

ESTABLISHED 1854

SUMMIT

C O U N T Y

UTAH

Comprehensive Annual Financial Report

for the

Year Ended December 31, 2011



Comprehensive Annual Financial Report

Of

Summit County, Utah

Prepared by:

Summit County Auditor's Office

With Auditors' Report Thereon

For the Year Ended December 31, 2011

Summit County, Utah
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INTRODUCTORY SECTION



Auditor's Office

May 31, 2012

To the Honorable County Council and Citizens of Summit County:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. These financial statements have been prepared by Summit County in accordance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). This report is published to fulfill that requirement for the fiscal year ended December 31, 2011.

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

Ulrich & Associates, Certified Public Accountants, have issued an unqualified ("clean") opinion on Summit County's financial statements for the year ended December 31, 2011. The independent auditors' report is located at the front of the financial section of this report. The objective of this type of examination is for the independent auditors to render an opinion, with reasonable assurance, as to whether the financial statements of Summit County for the year reported are fairly presented and free of any material misstatement.

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

The Federal Single Audit Act of 1984, as amended in 1996, requires the County to be audited to determine compliance with grant program stipulations. A separate Single Audit report is issued in conjunction with the independent audit, which contains the results of the single audit and the required reports.

The Comprehensive Annual Financial Report (CAFR) consists of four parts. The **Introductory Section** includes an organizational chart and this transmittal letter. The **Financial Section** includes the independent auditors' report, management's discussion and analysis (MD&A), the financial statements and related notes. Also contained in the financial section is the Supplementary Information. Supplementary Information includes balance sheets and income statements for nonmajor governmental funds, internal service funds, as well as other budgetary information. The **Statistical Section** includes several schedules of unaudited data, depicting the financial history of the County, demographics and other selected information about the County. The **Other Reports** include the independent auditors' reports on internal control and compliance as required by *Audits of States, Local Government, and Non-Profit Organizations*, *OMB Circular A-133* and state compliance as required by the *State of Utah Legal Compliance Audit Guide*.

BLAKE FRAZIER

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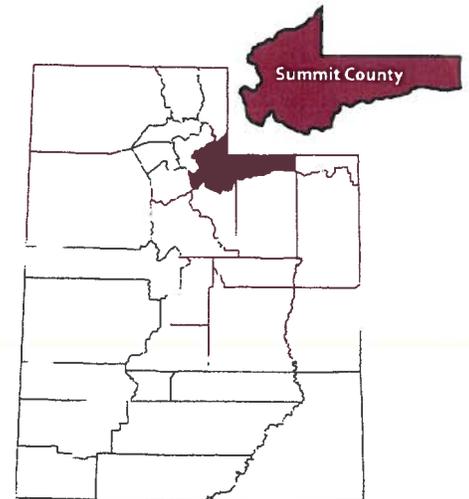
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Profile of the Government

Basic information:

Summit County was the eleventh county created by the Territory Legislative Assembly in 1854. Named Summit County because it includes 39 of Utah's highest peaks, it was created from Green River and Great Salt Lake counties. The County is bound by the high back valleys of the Wasatch Mountains on the west and the Uinta Mountains dominating the eastern portion of the County.



Before the first white men to visit the area, Summit County was the hunting grounds for the Northern Shoshone Indians. The Weber and Provo rivers, draining from the western slopes of the Uinta Mountains, provided Indians with opportunities for fish and game.

The fur trappers and traders in the 1820's and 1830's found a fur hunter's paradise in the Uinta Mountain Range. These trappers and traders included General W.H. Ashley, Jedediah Smith and Jim Bridger. After the fur rivalry of the 1830's cleared the streams of many of the fur bearing animals, the trappers and traders who remained became the scouts and guides to the later groups that came into the valleys, or settled down to ranch and farm.

In 1846, Lansford W. Hastings announced a new cutoff on the California Trail that would eliminate several hundred miles and many days of travel on the trek westward. This cutoff turned southwest from Fort Bridger in Wyoming and entered Utah in what is now the northeastern corner of Summit County and lead through Echo Canyon. The route followed the Weber River to the Salt Lake Valley and westward into Nevada. The first group to take this new route was the ill-fated Donner-Reed party in 1846.

A year after the Donner-Reed party, the Mormon pioneers followed the Hastings Cutoff through Echo Canyon, but when they reached the Weber River they changed the route by turning southwest into Emigration Canyon. This became the main route for the immigration of the Mormon pioneers to Utah.

In 1869, the Union Pacific Railroad followed the Hastings Cutoff to meet up with the Central Pacific Railroad to complete the Transcontinental Railroad. Even today travelers into Utah will follow a portion of the route of Hastings, the Mormon pioneers and the Union Pacific Railroad by traveling Interstate 80.

Pioneers started permanent settlements in Summit County in the 1850's. These included settlements near Snyderville, Kamas Valley and Coalville areas. Originally farming communities were established in Summit County, but with the discovery of coal near Coalville and lead, zinc and silver discovered in the Wasatch Mountains, a mining boom began and the communities at and near present-day Coalville and Park City began to grow. Mining continued to be profitable in Summit County until the 1950's.

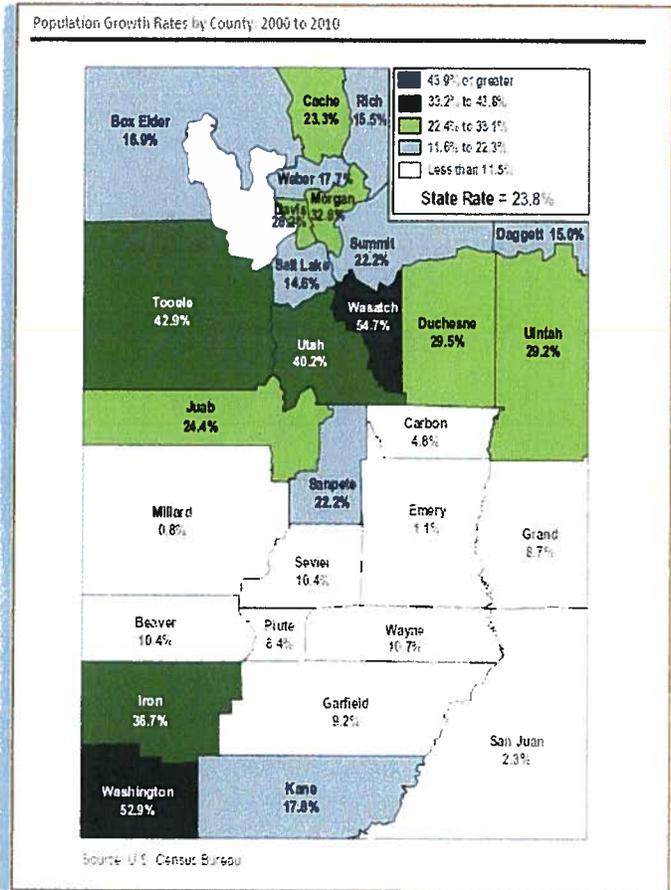
For several decades following the mining bust, Park City was on the brink of becoming a ghost town. It wasn't until the ski industry recognized the community's rugged terrain and deep snow that Park City recognized a rebirth, even hosting events during the 2002 Winter Olympics. Summit County has become a destination for many outdoor recreational activities offering hiking, picnicking, camping, fishing, biking and world-famous skiing as well as other recreational opportunities.

