181
Capital Outlay	378,600	86,600	53,925	32,675
	12,612,100	12,489,100	12,435,252	53,848
Total Public Safety	12,612,100	12,489,100	12,435,252	53,848
<b>PUBLIC WORKS</b>				
<b>Maintenance:</b>				
Motor Pool	15,000	15,000	9,782	5,218
County Buildings Maintenance	356,800	290,800	279,828	10,972
	371,800	305,800	289,610	16,190
<b>Weed Control:</b>				
Salaries	49,000	49,000	52,443	(3,443)
Employee Benefits	21,000	21,000	24,619	(3,619)
Services, Supplies and Other	31,300	46,700	39,068	7,632
Capital Outlay	10,400	10,000	10,151	(151)
	111,700	126,700	126,281	419
<b>B&amp;C Roads:</b>				
Salaries	630,800	561,500	539,729	21,771
Employee Benefits	271,200	241,445	257,709	(16,264)
Services, Supplies and Other	833,000	903,000	764,057	138,943
Capital Outlay	84,000	54,805	52,039	2,766
	1,819,000	1,760,750	1,613,534	147,216
Total Public Works	2,302,500	2,193,250	2,029,425	163,825

(continued)

**WASHINGTON COUNTY**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual (Continued)**  
**For the Year Ended December 31, 2009**

<b>EXPENDITURES (Continued):</b>	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
<b>PUBLIC HEALTH</b>				
<b>Health Services:</b>				
Services, Supplies and Other	<u>1,155,000</u>	<u>1,155,000</u>	<u>1,130,465</u>	<u>24,535</u>
Total Public Health	<u>1,155,000</u>	<u>1,155,000</u>	<u>1,130,465</u>	<u>24,535</u>
<b>CONSERVATION &amp; DEVELOPMENT</b>				
<b>Agricultural Extension Service:</b>				
Services, Supplies and Other	<u>177,500</u>	<u>170,500</u>	<u>158,077</u>	<u>12,423</u>
Capital Outlay	<u>3,800</u>	<u>800</u>	<u>673</u>	<u>127</u>
	<u>181,300</u>	<u>171,300</u>	<u>158,750</u>	<u>12,550</u>
<b>Contribution to Economic Development Fund:</b>				
Services, Supplies and Other	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Conservation & Development	<u>206,300</u>	<u>196,300</u>	<u>183,750</u>	<u>12,550</u>
<b>MISCELLANEOUS</b>				
Services, Supplies and Other	<u>843,000</u>	<u>681,671</u>	<u>166,410</u>	<u>515,261</u>
<b>MATCHING FUNDS &amp; CONTRIBUTIONS</b>				
Contributions	<u>38,000</u>	<u>28,000</u>	<u>31,125</u>	<u>(3,125)</u>
<b>TOTAL EXPENDITURES</b>	<u>22,484,500</u>	<u>21,864,750</u>	<u>20,958,763</u>	<u>905,987</u>
Excess of Revenues Over Expenditures	<u>1,152,300</u>	<u>998,550</u>	<u>788,616</u>	<u>(209,934)</u>
<b>Other Financing Sources (Uses):</b>				
Transfer to Debt Service Fund	<u>(645,900)</u>	<u>(645,900)</u>	<u>(500,000)</u>	<u>145,900</u>
Transfer to Special Revenue Funds	<u>(646,100)</u>	<u>(646,100)</u>	<u>(534,400)</u>	<u>111,700</u>
Transfer from Other Funds	<u>139,700</u>	<u>111,700</u>	<u>182,100</u>	<u>70,400</u>
Total Other Financing Sources (Uses):	<u>(1,152,300)</u>	<u>(1,180,300)</u>	<u>(852,300)</u>	<u>328,000</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>(181,750)</u>	<u>(63,684)</u>	<u>118,066</u>
Fund Balance, Beginning of Year	<u>5,078,325</u>	<u>5,078,325</u>	<u>5,078,325</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 5,078,325</u>	<u>\$ 4,896,575</u>	<u>\$ 5,014,641</u>	<u>\$ 118,066</u>

**WASHINGTON COUNTY**  
**Assessing and Collecting Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Assessing & Collecting Tax	\$ 5,775,000	\$ 5,825,000	\$ 5,812,980	\$ (12,020)
Penalties & Interest	8,000	23,000	23,897	897
Total Taxes	<u>5,783,000</u>	<u>5,848,000</u>	<u>5,836,877</u>	<u>(11,123)</u>
Recorder's Fees	900,000	900,000	790,035	(109,965)
Copy Revenue	50,000	50,000	30,421	(19,579)
Other	2,000	4,000	3,205	(795)
Total Revenues	<u>6,735,000</u>	<u>6,802,000</u>	<u>6,660,538</u>	<u>(141,462)</u>
<b>EXPENDITURES:</b>				
Commission	75,300	75,300	75,300	-
Human Resources	63,500	63,500	63,500	-
Info Tech Services	657,400	657,400	657,400	-
Clerk Auditor	486,100	486,100	486,100	-
Treasurer:				
Salaries	226,600	217,000	204,172	12,828
Employee Benefits	92,300	85,000	81,765	3,235
Services, Supplies and Other	54,900	53,400	46,876	6,524
Capital Outlay	8,000	6,500	5,285	1,215
Total Treasurer	<u>381,800</u>	<u>361,900</u>	<u>338,098</u>	<u>23,802</u>
Recorder:				
Salaries	553,900	516,243	486,173	30,070
Employee Benefits	238,200	231,006	223,321	7,685
Services, Supplies and Other	41,900	41,900	28,159	13,741
Capital Outlay	8,000	8,000	6,248	1,752
Total Recorder	<u>842,000</u>	<u>797,149</u>	<u>743,901</u>	<u>53,248</u>
Attorney	451,400	451,400	451,400	-
Assessor:				
Salaries	1,550,100	1,460,600	1,459,525	1,075
Employee Benefits	666,500	645,300	645,139	161
Services, Supplies and Other	482,900	467,800	383,942	83,858
Capital Outlay	122,000	106,700	123,350	(16,650)
Total Assessor	<u>2,821,500</u>	<u>2,680,400</u>	<u>2,611,956</u>	<u>68,444</u>
Administration Building	404,900	404,900	404,900	-
Miscellaneous Contingent	251,100	523,951	362,137	161,814
Total Expenditures	<u>6,435,000</u>	<u>6,502,000</u>	<u>6,194,692</u>	<u>307,308</u>
Excess of Revenues				
Over (Under) Expenditures	300,000	300,000	465,846	165,846
<b>Other Financing Sources (Uses):</b>				
Transfers:				
To Capital Projects Fund	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>165,846</u>	<u>165,846</u>
Fund Balance, Beginning of Year	<u>(58,623)</u>	<u>(58,623)</u>	<u>(58,623)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (58,623)</u>	<u>\$ (58,623)</u>	<u>\$ 107,223</u>	<u>\$ 165,846</u>