Residents of Summit County have convenient access to all of the cultural, transportation, and business-related support services of the urban city – yet are sufficiently distant from the State's metropolitan center

to provide the pleasures of a country life. Many Summit County residents commute to Davis, Salt Lake, Utah and Weber counties for employment purposes.

Summit County is 1,871 square miles and hosts a population of 37,208, the 10th most populous county in the State of Utah. The population estimate is 1.9% higher than the previous year's estimate. The population growth is due from what is determined both natural growth (births minus deaths) of 351 and migration of 361 (*source: Utah Population Estimates Committee, Governor's Office of Planning & Budget*).

In November 2006, voters approved a ballot initiative to change the current form of government to a Council/Manager form of government. In November 2008, five County Councilors were elected by the voters at-large to perform the legislative functions of county government. A County Manager is appointed by the County Councilors to perform the executive functions of the county government. During 2009, the Personnel Director acted as interim County Manager while a search was conducted. In January 2010 Robert Jasper was appointed as the County's first County Manager.



The councilors serve part-time and are elected to four-year terms. Two councilors are elected during the same non-presidential year election while the other three are elected two years later during a presidential election. There are seven other elected officials who have independent authority defined by statute: Assessor, Attorney, Auditor, Clerk, Recorder, Sheriff and Treasurer. An additional four department directors serve as exempt (appointed), non-merit employees and are responsible to the County Manager. These directors are in charge of the following departments: Public Health, Public Works, Library, and Community Development. Three department directors serve as merit employees for the following: Information Technology, Facilities, and Personnel.

The County provides a broad range of countywide services, as well as certain municipal services, which are provided to the unincorporated areas of the County. Countywide services include the following: Services provided by the elected officials – such as property tax assessing and collecting, auditing, budgeting, accounting, recording, marriage, passports, criminal justice services, and ordinance enactment and enforcement; Human Services – such as mental health, public health, substance abuse, aging and youth services; Public Works Services – such as county road services and repairs and solid waste management; Community Services – such as recreational and educational services, including three county libraries, and planning and zoning; and Administrative Services – internal services such as personnel, purchasing, information services, facilities services, and fleet services. Examples of municipal services provided by the County include police protection, community development services, business licensing, traffic engineering, roadways, animal services and justice courts.

2010 Rank	County	Decennial Census				Estimated
		1980	1990	2000	2010	2011
1	Salt Lake	619,066	725,956	898,387	1,029,655	1,045,829
2	Utah	218,106	263,590	368,536	516,564	530,789
3	Davis	146,540	187,941	238,994	306,479	312,603
4	Weber	144,616	158,330	196,533	231,236	233,241
5	Washington	26,065	48,560	90,354	138,115	141,219
6	Cache	57,176	70,183	91,391	112,656	114,721
7	Tooele	26,033	26,601	40,735	58,218	59,133
8	Box Elder	33,222	36,485	42,745	49,975	50,466
9	Iron	17,349	20,789	33,779	46,163	46,767
10	Summit	10,198	15,518	29,736	36,324	37,208

Source: "2010 Census Brief: Cities and Counties of Utah",
State of Utah Governor's Office of Planning and Budget

In 2010 Summit had a per capita personal income (PCPI) of \$68,524. This PCPI ranked 1st in the state and was 211 percent of the state average, \$32,517, and 172 percent of the national average, \$39,937. The 2010 PCPI reflected an increase of 2.9 percent from 2009. The 2009-2010 state change was 1.9 percent and the national change was 2.8 percent. In 2000 the PCPI of Summit was \$46,827 and ranked 1st in the state. The 2000-2010 compound annual growth rate of PCPI was 3.9 percent. The compound annual growth rate for the state was 2.9 percent and for the nation was 2.8 percent.

Component units

Blended Component Unit. The Redevelopment Agency (RDA) and the Municipal Building Authority (the SCMBA) of Summit County were governed in 2011 by a five-member board, which were the County Councilors. The RDA was established to further public purposes in the redevelopment of certain County areas. SCMBA was established as a non-profit corporation organized by the County for the sole purpose of acquiring, improving, or extending one or more projects and financing the costs on behalf of the County.

The Summit Park Water and Park Ridge Water Districts were created to finance the construction of water distribution projects within prescribed areas of the County. Due to the nature and scope of these construction projects, it was necessary to create special assessment districts and finance the projects through long-term debt. The debt is repaid from assessments on each property owner within each of the districts.

The County has also created service districts to provide various services within specifically designated areas. Service districts number six and eight provide road maintenance and snow plowing and the wild land fire district provides fire protection in the areas not covered by other fire districts within the County. Service district number one created for the purpose of receiving and distributing state and federal mineral lease revenues. Mineral lease revenues may be used to alleviate the social, economic and public finance impacts resulting from the development of natural resources in the state.

These component units are included in the accompanying financial statements as blended component units.

Complete financial statements of the individual units determined not to be component units of Summit County, which issued separate financial statements as noted below, can be obtained from their respective administrative offices.

Discretely Presented Component Units. Mountain Regional Water Special Service District, formerly Atkinson Special Service District, and Snyderville Basin Recreation Special Service District (the Districts), are included as discretely presented component units in the County's financial statements because of the significance of their operational and financial relationship with the County. The County is financially accountable for the Districts because the County's Council must approve any debt issuances and approves the budget for Mountain Regional Water Special Service District.

Budget

The budget is prepared at the departmental level. A department is, in substance, a separate legal budgetary unit for purposes of State compliance. However, the County has opted to impose a higher level of budgetary control for its own managerial purposes. The highest level at which management may not reallocate resources without approval of the County Council is at the governmental fund level.

The County has created by ordinance a budget committee to review annual budget requests submitted by department heads and elected officials. The budget committee reviews requests in consideration of available funds, personnel requests and program objectives to determine allocation of funds as the committee feels best suits the needs of the County as a whole. The committee's recommendation is submitted to the County Auditor.

The Auditor, as the statutory Budget Officer, is responsible for revenue projections and the preparation of a budget, which is then presented to the County Manager. The County Manager may make changes to the budget which is then presented to the County Council. The Councilors may make appropriation decisions and are required by statute to adopt a budget on or before the last day of the last month of each preceding fiscal year.

Budget-to-actual comparisons are presented for the General Fund and each major special revenue fund in the basic financial statements. Budget-to-actual comparisons for all other governmental funds are found in the Supplementary Information Section.

Summit County's economic condition

Local Economy

Major employer-types in the County include recreation outlets – including skiing, accommodation and food services, retail establishments, professional services – including financial, legal, medical, real estate, technology and communications, construction and governmental services. Seasonally adjusted unemployment rates averaged 6.1%, below the state average of 6.7%.

SUMMIT COUNTY 2011: High Growth Industries

All 15 eligible industries ranked on the greatest employment

Rank	NAICS Subsectors	Avg Qtrly Employment
1	Amusement, Gambling, and Recreation Industries	2,794
2	Food Services and Drinking Places	2,426
3	Accommodation	2,262
4	Real Estate	1,010
5	Clothing and Clothing Accessories Stores	862
6	Professional, Scientific, and Technical Services	692
7	Administrative and Support Services	604
8	Food and Beverage Stores	594
9	Specialty Trade Contractors	535
10	Ambulatory Health Care Services	472
11	Performing Arts, Spectator Sports, and Related Industries	411
12	Educational Services	342
13	Sporting Goods, Hobby, Book, and Music Stores	292
14	Construction of Buildings	274
15	Religious, Grantmaking, Civic, Professional, and Similar Organizations	272

*Source: U.S. Census Bureau, Local Employment Dynamics**Average Quarterly Employment (2010Q2, 2010Q3, 2010Q4, 2011Q1)*

Summit County is located 30 miles east of Salt Lake City and 40 minutes from the Salt Lake International Airport which helps benefit the local tourism industry. The County is home to three ski resorts recognized world-wide. Proximity to the Wasatch Front also benefits the County during periods of economic slowdowns as residents along the Wasatch Front may vacation at the various resorts within the County as opposed to making longer trips outside of the state.

Summit County anticipates the local economy to continue to benefit from population and commercial growth. Local efforts are being made to diversify the tourism beyond the winter season. The County is making efforts to support the local economy with sales taxes instituted to draw visitors year round.

Long-term financial planning

Summit County has established by ordinance a tax stability and trust fund, for the purpose of preserving funds during years with favorable tax revenues for use during years with less favorable tax revenues. The principal portion of this fund is restricted and may only be used by authorization of the vote of the registered voters during a special election. However, the interest earnings in this fund may be transferred to the General Fund of the County to provide for its purposes during that fiscal year. Any amounts so returned may be used for all purposes as other amounts in such General Fund. Any interest or income not so returned to the County's General Fund shall be added to the principal of the County's tax stability and trust fund. At the end of 2011 the County had established a tax stability and trust fund of \$9.6 million, 67.3% of the maximum allowable by State Code.

Before the change of government in 2009, Summit County utilized a debt review committee to review all debt options with the intent of matching the type of debt to the need, and to continue the County's practice of "intelligent use of debt" for the maximum benefit of the citizens of the County. Since the change of government took effect, the county manager has determined the County's usage of long-term debt.

Issues related to risk management, employee benefits – including retirement programs, are addressed in the notes to the financial statements. More specific financial information may be found in the financial report beginning on page 15 and by reading the Management Discussion and Analysis beginning on page 17.

Signed,

A handwritten signature in black ink that reads "Blake Frazier". The signature is written in a cursive style with a large, prominent initial "B".

Blake Frazier
Auditor

Summit County, Utah
County Officials
For the Year Ended December 31, 2011

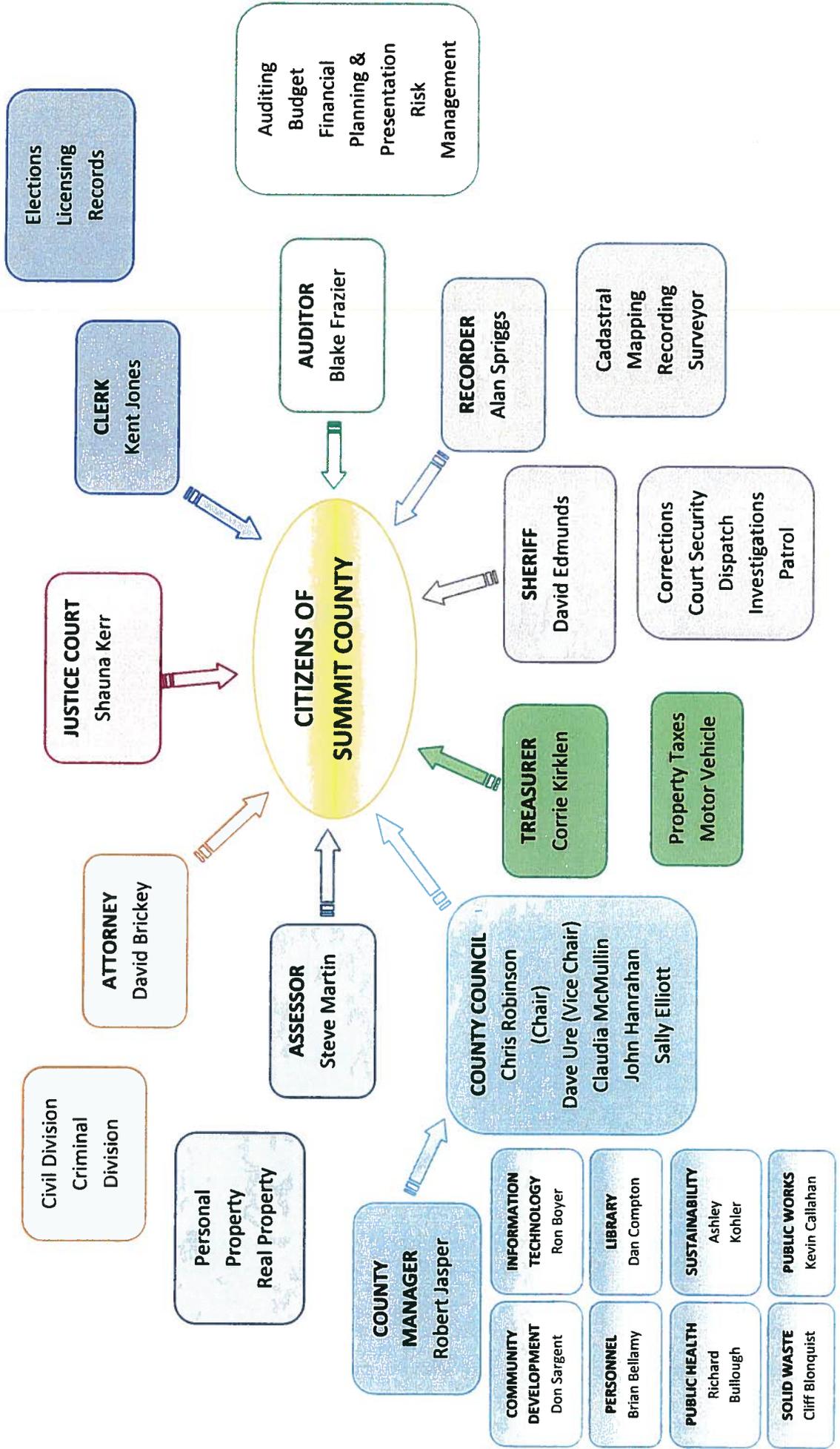
<u>ELECTED OFFICIALS</u>	<u>TERM EXPIRATION</u>
<u>Councilors</u>	
Council Seat A	Sally Elliott Dec 31, 2012
Council Seat B	Claudia McMullin Dec 31, 2012
Council Seat C	John Hanrahan Dec 31, 2012
Council Seat D	Chris Robinson Dec 31, 2014
Council Seat E	David Ure Dec 31, 2014
<u>Assessor</u>	Steve Martin Dec 31, 2014
<u>Attorney</u>	David Brickey Dec 31, 2014
<u>Auditor</u>	Blake Frazier Dec 31, 2014
<u>Clerk</u>	Kent Jones Dec 31, 2014
<u>Justice Court Judge</u>	Shauna Kerr Dec 31, 2014
<u>Recorder</u>	Alan Spriggs Dec 31, 2014
<u>Sheriff</u>	David Edmunds Dec 31, 2014
<u>Treasurer</u>	Corrie Kirklen Dec 31, 2014