**WASHINGTON COUNTY**  
**Habitat Conservation Plan Special Revenue Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental - HCP Fees	\$ 900,000	\$ 900,000	\$ 308,906	\$ (591,094)
Other Revenues:				
Interest Earnings	100,000	100,000	43,413	(56,587)
Other	3,500	3,500	2,404	(1,096)
	<u>1,003,500</u>	<u>1,003,500</u>	<u>354,723</u>	<u>(648,777)</u>
<b>EXPENDITURES:</b>				
Other Expenditures - HCP:				
Salaries	228,800	190,100	187,462	2,638
Employee Benefits	98,400	97,100	65,429	31,671
Services, Supplies and Other	854,800	1,044,800	359,763	685,037
Capital Outlay	381,000	231,000	916	230,084
	<u>1,563,000</u>	<u>1,563,000</u>	<u>613,570</u>	<u>949,430</u>
<b>Net Change in Fund Balance</b>	(559,500)	(559,500)	(258,847)	300,653
Fund Balance, Beginning of Year	<u>5,342,133</u>	<u>5,342,133</u>	<u>5,342,133</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,782,633</u>	<u>\$ 4,782,633</u>	<u>\$ 5,083,286</u>	<u>\$ 300,653</u>

**WASHINGTON COUNTY**  
**Travel Board Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Tax Revenues:				
Transient Room Taxes	\$ 2,800,000	\$ 2,800,000	\$ 3,029,333	\$ 229,333
Other Revenues:				
Interest Earnings	-	50,000	21,386	(28,614)
Other	259,500	369,500	342,887	(26,613)
Total Revenues	<u>3,059,500</u>	<u>3,219,500</u>	<u>3,393,606</u>	<u>174,106</u>
<b>EXPENDITURES:</b>				
Conservation & Economic Development:				
Convention Center Operations	700,000	150,961	139,570	11,391
Travel Board:				
Salaries	290,500	285,500	275,586	9,914
Employee Benefits	121,000	121,000	111,567	9,433
Services, Supplies and Other	2,160,000	2,325,000	1,396,452	928,548
Capital Outlay	4,000	4,000	3,886	114
Debt Service				
Principal	-	267,586	267,586	-
Interest	-	281,453	281,453	-
Total Expenditures	<u>3,275,500</u>	<u>3,435,500</u>	<u>2,476,100</u>	<u>959,400</u>
Excess of Revenues Over (Under) Expenditures	(216,000)	(216,000)	917,506	1,133,506
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From Recreation Special Revenue Fund	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(16,000)	(16,000)	1,117,506	1,133,506
Fund Balance, Beginning of Year	<u>2,726,745</u>	<u>2,726,745</u>	<u>2,726,745</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,710,745</u>	<u>\$ 2,710,745</u>	<u>\$ 3,844,251</u>	<u>\$ 1,133,506</u>

*This page intentionally left blank*

## SUPPLEMENTARY INFORMATION

### MAJOR GOVERNMENTAL FUNDS

#### BUDGET-TO-ACTUAL

- **Debt Service funds** are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.
- **Capital projects funds** are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. The General Capital Projects fund is used to account for the construction or expansion of any project not accounted for in the other governmental funds.

### NONMAJOR GOVERNMENTAL FUNDS

#### COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

##### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- **Municipal Services fund** is used to account for sales tax revenues, fees, intergovernmental and other revenues used for providing Engineering and Surveying, GIS, Planning and Zoning, Building Inspection, Sheriff and Fire Control Services.
- **Flood Damage fund** is used to account for revenue sources that are legally restricted to expenditure for flood damage and river bank improvements.
- **Children's Justice Center fund** is used to account for grants and other revenues used to provide services to children and families in crisis.
- **Library fund** is used to account for property taxes and other revenues used to provide and maintain the County libraries.
- **Council on Aging fund** is used to account for grants and other revenues used to provide senior nutrition and other senior citizen programs.
- **Recreation fund** is used to account for fees collected and used for the acquisition and construction of recreation facilities within the County.
- **Miscellaneous Grants fund** is used to account for miscellaneous grants such as CDBG, VOCA, SCAAP, LLEBG and Drug Court.

**WASHINGTON COUNTY**  
**Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Tax Revenues	\$ 2,560,350	\$ 2,560,350	\$ 2,479,042	\$ (81,308)
Other Revenues:				
Intergovernmental Revenues	24,400	272,300	268,555	(3,745)
Assessment Revenues	1,147,100	1,147,100	1,603,759	456,659
Interest Income	-	70,000	31,938	(38,062)
Total Revenues	<u>3,731,850</u>	<u>4,049,750</u>	<u>4,383,294</u>	<u>333,544</u>
<b>EXPENDITURES:</b>				
Bank and Other Fees	9,000	9,000	63,401	(54,401)
Debt Service:				
Principal, Public Safety Bond	679,000	679,000	679,000	-
Principal, Lease Revenue Bonds	110,000	110,000	110,000	-
Principal, Library Bonds	915,000	915,000	915,000	-
Principal, Special Assessment Bonds	1,144,100	2,994,100	2,345,000	649,100
Principal, MBA Lease Revenue Bonds	20,000	20,000	21,000	(1,000)
Principal, Sales Tax Revenue Bonds	120,000	120,000	120,000	-
Interest, Public Safety Bond	382,650	382,650	343,430	39,220
Interest, Lease Revenue Bonds	68,400	68,400	68,337	63
Interest, Library Bond	852,000	852,000	851,463	537
Interest, Special Assessment Bonds	-	-	546,139	(546,139)
Interest, MBA Lease Revenue Bonds	21,200	21,200	20,625	575
Interest, Sales Tax Revenue Bond	345,500	345,500	345,456	44
Total Expenditures	<u>4,666,850</u>	<u>6,516,850</u>	<u>6,428,851</u>	<u>87,999</u>
Excess of Revenues				
Over (Under) Expenditures	<u>(935,000)</u>	<u>(2,467,100)</u>	<u>(2,045,557)</u>	<u>421,543</u>
<b>Other Financing Sources (Uses):</b>				
Operating Transfers:				
From General Fund	645,900	645,900	500,000	(145,900)
From Other Funds	247,900	-	-	-
Total Other Financing Sources (Uses):	<u>893,800</u>	<u>645,900</u>	<u>500,000</u>	<u>(145,900)</u>
<b>Net Change in Fund Balance</b>	(41,200)	(1,821,200)	(1,545,557)	275,643
Fund Balance, Beginning of Year	<u>6,803,552</u>	<u>6,803,552</u>	<u>6,803,552</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 6,762,352</u>	<u>\$ 4,982,352</u>	<u>\$ 5,257,995</u>	<u>\$ 275,643</u>

**WASHINGTON COUNTY**  
**Capital Projects Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual**  
**For the Year Ended December 31, 2009**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other Revenues:				
Interest Earnings	<u>150,000</u>	<u>150,000</u>	<u>16,704</u>	<u>(133,296)</u>
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>16,704</u>	<u>(133,296)</u>
<b>EXPENDITURES:</b>				
Capital Outlay:				
Buildings	500,000	560,000	397,184	162,816
Equipment	250,000	250,000	148,194	101,806
Other	<u>-</u>	<u>-</u>	<u>30,114</u>	<u>(30,114)</u>
Total Expenditures	<u>750,000</u>	<u>810,000</u>	<u>575,492</u>	<u>234,508</u>
Excess of Revenues Over (Under) Expenditures	<u>(600,000)</u>	<u>(660,000)</u>	<u>(558,788)</u>	<u>101,212</u>
<b>Other Financing Sources (Uses):</b>				
Transfer from Assessing & Collecting Fund	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(300,000)	(360,000)	(258,788)	101,212
Fund Balance, Beginning of Year	<u>1,709,807</u>	<u>1,709,807</u>	<u>1,709,807</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,409,807</u>	<u>\$ 1,349,807</u>	<u>\$ 1,451,019</u>	<u>\$ 101,212</u>