APPOINTED OFFICIALS

<u>County Manager</u>	Robert Jasper
<u>Community Development Director</u>	Don Sargent
<u>Health Administrator</u>	Richard Bullough
<u>Information Technology Director</u>	Ron Boyer
<u>Library Director</u>	Dan Compton
<u>Personnel Director</u>	Brian Bellamy
<u>Public Works Administrator</u>	Kevin Callahan

SUMMIT COUNTY ORGANIZATION CHART

-- As of December 31, 2011 --



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

The Honorable County Council
Summit County, Utah

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Summit County, Utah, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Summit County, Utah'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 Mountain Regional Water and Snyderville Basin Special Service Districts, discretely presented component units, which represent 100 percent of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Summit County, Utah as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and major special revenue funds 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 have also issued our report dated May 31, 2012, on our consideration of Summit County, Utah's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of Utah Association of CPAs | American Institute of CPAs

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Summit County, Utah's basic financial statements. The combining and individual nonmajor fund financial statements, and the Statement of Taxes Charged, Collected, and Distributed - Current and Prior Years are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budget to actual statements on major capital projects and nonmajor funds, schedule of receipts and disbursements, statement of taxes charged, collected, and distributed, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Summit County, Utah's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Ulrich & Associates, P.C.

May 31, 2012

INTRODUCTION

The following is a discussion and analysis of Summit County’s financial performance and activities for the year ended December 31, 2011. Please read it in conjunction with the transmittal letter in the Introductory Section of this report and with the financial statements that follow. This narrative is presented to facilitate a better understanding of the County’s year-end financial position and the results of operations for 2011.

This report contains information as it relates to the primary government, unless noted otherwise. Information on discretely presented component units may be found in the entity’s own financial reports.

FINANCIAL HIGHLIGHTS

Government-wide

The County’s *government-wide net assets* as of December 31, 2011, were \$113.0 million. Net assets increased \$328 thousand, or 0.3 percent, including increases of restricted assets for tourism promotion (transient room tax) of \$2.5 million (84.7 percent) and a decrease in restricted assets for debt service of \$1.2 million (67.2 percent). Total assets increased due to an increase in restricted cash of \$3.2 million, or 15.3 percent.

During 2011 total liabilities decreased \$1.4 million (4.8 percent) including a decrease in long-term debt of \$1.9 million (9.2 percent) due to the annual payments for existing debt and refinancing of other long-term debt. Although there was a decrease in total liabilities, accounts payable and accrued liabilities increased \$588 thousand (10.9 percent).

General revenues increased \$4.5 million, or 13.1 percent, during 2011. Property tax revenues increased a mere \$76 thousand (0.4 percent) while sales and use tax related revenues increased \$2.9 million (24.1 percent). Expenditures for governmental activities increased \$5.0 million (10.0 percent). The following table illustrates the changes in expenditures for governmental activities:

Function of Government		2010	2011	Percent Change
General government	\$	12,294,041	13,129,675	6.8%
Public safety		14,396,026	14,295,185	-0.7%
Highways & public improvements		11,471,189	14,143,191	23.3%
Culture and recreation		5,607,854	4,771,778	-14.9%
Conservation & economic develop		3,650,650	6,110,215	67.3%
Public health		4,881,912	5,067,813	3.8%

Interest expenses on long-term debt decreased \$173 thousand or 19.2 percent.

The portion of net assets which represents the amount the County can use to meet on-going financial obligations is the unrestricted net assets. Unrestricted net assets for December 31, 2011, were \$16.6 million, an increase of \$338 thousand (2.1 percent) from the prior year.

Fund Level

Unassigned fund balance as reported in the fund level statements represents the amount available for appropriation and spending. Unassigned fund balance for government funds is a new designation required by GASB 54. The amount of unassigned fund balance for all government funds as of December 31, 2011, was \$1.1 million, an increase of \$553 thousand. At year end, unassigned fund balance for the general fund was \$1.9 million, an increase of \$507 thousand (35.5 percent).

Assigned fund balances, another new designation as a result of GASB 54, represent amounts constrained by the government's intent to be used for a specific purpose. Of the \$13.2 million assigned fund balance, \$7.2 million is assigned in the municipal services and service area funds. An additional \$2.4 million is assigned in the assessing and collecting fund (a *nonmajor* fund).

Other changes in fund balances include:

- Total fund balances for governmental funds decreased \$1.6, or 4.0 percent.
- Restricted fund balances increased \$588 thousand, or 2.4 percent.
 - This increase is due primarily to unspent bond proceeds reserved for capital improvements in the transient room tax fund to be utilized in the next year (2012).
- Service areas total assets decreased \$735 thousand, or 16.4 percent.
 - The decrease in service area assets is due primarily to an annual budgeted transfer of \$2.0 million from Service Area #1 to the municipal services fund for capital road projects.

The following table provides an analysis of the County's current assets as compared to current liabilities (government-wide statements) for the period 2005 to 2011.

QUICK RATIO ANALYSIS FROM 2005 - 2010

Year	Current Assets	Current Liabilities	Quick Ratio
2005	52,873,724	8,475,566	6.2
2006	60,489,301	7,271,230	8.3
2007	65,500,460	8,536,961	7.7
2008	52,120,245	9,887,711	5.3
2009	52,402,048	9,143,017	5.7
2010	49,244,755	10,857,610	4.5
2011	51,579,279	11,223,301	4.6

The quick ratio measures an entity's ability to address short-term obligations. A high ratio indicates that the entity is better suited to meet those short-term needs.