**WASHINGTON COUNTY**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2009**

	Special Revenue Funds				
	Municipal Services	Flood Damage	Children's Justice Center	Library	Council on Aging
<b>ASSETS</b>					
Cash and Investments	\$ 1,407,111	\$ -	\$ -	\$ -	\$ 68,964
Property taxes receivable	113,523	-	-	885,155	-
Due from other governments	-	350,936	61,090	-	206,662
Due from other funds	176,220	-	-	-	-
Restricted Cash	-	1,824,434	-	25,000	-
Total assets	<u>1,696,854</u>	<u>2,175,370</u>	<u>61,090</u>	<u>910,155</u>	<u>275,626</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	17,107	-	1,445	119,768	47,589
Accrued liabilities	6,989	-	1,364	16,416	4,796
Due to other funds	-	-	37,741	40,456	-
Unearned revenue	-	783,542	-	-	-
Total liabilities	<u>24,096</u>	<u>783,542</u>	<u>40,550</u>	<u>176,640</u>	<u>52,385</u>
Fund balances:					
Reserved for:					
Other Purposes	-	1,391,828	20,540	25,000	223,241
Unreserved, undesignated	<u>1,672,758</u>	<u>-</u>	<u>-</u>	<u>708,515</u>	<u>-</u>
Total fund balances	<u>1,672,758</u>	<u>1,391,828</u>	<u>20,540</u>	<u>733,515</u>	<u>223,241</u>
Total liabilities & fund balance	<u>\$ 1,696,854</u>	<u>\$ 2,175,370</u>	<u>\$ 61,090</u>	<u>\$ 910,155</u>	<u>\$ 275,626</u>

---

<u>Special Revenue Funds</u>		<u>Total</u>
<u>Recreation</u>	<u>Grants</u>	<u>Nonmajor</u>
<u>Fund</u>	<u>Fund</u>	<u>Gvtl. Funds</u>
\$ 100	\$ -	\$ 1,476,175
-	-	998,678
306,722	108,356	1,033,766
-	-	176,220
<u>569,945</u>	<u>141,109</u>	<u>2,560,488</u>
<u>876,767</u>	<u>249,465</u>	<u>6,245,327</u>
32,313	52,081	270,303
2,787	-	32,352
-	-	78,197
<u>-</u>	<u>94,449</u>	<u>877,991</u>
<u>35,100</u>	<u>146,530</u>	<u>1,258,843</u>
841,667	102,935	2,605,211
-	-	2,381,273
<u>841,667</u>	<u>102,935</u>	<u>4,986,484</u>
<u>\$ 876,767</u>	<u>\$ 249,465</u>	<u>\$ 6,245,327</u>



**WASHINGTON COUNTY**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2009**

	Special Revenue Funds				
	Municipal Services	Flood Damage	Children's Justice Center	Library	Council on Aging
<b>REVENUES:</b>					
Taxes	\$ 703,240	\$ -	\$ -	\$ 2,742,453	\$ -
Licenses, permits and fees	88,160	-	-	-	-
Intergovernmental	2,932,532	2,174,538	202,054	50,054	814,771
Charges for services	79,388	-	-	-	4,216
Fines and forfeitures	-	-	-	86,388	-
Interest	10,414	14,693	-	474	217
Sub-lease revenue	-	-	-	-	-
Miscellaneous	129,861	-	-	53,985	-
<b>Total</b>	<b>3,943,595</b>	<b>2,189,231</b>	<b>202,054</b>	<b>2,933,354</b>	<b>819,204</b>
<b>EXPENDITURES:</b>					
General Government	292,949	-	-	-	-
Public Safety	2,665,437	-	202,449	-	-
Public Works	345,638	-	-	-	-
Health and Sanitation	-	-	-	-	1,276,000
Conservation and Economic Development	-	2,152,566	-	-	-
Culture and other	24,508	-	-	2,773,757	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total</b>	<b>3,328,532</b>	<b>2,152,566</b>	<b>202,449</b>	<b>2,773,757</b>	<b>1,276,000</b>
Excess of revenues over (under) expenditures	615,063	36,665	(395)	159,597	(456,796)
<b>Other financing sources (uses):</b>					
Transfers in	20,000	-	30,000	-	484,400
Transfers out	(182,100)	-	(12,251)	-	-
<b>Total other financing sources (uses)</b>	<b>(162,100)</b>	<b>-</b>	<b>17,749</b>	<b>-</b>	<b>484,400</b>
<b>Net change in fund balances</b>	<b>452,963</b>	<b>36,665</b>	<b>17,354</b>	<b>159,597</b>	<b>27,604</b>
Fund Balances - Beginning	1,219,795	1,355,163	3,186	573,918	195,637
Fund Balances - Ending	<b>\$ 1,672,758</b>	<b>\$ 1,391,828</b>	<b>\$ 20,540</b>	<b>\$ 733,515</b>	<b>\$ 223,241</b>

Special Revenue Funds		Total
Recreation Fund	Grants Fund	Non-major Gvtl. Funds
\$ 1,949,915	\$ -	\$ 5,395,608
-	-	88,160
-	1,152,012	7,325,961
399,215	-	482,819
-	-	86,388
4,973	-	30,771
676,389	-	676,389
746	-	184,592
<u>3,031,238</u>	<u>1,152,012</u>	<u>14,270,688</u>
-	-	292,949
-	844,632	3,712,518
-	-	345,638
-	-	1,276,000
1,561,533	241,788	3,955,887
-	-	2,798,265
799,414	-	799,414
616,767	-	616,767
<u>2,977,714</u>	<u>1,086,420</u>	<u>13,797,438</u>
<u>53,524</u>	<u>65,592</u>	<u>473,250</u>
-	12,251	546,651
(200,000)	-	(394,351)
<u>(200,000)</u>	<u>12,251</u>	<u>152,300</u>
(146,476)	77,843	625,550
988,143	25,092	4,360,934
<u>\$ 841,667</u>	<u>\$ 102,935</u>	<u>\$ 4,986,484</u>

**WASHINGTON COUNTY**  
**Municipal Services Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Sales Tax Revenue	\$ 725,000	\$ 700,000	\$ 703,240	\$ 3,240
Business Licenses and Building Permits	145,000	93,000	88,160	(4,840)
Intergovernmental Revenue:				
Federal Payments in Lieu of Taxes	2,500,000	2,620,300	2,620,215	(85)
State Mineral Lease	-	80,000	83,655	3,655
Sheriff Protection	25,000	145,000	147,151	2,151
Federal Public Safety Grant & GIS	-	26,000	81,511	55,511
Total Intergovernmental	<u>2,525,000</u>	<u>2,871,300</u>	<u>2,932,532</u>	<u>61,232</u>
Charges for Services	83,500	79,000	79,388	388
Other Revenue:				
Interest Earnings	-	20,000	10,414	(9,586)
Sale of Land & Equipment	135,000	-	-	-
Liquor Allocation	-	20,500	129,848	109,348
Miscellaneous	2,500	-	13	13
Total Other	<u>137,500</u>	<u>40,500</u>	<u>140,275</u>	<u>99,775</u>
Total Revenues	<u>3,616,000</u>	<u>3,783,800</u>	<u>3,943,595</u>	<u>159,795</u>
<b>EXPENDITURES:</b>				
General Government:				
Planning & Zoning	150,500	150,500	139,925	10,575
GIS	159,600	159,600	153,024	6,576
Total General Government	<u>310,100</u>	<u>310,100</u>	<u>292,949</u>	<u>17,151</u>
Public Safety:				
Sheriff and Dispatch	2,000,000	2,150,275	2,236,434	(86,159)
Fire Control	400,400	400,400	183,516	216,884
Building Inspector	277,900	277,900	245,487	32,413
Total Public Safety	<u>2,678,300</u>	<u>2,828,575</u>	<u>2,665,437</u>	<u>163,138</u>
Public Works	553,600	553,600	345,638	207,962
Miscellaneous Contingent	164,000	111,525	24,508	87,017
Total Expenditures	<u>3,706,000</u>	<u>3,803,800</u>	<u>3,328,532</u>	<u>475,268</u>
Excess of Revenues Over (Under) Expenditures	(90,000)	(20,000)	615,063	635,063
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From General Fund	90,000	20,000	20,000	-
To General Fund	-	-	(182,100)	(182,100)
<b>Net Change in Fund Balance</b>	-	-	452,963	452,963
Fund Balance, Beginning of Year	<u>1,219,795</u>	<u>1,219,795</u>	<u>1,219,795</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1,219,795</u>	<u>\$ 1,219,795</u>	<u>\$ 1,672,758</u>	<u>\$ 452,963</u>

**WASHINGTON COUNTY**  
**Flood Damage Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental:				
Federal Revenue	\$ 3,700,000	\$ 3,700,000	\$ 2,174,538	\$ (1,525,462)
Total Intergovernmental	3,700,000	3,700,000	2,174,538	(1,525,462)
Interest Revenue	-	-	14,693	14,693
Total Revenues	3,700,000	3,700,000	2,189,231	(1,510,769)
<b>EXPENDITURES:</b>				
Other Expenditures - Flood:				
Services, Supplies and Other	4,750,000	4,750,000	2,152,566	2,597,434
Total Expenditures	4,750,000	4,750,000	2,152,566	2,597,434
Excess of Revenues Over (Under) Expenditures	(1,050,000)	(1,050,000)	36,665	1,086,665
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From Municipal Special Revenue Fund	-	-	-	-
<b>Net Change in Fund Balance</b>	(1,050,000)	(1,050,000)	36,665	1,086,665
Fund Balance, Beginning of Year	1,355,163	1,355,163	1,355,163	-
Fund Balance, End of Year	\$ 305,163	\$ 305,163	\$ 1,391,828	\$ 1,086,665

**WASHINGTON COUNTY**  
**Children's Justice Center Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental Revenue	211,800	211,800	202,054	(9,746)
Total Revenues	<u>211,800</u>	<u>211,800</u>	<u>202,054</u>	<u>(9,746)</u>
<b>EXPENDITURES:</b>				
Public Safety				
AG's Children Justice Center	194,700	176,700	144,974	31,726
VOCA	27,100	55,100	54,679	421
NCA	<u>10,000</u>	<u>10,000</u>	<u>2,796</u>	<u>7,204</u>
Total Expenditures	<u>231,800</u>	<u>241,800</u>	<u>202,449</u>	<u>39,351</u>
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From General Fund	20,000	30,000	30,000	-
To Other Funds	<u>-</u>	<u>-</u>	<u>(12,251)</u>	<u>(12,251)</u>
<b>Net Change in Fund Balance</b>	-	-	17,354	17,354
Fund Balance, Beginning of Year	<u>3,186</u>	<u>3,186</u>	<u>3,186</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,186</u>	<u>\$ 3,186</u>	<u>\$ 20,540</u>	<u>\$ 17,354</u>

**WASHINGTON COUNTY**  
**Library Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Tax Revenues:				
Current Property Taxes	\$ 2,500,000	\$ 2,500,000	\$ 2,245,136	\$ (254,864)
Fee Assessed Taxes	300,000	300,000	331,333	31,333
Prior Years Delinquent Taxes	150,000	150,000	154,512	4,512
Penalties & Interest	5,000	10,000	11,472	1,472
Total Taxes	<u>2,955,000</u>	<u>2,960,000</u>	<u>2,742,453</u>	<u>(217,547)</u>
Intergovernmental Revenue	41,500	52,000	50,054	(1,946)
Fines and Forfeitures	80,000	82,000	86,388	4,388
Other Revenues:				
Interest Earnings	-	-	474	474
Xerox Revenue	19,000	19,000	21,173	2,173
Miscellaneous	40,000	42,000	32,812	(9,188)
Total Other	<u>59,000</u>	<u>61,000</u>	<u>54,459</u>	<u>(6,541)</u>
Total Revenues	<u>3,135,500</u>	<u>3,155,000</u>	<u>2,933,354</u>	<u>(221,646)</u>
<b>EXPENDITURES:</b>				
Culture and other expenditures:				
St. George Library	765,100	765,100	750,932	14,168
Hurricane Library	540,300	540,300	479,093	61,207
Santa Clara Library	395,600	395,600	390,937	4,663
Springdale Library	150,580	150,580	136,268	14,312
Enterprise Library	83,220	83,220	82,453	767
New Harmony Branch	75,400	75,400	68,560	6,840
Washington City Branch	325,200	325,200	249,906	75,294
Other Branches & Misc. Grants	800,100	819,600	615,608	203,992
Total Expenditures	<u>3,135,500</u>	<u>3,155,000</u>	<u>2,773,757</u>	<u>381,243</u>
<b>Net Change in Fund Balance</b>	-	-	159,597	159,597
Fund Balance, Beginning of Year	<u>573,918</u>	<u>573,918</u>	<u>573,918</u>	-
Fund Balance, End of Year	<u>\$ 573,918</u>	<u>\$ 573,918</u>	<u>\$ 733,515</u>	<u>\$ 159,597</u>