Quick ratio analysis of governmental funds between 2005 and 2011 shows that current assets have decreased \$1.2 million (2.4 percent), affecting the County's ability to cover short-term obligations. The County's quick ratio decreased 25.8 percent partly due to current liabilities increasing \$2.7 million (32.4 percent). A large portion of current liabilities (52.9 percent) is made up of accounts payable and accrued liabilities. The current portion of long-term debt is \$2.1 million (18.7 percent of current liabilities) is included in the quick ratio calculation.

The governmental funds balance sheet indicates a \$2.1 million interfund loan between municipal services fund and the open space fund. The interfund loan was created in 2008 in order to acquire certain open space properties. The interfund loan is collateralized by County-owned development rights of which the proceeds of sale are dedicated solely to the acquisition of open space property.

Long-term Debt

The County's long-term debt decreased \$1.4 million to \$19.2 million. This was due primarily to the retirement of bond principal. During 2011 the County refinanced excise tax bond funds in the amount of \$2.3 million and issued new debt of \$1.3 million backed by transient room tax revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this report includes four parts: 1) the independent auditors' report; 2) management's discussion and analysis (this section); 3) the basic financial statements; 4) and notes to the financial statements. Within the basic financial statements there are two distinct types of financial statements: 1) the government-wide financial statements, and 2) the fund financial statements. The notes to the financial statements are also an integral part of the basic financial statements.

Following the notes to the financial statements, the supplementary information contains certain information about the County and additional fund data, such as combining schedules and individual

fund budget-to-actual comparisons. In accordance with the requirements of the State of Utah, this section also includes information about property tax collections.

Government-wide Financial Statements: The government-wide statements provide a view of County finances as a whole, similar to a private-sector company. They consist of the Statement of Net Assets and the Statement of Activities. These statements provide a broad overview with a long-term focus of the County's finances as a whole and are prepared using the full-accrual basis of accounting. This means that all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported.

Statement of Net Assets shows the County's assets and liabilities and the resulting difference between the assets and liabilities (*net assets*). The net assets and the related change in net assets from year to year is probably the most important financial measurement to enable understanding the financial position of the County and whether the financial position improves or deteriorates from year to year. To better evaluate the County's overall economic condition, the reader needs to consider other important factors including: the economic outlook, the stability of and control over revenue sources, and the condition and maintenance of the County's capital assets.

Statement of Activities shows how the County's net assets changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net assets are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, tax revenues are reported when the taxes are legally due (November 30 of each year), even though they may not be collected for some time after that date; and an obligation to pay a supplier is reported as an expense when the goods or services are received, even though the bill may not be paid until some time later.

There are two distinct types of activities reflected in the government-wide statements. *Governmental Activities* are supported primarily by taxes and intergovernmental revenues. *Business-type Activities* are activities where all costs, or at least a significant portion of costs, are intended to be recovered through user fees and charges.

As reported by the County, *governmental activities* are comprised of the following categories which include distinct County functions and departments:

- **General government** – all elected offices with the exception of the Sheriff; County Manager and administration; facility maintenance; and community development, planning and building inspection.
- **Public safety** – Sheriff; ambulance districts; search and rescue; communications and E911 services; court security; corrections; and animal control.
- **Highways and public improvements** – public works administration and operations; waste disposal and recycling; weed control; and road maintenance.
- **Culture and recreation** – library; historical society; county fair; television; fair grounds maintenance; and youth recreation programs.
- **Conservation and economic development** – Utah State University extension services.
- **Public health** – general public health and health administration; environmental health; and bio terrorism.

Business-type activities include the County transit district.

Fund financial statements: As is common for government entities, the County uses *funds* to account for separate activities and to help demonstrate compliance with financially related legal requirements, such as budgetary compliance. A fund is a set of closely related accounts used to maintain control over financial resources which have been segregated for specific activities or purposes. All funds are categorized as governmental, proprietary, or fiduciary funds.

Governmental funds – most of the County's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the modified accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the County's financial position helps determine whether the County has sufficient resources to cover expenditures for its basic services in the near future.

The *general fund* is the primary operating governmental fund of the County. The County utilizes twenty other governmental funds which are included in this report. Six of the twenty governmental funds are considered major funds: municipal services, service areas, transient room tax, restaurant tax, arts and recreation tax, and tax stability. A summary of the other funds is combined in one column titled "Other Governmental Funds." A description of these nonmajor governmental funds can be found beginning on page 99. The composition of the nonmajor governmental funds is shown in combining statements later in the report under the supplementary information section (page 101).

The County is required to adopt an annual budget showing appropriations for all governmental funds. To demonstrate legal compliance, statements comparing budget-to-actual numbers for the general fund and major special revenue funds are included in the basic financial statements. Budget-to-actual schedules for major permanent and capital projects funds and nonmajor governmental funds are included in the supplementary information (page 101).

Proprietary funds – include essentially the same functions and services as listed above under *business-type activities* shown in the government-wide statements. However, the proprietary fund statements include more detailed information. Proprietary funds are categorized as either *enterprise or internal service*.

Enterprise funds are used to report business-type activities, just as is done at the government-wide level. The County reports the Transit District as an enterprise fund.

Internal service funds are used to accumulate and allocate costs internally between those County functions which utilize their services. The County reports two internal service funds in 2011: fleet leasing (to account for fleet management and other large capital purchases) and the insurance fund. Because these internal service activities benefit primarily governmental functions, rather than business-type functions, they have been included with *governmental activities* in the government-wide statements.

Fiduciary funds – are those used to account for resources which, although held by the County, are for the benefit of other entities. Since these are resources which cannot be used for County programs, they are not included in the government-wide statements. In general, the accounting approach for fiduciary funds is similar to that used for proprietary funds. The County reports one fiduciary (agency) fund (page 64).

Reconciliation Between Government-wide and Fund Statements

The financial statements include schedules on pages 42 and 46 that reconcile the amounts reported for governmental activities on the government-wide statements with amounts reported on the governmental fund statements. Following are some of the major differences between the two statements:

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

- Long-term debt (e.g. bonds, leases) provide current financial resources to the County. The non-current portion of long-term debt is not reported in the governmental fund statements.

Notes to the Financial Statements

The notes, beginning on page 66, provide additional schedules and information that are essential to a complete understanding of the financial statements. The notes apply to both the government-wide financial statements and the fund financial statements.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Assets

As stated earlier, an analysis of net assets and the related change in net assets, is probably the most important financial measurement to assist with understanding the financial position of the County and whether the County's financial position improves or deteriorates each year. The following table presents summary information comparing the current year to the prior year from the Statement of Net Assets (page 36) in the basic financial statements.