**WASHINGTON COUNTY**  
**Council on Aging Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Intergovernmental Revenue:				
Council on Aging Contract	\$ 187,500	\$ 187,500	\$ 190,450	\$ 2,950
Nutrition Contract - St. George	444,600	444,600	331,250	(113,350)
Nutrition Contract - Hurricane	141,400	141,400	177,100	35,700
Nutrition Contract - Enterprise	70,700	70,700	57,907	(12,793)
Miscellaneous - C.O.A.	41,900	41,900	40,246	(1,654)
Miscellaneous - Transportation	17,700	17,700	17,818	118
Charges for services	3,000	3,000	4,216	1,216
Interest Revenue	-	-	217	217
Total Revenues	<u>906,800</u>	<u>906,800</u>	<u>819,204</u>	<u>(87,596)</u>
<b>EXPENDITURES:</b>				
Health & Sanitation:				
Council on Aging - General	154,050	154,050	152,603	1,447
Council on Aging - St. George Center	755,250	755,250	638,804	116,446
Council on Aging - Hurricane Center	336,650	336,650	360,955	(24,305)
Council on Aging - Enterprise Center	145,250	145,250	123,638	21,612
Total Expenditures	<u>1,391,200</u>	<u>1,391,200</u>	<u>1,276,000</u>	<u>115,200</u>
Excess of Revenues				
Over (Under) Expenditures	(484,400)	(484,400)	(456,796)	27,604
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From General Fund	<u>484,400</u>	<u>484,400</u>	<u>484,400</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	-	27,604	27,604
Fund Balance, Beginning of Year	<u>195,637</u>	<u>195,637</u>	<u>195,637</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 195,637</u>	<u>\$ 195,637</u>	<u>\$ 223,241</u>	<u>\$ 27,604</u>

**WASHINGTON COUNTY**  
**Recreation Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
<b>REVENUES:</b>				
Tax Revenues:				
Restaurant Food Tax	\$ 1,750,000	\$ 1,650,000	\$ 1,699,093	\$ 49,093
Leasing Sales Tax	300,000	250,000	250,822	822
Total Taxes	2,050,000	1,900,000	1,949,915	49,915
Charges for Services:				
County Fair	89,500	89,500	89,713	213
Regional Park	250,500	317,000	309,502	(7,498)
Total Charges for Services	340,000	406,500	399,215	(7,285)
Other Revenues:				
Interest Earnings	-	15,000	4,973	(10,027)
Vision Dixie and Other Revenue	-	-	746	746
Sub-lease Revenue	-	-	676,389	676,389
Total Revenues	2,390,000	2,321,500	3,031,238	709,738
<b>EXPENDITURES:</b>				
Conservation & Economic Development:				
Regional Park Facility	1,439,000	1,360,500	1,172,320	188,180
County Fair	177,800	187,800	193,107	(5,307)
Vision Dixie	-	-	46	(46)
Convention Center Operations	440,000	440,000	188,060	251,940
Dixie College Eccles Fine Arts Center	30,000	30,000	8,000	22,000
Debt Service				
Principal	503,200	503,200	799,414	(296,214)
Interest	-	-	616,767	(616,767)
Total Expenditures	2,590,000	2,521,500	2,977,714	(456,214)
Excess of Revenues				
Over (Under) Expenditures	(200,000)	(200,000)	53,524	253,524
<b>Other Financing Sources (Uses):</b>				
Transfers:				
To Travel Board Special Revenue Fund	200,000	(200,000)	(200,000)	-
<b>Net Change in Fund Balance</b>	-	(400,000)	(146,476)	253,524
Fund Balance, Beginning of Year	988,143	988,143	988,143	-
Fund Balance, End of Year	\$ 988,143	\$ 588,143	\$ 841,667	\$ 253,524



**WASHINGTON COUNTY**  
**Miscellaneous Grants Special Revenue Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2009**

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental Revenues:				
CDBG Grants	\$ -	\$ 240,000	\$ 236,946	\$ (3,054)
LLEBG/SCAAP	-	3,500	33,731	30,231
Drug Court	365,000	390,000	389,672	(328)
WMD and Emergency OPS Grants	709,000	709,000	424,013	(284,987)
Other Grants	29,000	76,000	67,650	(8,350)
Total Revenues	<u>1,103,000</u>	<u>1,418,500</u>	<u>1,152,012</u>	<u>(266,488)</u>
<b>EXPENDITURES:</b>				
Public Safety:				
LLEBG/SCAAP	-	60,000	60,978	(978)
WMD - Emergency Operations	729,000	769,000	402,609	366,391
Children's Safety Council	-	4,000	10,449	(6,449)
Drug Court	365,000	390,000	370,596	19,404
Total Public Safety	<u>1,094,000</u>	<u>1,223,000</u>	<u>844,632</u>	<u>378,368</u>
Conservation & Economic Development:				
CDBG	-	243,000	234,928	8,072
Predator Control	9,000	9,000	6,860	2,140
Total Conservation & Economic Devel.	<u>9,000</u>	<u>252,000</u>	<u>241,788</u>	<u>10,212</u>
Total Expenditures	<u>1,103,000</u>	<u>1,475,000</u>	<u>1,086,420</u>	<u>388,580</u>
Excess of Revenues Over (Under) Expenditures				
	-	(56,500)	65,592	122,092
<b>Other Financing Sources (Uses):</b>				
Transfers:				
From Other Funds	-	-	12,251	12,251
<b>Net Change in Fund Balance</b>	-	(56,500)	77,843	134,343
Fund Balance, Beginning of Year	<u>25,092</u>	<u>25,092</u>	<u>25,092</u>	<u>-</u>
Fund Balance (Deficit), End of Year	<u>\$ 25,092</u>	<u>\$ (31,408)</u>	<u>\$ 102,935</u>	<u>\$ 134,343</u>

## COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS

### Fiduciary Funds Trust and Agency

Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable, Nonexpendable Trust, Pension Trust, and Agency Funds. Nonexpendable Trust and Pension Trust Funds are accounted for in essentially the same manner as propriety funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

- **Tax Collection Trust fund** is an agency fund which accounts for all collections and disbursements of taxes for the county.
- **Deposit Trust fund** is an agency fund which accounts for miscellaneous court funds, surcharges, 4-H, Treasurer and other custodial accounts.
- **Health Department fund** is used as an agency fund for the Health Department.
- **Economic Development Council fund** is used as an agency fund for the Economic Development Council.

**WASHINGTON COUNTY**  
**All Trust and Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the Year Ended December 31, 2009**