**Summit County
Summary Statement of Net Assets**

	Governmental Activities		Business-Type Activities		Total		Change 2011 - 2010
	2011	2010	2011	2010	2011	2010	
Current and Other Assets	\$ 49,876,366	\$ 49,797,249	\$ 1,951,282	\$ 1,581,283	\$ 51,827,648	\$ 51,378,532	\$ 449,116
Capital Assets	89,755,784	91,365,843	125,182	94,250	89,880,966	91,460,093	(1,579,127)
Total Assets	139,632,150	141,163,092	2,076,464	1,675,533	141,708,614	142,838,625	(1,130,011)
Current and Other Liabilities	10,905,736	10,857,610	317,565	185,188	11,223,301	11,042,798	180,503
Long-term Liabilities	17,394,042	19,032,623	-	-	17,394,042	19,032,623	(1,638,581)
Total Liabilities	28,299,778	29,890,233	317,565	185,188	28,617,343	30,075,421	(1,458,078)
Net Assets:							
Invested in Capital Assets,							
Net of Related Debt	70,334,552	69,961,292	125,182	94,250	70,459,734	70,055,542	404,192
Restricted	25,984,863	24,860,463	-	-	25,984,863	24,860,463	1,124,400
Unrestricted	15,012,957	16,451,104	1,633,717	1,396,095	16,646,674	17,847,199	(1,200,525)
Total Net Assets	\$ 111,332,372	\$ 111,272,859	\$ 1,758,899	\$ 1,490,345	\$ 113,091,271	\$ 112,763,204	\$ 328,067

Percent Change in Net Assets
from Prior Year

0.1% 0.3% 18.0% 25.2% 0.3% 0.0%

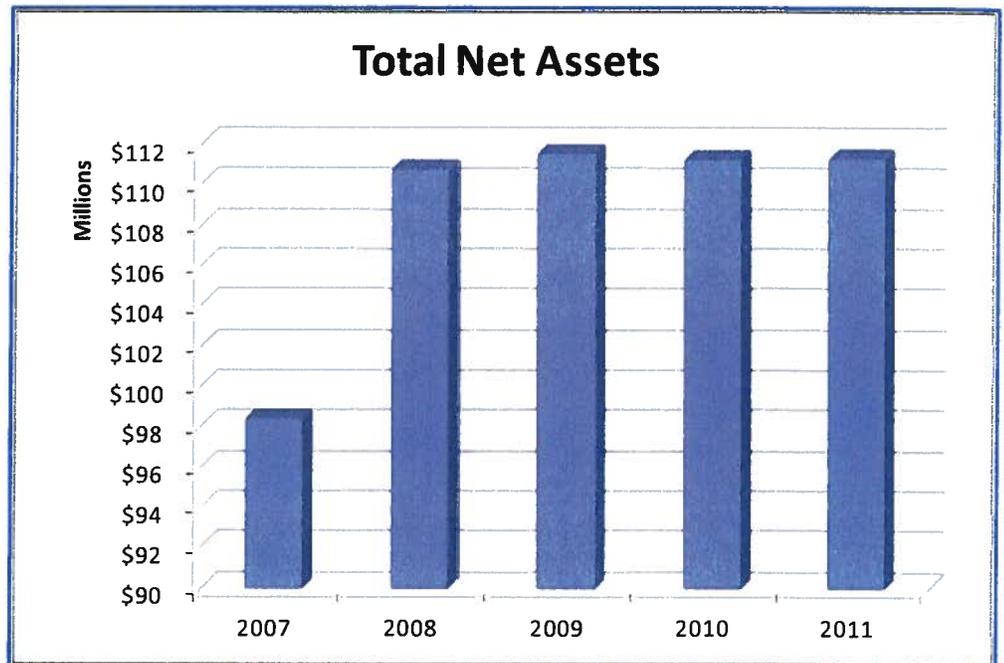
A large component of the County's total net assets, 62.3 percent, reflects investments in capital assets (land, buildings, equipment, roads, and other infrastructure) less outstanding debt that was issued to acquire or construct those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay liabilities. Resources needed to repay capital-related debt must be provided from other sources. Restricted net assets, including capital assets, comprise 85.2 percent of total net assets and are subject to external restrictions on how they may be

used. The remaining 14.8 percent, \$16.6 million, of net assets is unrestricted and may be used at the County's discretion to meet its ongoing obligations to citizens and creditors.

Changes in Net Assets

Total net assets increased during 2011 by \$3.1 million, or 2.9 percent from the prior year. The increase was due partially to the increase in current assets of \$2.3 million or 4.7 percent. The largest component of current assets contributed to the increase in total net assets is restricted cash with an increase of \$3.2 million (15.2 percent).

Long-term liabilities decreased \$1.6 million, or 8.6 percent, while current liabilities remained relatively stable at \$11.2 million. A significant portion of current liabilities (\$5.9 million or 52.9 percent) is made up of accrued liabilities and accounts payable. Accrued liabilities and accounts payable increased \$588 thousand (10.9 percent) from 2010. The current portion of bonds payable decreased \$506 thousand (19.3



percent) as a result of escalating principal payments on bonds outstanding and refinancing of excise tax revenue bonds.

Net assets for business-type activities increased \$268 thousand, or 18.6 percent, between 2010 and 2011. Cash and cash equivalents for business-type activities increased \$348 thousand, or 107.5 percent and accounts receivable increased \$22 thousand, or 1.7%. Offsetting some of the increases in total assets were increases in total liabilities. Total liabilities for business-type activities increased \$132 thousand, or 71.4 percent, entirely due to an increase in accounts payable and accrued liabilities.

As taken from the statement of activities in the basic financial statements, the following table depicts the changes in net assets for 2011, with a comparison for the prior year.

SUMMIT COUNTY, UTAH

Management's Discussion & Analysis

Year Ended December 31, 2011

SUMMIT COUNTY Changes in Net Assets Summary

Years Ended December 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
General Revenues:						
Property Taxes	21,379,536	21,302,914	-	-	21,379,536	21,302,914
Sales and Other Taxes	15,143,030	12,194,355	1,303,370	1,210,607	16,446,400	13,404,962
Impact Fees	208,541	244,047	-	-	208,541	244,047
Net Interest Earnings	282,288	438,256	2,790	1,400	285,078	439,656
Miscellaneous	2,312,698	855,729	-	-	2,312,698	855,729
Program Revenues:						
Charges for Services	7,426,997	6,154,061	425,667	395,989	7,852,664	6,550,050
Operating Grants & Contributions	11,167,070	8,795,740	522,663	512,625	11,689,733	9,308,365
Capital Grants & Contributions	386,003	420,369	-	-	386,003	420,369
Total Revenues	58,306,163	50,405,471	2,254,490	2,120,621	60,560,653	52,526,092
Expenses						
General Government	13,129,675	12,294,041	-	-	13,129,675	12,294,041
Public Safety	14,295,185	14,396,026	-	-	14,295,185	14,396,026
Public Health	5,067,813	4,881,912	-	-	5,067,813	4,881,912
Highways and Public Improvements	14,143,191	11,471,189	-	-	14,143,191	11,471,189
Culture and Recreation	4,771,778	5,607,854	-	-	4,771,778	5,607,854
Conservation and Economic Development	6,110,215	3,650,650	-	-	6,110,215	3,650,650
Business-type Activities	-	-	1,985,936	2,012,320	1,985,936	2,012,320
Interest on Long-term Debt	728,793	902,381	-	-	728,793	902,381
Total Expenses	58,246,650	53,204,053	1,985,936	2,012,320	60,232,586	55,216,373
Change in Net Assets	59,513	(2,798,582)	268,554	108,301	328,067	(2,690,281)
Net Assets - Beginning adjusted	111,272,859	114,071,441	1,490,345	1,382,044	112,763,204	115,453,485
Net Assets - Ending	<u>111,332,372</u>	<u>111,272,859</u>	<u>1,758,899</u>	<u>1,490,345</u>	<u>113,091,271</u>	<u>112,763,204</u>

Net assets from governmental activities increased during 2011 by \$59 thousand. The County's revenues increased \$7.9 million (15.6 percent) and expenditures increased \$5.0 million (9.4 percent). Revenues from sales and other taxes increased \$2.9 million (24.1 percent) due to improvements in the local economy and the miscellaneous revenues increased \$1.4 million (170.2 percent) due to extraordinary revenue received from a lawsuit. The total amount received by the County from the lawsuit was \$1.6 million. Revenues from operating grants and contributions increased \$2.3 million (26.9 percent) due primarily to federal grants received to improve riverbanks in the County to help mitigate future flood damage.

Corresponding to the increase in operating grants and contributions revenues is an increase in expenditures in highways and public improvements (\$2.6 million, 23.2 percent). Expenditures in conservation and economic development increased \$2.4 million, 67.3 percent. A significant portion of that increase (\$967 thousand) was due to increased expenditures in the transient room tax fund. The County has contracted with Park City Chamber Bureau to provide the Chamber Bureau with 90 percent

of transient room tax revenues in exchange for tourist promotion within the County. Transient room tax revenues increased \$1.0 million, or 24.2 percent.

Changes in revenues

Total revenues increased \$7.9 million, or 16.3 percent. In 2011, property tax revenues remained stable at \$21.3 million. Property tax revenues account for 36.6 percent of total revenues for governmental activities in 2011 compared with 42.4 percent of total revenues for governmental activities in 2010. The County did not increase tax rates during 2011.

Three main factors contributed to this shift in revenue sources, the reasons for which have been previously covered:

1. Increased revenues from sales and use taxes – \$2.9 million, or 24.1 percent.
2. Increased miscellaneous revenues - \$1.4 million, or 170 percent.
3. Increased revenues from operating grants and contributions - \$2.3 million, or 26.9 percent.

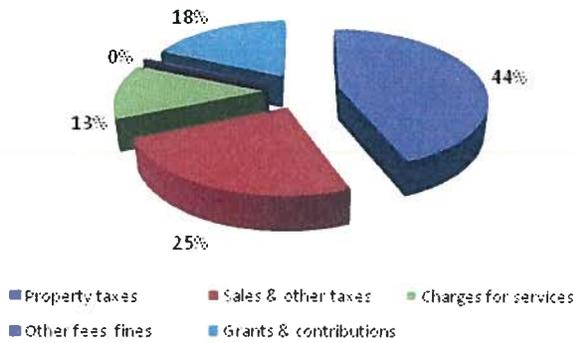
Changes in expenses

Total expenses for governmental activities increased \$5.0 million, or 9.4 percent. The increase can be attributed to increased spending in the general government, highways and public improvements, and conservation and economic development County functions. Most notable of the increases are:

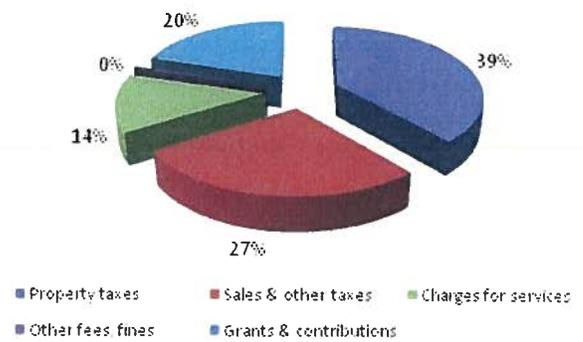
- General government expenditures increased \$835 thousand, or 6.8 percent.
- Highways and public improvement expenditures increased \$2.6 million, or 23.3 percent.
- Culture and recreation expenditures increased \$2.4 million, or 67.4 percent.

The following charts compare 2011 revenues, by source, and expenditures, by government function, with those of 2010.

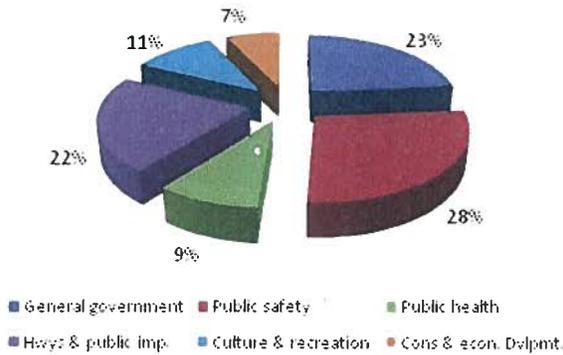
2010 Revenues



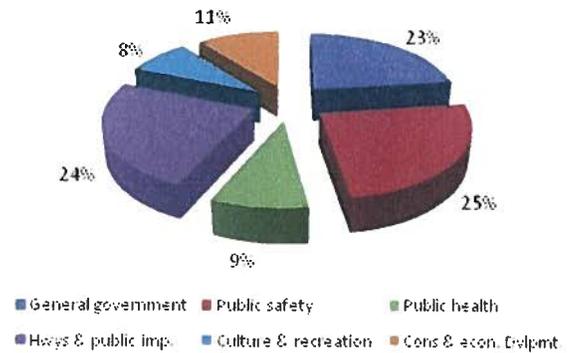
2011 Revenues



2010 Expenses



2011 Expenses



As shown in the *statement of activities*, a certain portion of the cost of governmental activities, identified as charges for services, was paid by those who use those services and therefore directly benefit from them. Charges for services for 2011 were \$7.4 million, an increase of \$1.2 million, or 20.6 percent. The net cost of governmental activities, after considering all program revenues which offset that cost, was \$39.2 million. This is commonly referred to as County-funding. For 2011, County-funding was 32.5 percent of total government activities expenses. Net costs are covered by tax revenues and other, less significant revenue sources. In 2010, County-funding was 28.8 percent.