	Balance 12/31/2008	Additions	Deductions	Balance 12/31/2009
<b>TAX COLLECTION TRUST FUND:</b>				
<b>Assets:</b>				
Cash & Investments	\$ 43,113,440	\$ 128,961,843	\$ 129,016,661	\$ 43,058,622
Due from Other Governments	-	-	-	-
Property Taxes Receivable	1,715,361	785,684	1,715,361	785,684
Total Assets	<u>\$ 44,828,801</u>	<u>\$ 129,747,527</u>	<u>\$ 130,732,022</u>	<u>\$ 43,844,306</u>
<b>Liabilities:</b>				
Deposits Held in Trust	\$ 1,791,596	\$ 439,896	\$ 551,848	1,679,644
Due to Taxing Districts	36,430,695	109,365,458	109,912,685	35,883,468
Due to Washington Co. General Fund	2,842,355	8,486,988	8,705,194	2,624,149
Due to Assessing & Collecting Fund	1,971,245	5,865,938	5,975,556	1,861,627
Due to Other Funds	1,792,910	5,589,247	5,586,739	1,795,418
Reserve for Refund	-	-	-	-
Total Liabilities	<u>\$ 44,828,801</u>	<u>\$ 129,747,527</u>	<u>\$ 130,732,022</u>	<u>\$ 43,844,306</u>
<b>DEPOSIT FUND:</b>				
<b>Assets:</b>				
Cash & Investments	\$ 814,516	\$ 8,984,970	\$ 8,931,371	\$ 868,115
Other Receivables	-	-	-	-
Total Assets	<u>\$ 814,516</u>	<u>\$ 8,984,970</u>	<u>\$ 8,931,371</u>	<u>\$ 868,115</u>
<b>Liabilities:</b>				
Deposits Held in Trust	<u>\$ 814,516</u>	<u>\$ 8,984,970</u>	<u>\$ 8,931,371</u>	<u>\$ 868,115</u>
<b>HEALTH DEPARTMENT:</b>				
<b>Assets:</b>				
Cash & Investments	\$ 636,215	\$ 6,856,955	\$ 5,510,538	\$ 1,982,632
Other Receivables	-	-	-	-
Total Assets	<u>\$ 636,215</u>	<u>\$ 6,856,955</u>	<u>\$ 5,510,538</u>	<u>\$ 1,982,632</u>
<b>Liabilities:</b>				
Deposits Held in Trust	<u>\$ 636,215</u>	<u>\$ 6,856,955</u>	<u>\$ 5,510,538</u>	<u>\$ 1,982,632</u>
<b>ECONOMIC DEVELOPMENT COUNCIL:</b>				
<b>Assets:</b>				
Cash & Investments	\$ 435,046	\$ 263,261	\$ 290,558	\$ 407,749
Other Receivables	-	-	-	-
Total Assets	<u>\$ 435,046</u>	<u>\$ 263,261</u>	<u>\$ 290,558</u>	<u>\$ 407,749</u>
<b>Liabilities:</b>				
Deposits Held in Trust	<u>\$ 435,046</u>	<u>\$ 263,261</u>	<u>\$ 290,558</u>	<u>\$ 407,749</u>

(Continued)

**WASHINGTON COUNTY**  
**All Trust and Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities (Continued)**  
**For the Year Ended December 31, 2009**

	Balance 12/31/2008	Additions	Deductions	Balance 12/31/2009
<b>TOTAL - ALL TRUST AND AGENCY FUNDS:</b>				
<b>Assets:</b>				
Cash & Investments	\$ 44,999,217	\$ 145,067,029	\$ 143,749,128	\$ 46,317,118
Due from Other Governments	-	-	-	-
Property Taxes Receivable	1,715,361	785,684	1,715,361	785,684
Due from Other Funds	-	-	-	-
Other Receivables	-	-	-	-
Total Assets	<u>\$ 46,714,578</u>	<u>\$ 145,852,713</u>	<u>\$ 145,464,489</u>	<u>\$ 47,102,802</u>
<b>Liabilities:</b>				
Deposits Held in Trust	\$ 3,677,373	\$ 16,545,082	\$ 15,284,315	\$ 4,938,140
Due to Taxing Districts	36,430,695	109,365,458	109,912,685	35,883,468
Due to Washington Co. General Fund	2,842,355	8,486,988	8,705,194	2,624,149
Due to Assessing & Collecting Fund	1,971,245	5,865,938	5,975,556	1,861,627
Due to Other Funds	1,792,910	5,589,247	5,586,739	1,795,418
Reserve for Refund	-	-	-	-
Total Liabilities	<u>\$ 46,714,578</u>	<u>\$ 145,852,713</u>	<u>\$ 145,464,489</u>	<u>\$ 47,102,802</u>

## OTHER SCHEDULES

- **Tax Collection Agency Fund – Cash Receipts and Disbursements**  
This schedule reports the cash received and disbursed by the County’s Tax Collection Agency Fund during the year. It provides detail for each taxing authority within the County.
- **Statement of Taxes Charged and Collected**  
This schedule reports various tax related information including, total taxable value, current tax rates, total taxes charged, and total taxes collected during the year for each taxing authority within the County.
- **Schedule of Expenditures of Transient Room Taxes and Tourism, Recreation, Culture, and Convention Facilities Taxes**  
This schedule reports the breakdown of expenditures for Transient Room Taxes and Tourism, Recreation, Culture, and Convention Facilities Taxes by category in accordance with *Utah Code* Section 17-31-5.5(3).

**WASHINGTON COUNTY**  
**Tax Collection Agency Fund**  
**Cash Receipts and Disbursements**  
**For the Year Ended December 31, 2009**

	Treasurer's Balance 12/31/2008	Tax Collection Receipts	Current Year's Taxes & Interest Apportioned	Prior Year's Taxes & Interest Apportioned	Disburse- ments	Treasurer's Balance 12/31/2009
<b>Tax Collection Amounts:</b>						
Current Taxes	\$ -	\$ 121,388,659	\$ (121,388,659)		\$ -	\$ -
Prior Year's Redemptions	-	7,111,568	-	(7,111,568)	-	-
Over Collected & Double Pmts	-	152,047	-	-	152,047	-
Penalties & Interest	-	807,404	(20,242)	(787,162)	-	-
Other Collections	1,791,596	439,896	-	-	551,848	1,679,644
<b>Total</b>	<b>\$ 1,791,596</b>	<b>\$ 129,899,574</b>	<b>\$ (121,408,901)</b>	<b>\$ (7,898,730)</b>	<b>\$ 703,895</b>	<b>\$ 1,679,644</b>
<b>Tax Units:</b>						
Library Operating Fund	\$ 892,141		\$ 2,594,507	\$ 161,016	\$ 2,762,509	\$ 885,155
School District	26,040,154		76,450,526	4,652,236	81,263,163	25,879,753
Water Conservancy District	3,084,123		9,028,552	563,353	9,596,077	3,079,951
Assessing & Collecting	1,971,245		5,522,690	343,248	5,975,556	1,861,627
General Fund	2,842,355		7,550,282	936,706	8,705,194	2,624,149
County G.O. Bond	900,769		2,669,306	164,418	2,824,230	910,263
Special Service Districts:						
Rockville/Springdale	16,790		46,306	2,560	52,202	13,454
Southwest Mosquito SSD	115,409		336,526	20,697	357,583	115,049
Southwestern SSD	23,467		77,374	2,302	74,674	28,469
Smithsonian SSD	-		-	27	27	-
Leeds Area SSD	40,841		116,207	6,740	122,057	41,731
New Harmony SSD	26,120		75,057	5,928	82,099	25,006
Cities & Towns:						
Enterprise	46,518		138,667	4,056	146,036	43,205
Hildale	26,570		87,652	37,493	128,438	23,277
Hurricane	1,249,741		2,308,030	201,684	2,862,946	896,509
Ivins	365,961		1,129,154	67,739	1,186,908	375,946
LaVerkin	138,866		325,976	17,793	358,091	124,544
Leeds	18,449		56,537	2,805	59,053	18,738
New Harmony	6,915		22,205	572	22,748	6,944
St. George	4,056,180		9,250,888	495,648	10,024,310	3,778,406
Santa Clara	187,738		659,588	30,250	640,079	237,497
Springdale	20,999		53,205	3,434	62,564	15,074
Toquerville	36,468		94,826	4,516	101,425	34,385
Virgin	13,347		38,088	3,777	38,332	16,880
Washington	672,349		1,978,762	139,851	2,060,085	730,877
Rockville	12,612		48,638	1,144	46,503	15,891
Apple Valley	17,839		61,021	5,738	59,442	25,156
Coral Canyon SID	213,239		688,328	23,002	567,843	356,726
<b>Total Due Units</b>	<b>\$43,037,205</b>		<b>\$ 121,408,898</b>	<b>\$ 7,898,733</b>	<b>\$ 130,180,174</b>	<b>\$42,164,662</b>
<b>Total</b>	<b>\$44,828,801</b>	<b>\$ 129,899,574</b>			<b>\$ 130,884,069</b>	<b>\$43,844,306</b>

# WASHINGTON COUNTY

## Statement of Taxes Charged and Collected December 31, 2009

### TAXABLE VALUE OF PROPERTY

	Year-End Value (After BOE)	Centrally - Assessed Value	RDA Value	Adjusted Real & Centrally Assessed Value	Year End Personal Property Value	Total Adjusted Value
Library Operations	\$ 10,846,070,087	\$ 379,881,275	\$ (329,488,505)	\$ 10,896,462,857	\$ 474,945,163	\$ 11,371,408,020
School District	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
Water Conservancy District	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
Assessing & Collecting:						
Local	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
State	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
General Fund	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
County G.O. Bond	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
Rockville/Springdale	203,865,255	2,751,721	-	206,616,976	4,901,907	211,518,883
Southwest Mosquito SSD	10,846,070,087	379,881,275	(329,488,505)	10,896,462,857	474,945,163	11,371,408,020
Southwestern SSD	121,949,320	1,606,638	-	123,555,958	369,836	123,925,794
Smithsonian SSD	-	-	-	-	-	-
Leeds Area SSD	101,597,840	2,550,821	-	104,148,661	790,703	104,939,364
New Harmony Fire	141,783,565	1,580,994	-	143,364,559	259,749	143,624,308
Coral Canyon	218,715,490	260,970	-	218,976,460	5,907,664	224,884,124
Enterprise	61,511,520	1,319,477	-	62,830,997	1,008,165	63,839,162
Hildale	29,699,795	700,597	-	30,400,392	3,620,617	34,021,009
Hurricane	1,042,027,907	18,067,171	(155,289,485)	904,805,593	66,505,795	971,311,388
Ivins	659,740,810	5,160,931	-	664,901,741	6,977,802	671,879,543
LaVerkin	180,058,035	4,179,877	-	184,237,912	5,534,432	189,772,344
Leeds	74,888,770	1,398,816	-	76,287,586	757,184	77,044,770
New Harmony	15,064,105	491,045	-	15,555,150	55,655	15,610,805
St. George	5,887,991,055	123,394,453	(174,199,020)	5,837,186,488	323,733,634	6,160,920,122
Santa Clara	344,971,805	3,320,287	-	348,292,092	2,915,987	351,208,079
Springdale	168,363,390	1,547,304	-	169,910,694	4,328,614	174,239,308
Toquerville	99,480,310	4,711,972	-	104,192,282	309,412	104,501,694
Virgin	55,796,090	6,610,800	-	62,406,890	564,279	62,971,169
Washington	1,385,019,915	13,141,703	-	1,398,161,618	40,420,672	1,438,582,290
Rockville	35,501,865	1,204,417	-	36,706,282	573,293	37,279,575
Apple Valley	49,736,810	364,759	-	50,101,569	264,074	50,365,643
Northwestern SSD	109,554,135	14,673,318	-	124,227,453	1,316,273	125,543,726
Dixie Springs SSD	-	-	-	-	-	-
Dameron Valley SSD	68,335,700	-	-	68,335,700	116,793	68,452,493
Dixie Deer SSD	41,008,130	691,707	-	41,699,837	47,015	41,746,852

**Totals**

Current Year Real & Cent. Assessed Tax Rate	Prior Year Personal Property Tax Rate	Total Property Taxes Charged	Personal Property Taxes Charged	Total Taxes Charged
0.000239	0.000194	\$2,604,255	\$92,139	\$2,696,394
0.006919	0.005637	75,392,627	2,677,266	78,069,893
0.000832	0.000676	9,065,857	321,063	9,386,920
0.000365	0.000300	3,977,209	142,484	4,119,693
0.000142	0.000121	1,547,298	57,468	1,604,766
0.000695	0.000564	7,573,048	267,867	7,840,915
0.000246	0.000200	2,680,530	94,989	2,775,519
0.000239	0.000199	49,381	975	50,356
0.000031	0.000025	337,790	11,874	349,664
0.000581	0.000438	71,786	162	71,948
0.000000	0.000000	-	-	-
0.001124	0.000878	117,063	694	117,757
0.000577	0.000461	82,721	120	82,841
0.003000	0.002593	656,929	15,319	672,248
0.002038	0.001698	128,050	1,712	129,762
0.003503	0.002677	106,493	9,692	116,185
0.002492	0.002010	2,254,776	133,677	2,388,453
0.001736	0.001389	1,154,269	9,692	1,163,961
0.001945	0.001629	358,343	9,016	367,359
0.000730	0.000566	55,690	429	56,119
0.001307	0.001143	20,331	64	20,395
0.001504	0.001206	8,779,128	390,423	9,169,551
0.001835	0.001423	639,116	4,149	643,265
0.000341	0.000297	57,940	1,286	59,226
0.001037	0.000861	108,047	266	108,313
0.000858	0.000675	53,545	381	53,926
0.001393	0.001124	1,947,639	45,433	1,993,072
0.001289	0.000884	47,314	507	47,821
0.001438	0.001136	72,046	300	72,346
0.000000	0.000000	-	-	-
0.000000	0.000000	-	-	-
0.000000	0.000000	-	-	-
0.000000	0.000000	-	-	-
		<u>\$119,939,221</u>	<u>\$4,289,447</u>	<u>\$124,228,668</u>

(Continued)



# WASHINGTON COUNTY

## Statement of Taxes Charged and Collected (Continued) December 31, 2009

	TREASURER'S RELIEF				CURRENT YEAR ACTUAL	
	Unpaid Taxes	Abatements	Other	Total Relief	Taxes Collected	Collection Rate
Library Operations	\$ 289,292	\$ 36,602	\$ 17,480	\$ 343,374	\$2,353,020	87.27%
School District	8,375,471	1,059,648	(824,251)	8,610,868	69,459,025	88.97%
Water Conservancy District	1,007,088	127,421	64,524	1,199,033	8,187,887	87.23%
Assessing & Collecting:						
Local	441,910	55,900	8,630	506,440	3,613,253	87.71%
State	172,041	21,747	13,939	207,727	1,397,039	87.06%
General Fund	831,077	106,442	55,344	992,863	6,848,052	87.34%
County G.O. Bond	297,769	37,674	19,333	354,776	2,420,743	87.22%
Rockville/Springdale	5,586	444	10	6,040	44,316	88.01%
Southwest Mosquito SSD	37,519	4,748	2,192	44,459	305,205	87.29%
Southwestern SSD	5,225	1,299	(58)	6,466	65,482	91.01%
Smithsonian SSD	-	-	-	-	-	-
Leeds Area SSD	11,100	2,588	(56)	13,632	104,125	88.42%
New Harmony Fire	13,427	1,451	348	15,226	67,615	81.62%
Coral Canyon	12,873	4,182	1,094	18,149	654,099	97.30%
Enterprise	8,109	2,412	149	10,670	119,092	91.78%
Hildale	60,744	210	(314)	60,640	55,545	47.81%
Hurricane	452,951	36,985	(187,736)	302,200	2,086,253	87.35%
Ivins	101,806	18,997	1,093	121,896	1,042,065	89.53%
LaVerkin	72,775	12,973	1,233	86,981	280,378	76.32%
Leeds	4,160	1,265	(33)	5,392	50,727	90.39%
New Harmony	643	373	(19)	997	19,398	95.11%
St. George	865,526	122,284	(262,353)	725,457	8,444,094	92.09%
Santa Clara	59,060	9,650	(199)	68,511	574,754	89.35%
Springdale	7,713	325	68	8,106	51,120	86.31%
Toquerville	21,822	2,235	301	24,358	83,955	77.51%
Virgin	18,874	1,051	(81)	19,844	34,082	63.20%
Washington	173,675	21,368	1,283	196,326	1,796,746	90.15%
Rockville	972	1,165	(99)	2,038	45,783	95.74%
Apple Valley	17,620	-	1,216	18,836	53,510	73.96%
Northwestern SSD	-	-	-	-	-	-
Dixie Springs SSD	-	-	-	-	-	-
Dameron Valley SSD	-	-	-	-	-	-
Dixie Deer SSD	-	-	-	-	-	-
<b>Totals</b>	<b>\$13,366,828</b>	<b>\$1,691,439</b>	<b>(\$1,086,962)</b>	<b>\$13,971,305</b>	<b>\$110,257,363</b>	

---

**OTHER COLLECTIONS**

---

Fee in Lieu	Miscellaneous Collections	Delinquent Tax Collected	Interest & Penalty Collected
\$ 241,055	\$ 3,512	\$ 154,318	\$ 7,130
6,978,749	402,004	4,462,687	202,301
839,162	12,257	539,845	25,011
368,185	5,383	233,479	9,985
143,293	2,121	96,277	4,427
700,973	9,961	434,319	503,644
248,119	3,580	157,596	7,266
1,982	592	2,472	96
31,265	454	19,841	912
11,880	57	2,205	109
-	-	1	26
12,063	143	6,383	376
7,430	222	5,705	235
34,109	-	21,954	1,168
19,553	138	3,897	181
32,097	43	34,789	2,714
221,394	381,654	193,368	8,699
86,898	1,161	64,988	2,942
45,547	47	17,049	795
5,801	11	2,657	157
2,803	29	556	20
805,244	1,876,204	476,539	20,659
84,728	3,083	29,312	1,044
2,076	825	3,336	107
10,856	23	4,339	192
4,000	89	3,574	209
181,686	1,353	133,547	6,634
2,847	77	1,046	106
7,501	193	5,489	259
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<b>\$ 11,131,296</b>	<b>\$ 2,705,216</b>	<b>\$ 7,111,568</b>	<b>\$ 807,404</b>

**WASHINGTON COUNTY**

**Schedule of Expenditures of Transient Room Taxes and  
Tourism, Recreation, Culture and Convention Facilities Taxes  
December 31, 2009**

**Transient Roomn Taxes (TRT):**

Establishing and promoting:		
Recreation	\$	559,458
Tourism		961,034
Film production		31,522
Conventions		230,250
Totals		1,782,264
Acquiring, leasing, construction, furnishing, or operating:		
Convention meeting rooms		350,000
Exhibit halls		350,000
Visitor information centers		-
Museums		-
Related facilities		700,000
Totals		1,400,000
Acquiring or leasing land required for or related to:		
Convention meeting rooms		-
Exhibit halls		-
Visitor information centers		-
Museums		-
Related facilities		-
Totals		-
Mitigation costs		-
Payment of principal, interest, premiums, and reserves on bonds		-
Total expenditures of transient room taxes	\$	3,182,264

**Tourism, Recreation, Culture, and Convention Facilities (TRCC):**

Financing tourism promotion		-
Development, operation, and maintenance of:		-
Tourist facilities	\$	-
Recreation facilities		1,066,767
Cultural faciclites		-
Convention facilities		632,326
Pleades as scurity for evidences of indebtedness		-
Total		1,699,093
Total expenditures of tourism, recreation, culture, and convention facilities taxes	\$	1,699,093

**Reserves and Pledges:**

	1/1/2009	Additions 2009	12/31/2009
Reserves on bonds related to TRT funds	\$ -	\$ 700,000	\$ 700,000
Pledges as security for evidence of indebtedness related to TRCC	\$ -	\$ -	\$ -

**OTHER COMMUNICATIONS FROM INDEPENDENT AUDITORS**

*This page intentionally left blank*

INDEPENDENT AUDITOR'S 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*

County Commissioners  
Washington County

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Washington County as of and for the year ended December 31, 2009, and have issued our report thereon dated June 22, 2010. 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Washington County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the course of performing their assigned functions to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

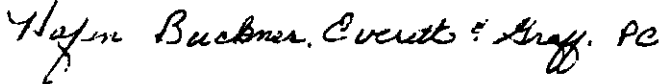
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Washington 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*.

We noted certain matters that we reported to management of Washington County in a separate letter dated June 22, 2010.

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



HAFEN, BUCKNER, EVERETT, & GRAFF, PC  
June 22, 2010

## AUDITORS' REPORT ON STATE LEGAL COMPLIANCE

County Commission  
Washington County  
St. George, Utah

We have audited the financial statements of Washington County for the year ended December 31, 2009, and have issued our report there on dated June 22, 2010. As part of our audit, we have audited the County's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; special tests and provisions applicable to each of its major State assistance programs as required by the State of Utah's Legal Compliance Audit guide for the year ended December 31, 2009. The County received the following major State assistance programs from the State of Utah:

B&C Road Funds  
Liquor Law Enforcement  
Adult Services – Alternative Program

Our audit also included test work on the County's compliance with those general compliance requirements identified in the Compliance Manual for Audits of Local governments in Utah including:

Public Debt	Other Compliance Requirements
Cash Management	Uniform Building Code Standards
Purchasing Requirements	Statement of Taxes Charged, Collected, and Disbursed
Budgetary Compliance	Assessing and Collecting of Property Taxes
Truth in Taxation and Property Tax Limitations	Transient Room Tax and Tourism, Recreation, Culture, and Convention Facilities Tax
Liquor Law Enforcement	Impact Fees and Other Development Fees
Justice Courts Compliance	Asset Forfeiture
B&C Road Funds	

The management of the County is responsible for the County's compliance with all compliance requirement identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with accounting standards generally accepted in the United States of America and 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 material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the County's



compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying management letter. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

In our opinion, Washington County complied, in all material respects, with the general compliance requirements identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major State assistance programs for the year ended December 31, 2009.

*Hafen Buckner Everett & Graff, PC*

HAFEN, BUCKNER, EVERETT & GRAFF, PC  
June 22, 2010

*This page intentionally left blank*