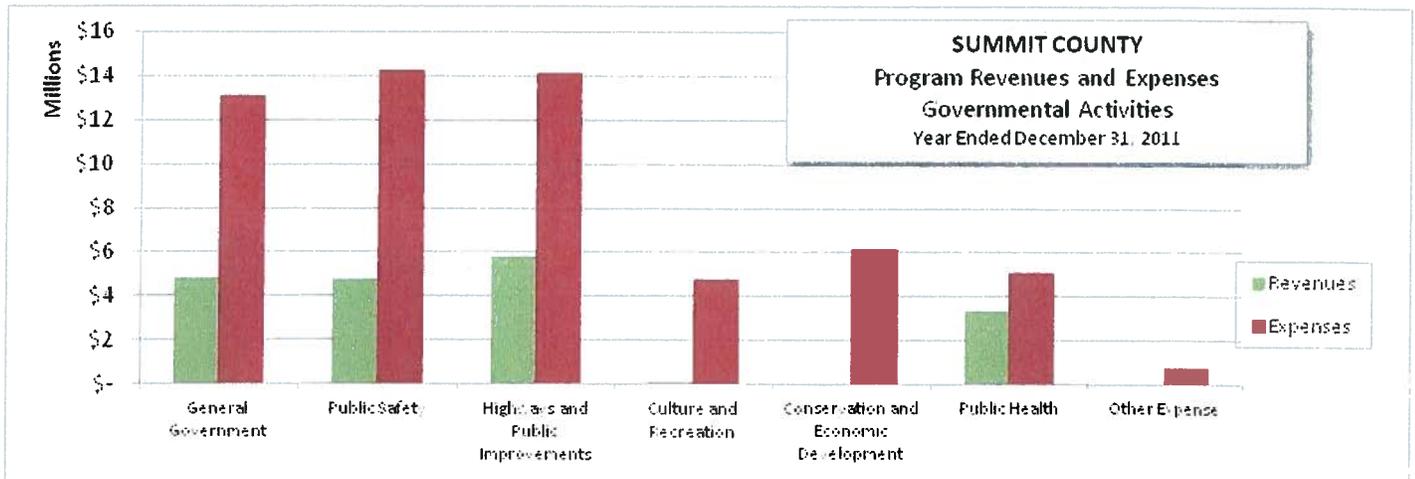
The following table and chart depict the comparisons of program revenues as compared to program expenses.

SUMMIT COUNTY, UTAH

Management's Discussion & Analysis

Year Ended December 31, 2011

Function/Program <u>Primary Government</u>	Program <u>Revenues</u>	Program <u>Expenses</u>	County-Funded <u>Percentage</u>
General Government	\$ 4,827,049	\$ 13,129,675	63.2%
Public Safety	4,772,856	14,295,185	66.6%
Highways and Public Improvements	5,832,727	14,143,191	58.8%
Culture and Recreation	121,780	4,771,778	97.4%
Conservation and Economic Development	70,311	6,110,215	98.8%
Public Health	3,355,347	5,067,813	33.8%
Other Expense	-	728,793	100.0%



FINANCIAL ANALYSIS OF FUND FINANCIAL STATEMENTS

As noted previously, the County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act for Counties as required by Utah State Code, Title 17 Chapter 36.

The focus of the County's governmental funds is to provide information on short-term inflows, outflows and balances of resources available for future use. This information is useful in assessing the County's financing requirements. Most notably, assigned and unassigned fund balances are the most useful measures of the County's net resources available for spending at the end of the fiscal year.

Governmental Funds

As of December 31, 2011, fund balances of all governmental funds were \$39.8 million, \$1.6 million (4.0 percent) lower than the prior year. \$14.3 million, 36.1 percent, of the County's \$39.8 million total fund balances is reported as assigned or unassigned. In 2010, the County reported \$17.1 million, or 41.4 percent, as assigned or unassigned fund balances.

The change in total fund balances is due primarily to the County utilizing reserves in the municipal services fund and the extraordinary revenue from the lawsuit settlement. Of the \$1.6 million received as extraordinary revenue, \$1.0 million was paid to a private water company to settle a separate lawsuit. The remaining \$600 thousand was used to pay legal fees associated with the private water company

lawsuit (\$400 thousand) and fund a new health insurance program for county employees that will begin in 2012 (\$200 thousand).

Fund balances in the County's general fund unassigned fund balance increased \$507 thousand, or 35.5 percent. This increase was due to an increase of \$3.6 million of general fund revenues despite a \$3.0 million increase in general fund expenditures. Utah State Code, Title 17 Chapter 36 requires a minimum fund balance of 5% of the general fund revenues not restricted for other purposes to be maintained and not budgeted. As of December 31, 2011, the County's unrestricted fund balance was 7.45 percent and therefore met the minimum compliance amounts.

Changes in the municipal services fund were due primarily to the County opting to utilize municipal services fund balances to finance road construction and maintenance projects during 2011 as opposed to increasing property taxes. The County has utilized fund balances in the municipal services fund for four straight years. It is anticipated that in 2012 the County will need to increase property tax revenues in the municipal services fund in order to fund operations and maintenance costs.

\$25.4 million in fund balances is restricted for specific purposes and therefore cannot be used for general spending. The largest portion of reserved fund balances is in the tax stability fund (\$10.1 million, 40.0 percent of restricted fund balances). This fund was established as the County's "rainy day" fund, the principal portion of which is unavailable for future spending without a vote of the electorate. Current year interest earnings are available for appropriations at the County's discretion. If the County does not designate interest earnings for the current year, that amount becomes part of the principal portion and is no longer available for appropriations without the consent of the electorate. In 2011, the County received \$34 thousand in interest earnings in the tax stability fund.

Proprietary Funds

Unrestricted net assets of the County's **enterprise fund** (transit district) totaled \$1.6 million. This increase of \$459 thousand was due primarily to increased sales and use tax revenues. The transit district reported \$1.2 million, an increase of \$243 thousand or 23.4 percent, in accounts receivable at year end 2011.

Unrestricted net assets of the County's **internal service funds** (fleet leasing and insurance fund) were \$3.0 million. Capital assets, net of accumulated depreciation, were \$6.4 million. The amount invested in capital assets decreased \$413 thousand, or 6.0 percent, compared with prior year.

General Fund Budgetary Highlights

Actual total revenues of \$26.1 million (on a budgetary basis) were \$360 thousand below the final budgeted revenues. Revenues from taxes were \$680 thousand, or 4.3 percent, below budgeted amounts. Property tax revenues were \$581 thousand below projected revenues of \$13.1 million. General sales and use taxes were \$99 thousand below projected revenues of \$2.4 million.

The 2011 final adopted budget for general fund expenditures was \$26.1 million – an increase of \$1.5 million, or 6.4 percent, over adopted general fund expenditures for 2010. The increase is due primarily to an increase in expenditures for roads in the amount of \$2.6 million (346 percent) 2011. The following table shows actual expenditures in the general fund for 2011 with comparisons to final budget.

SUMMIT COUNTY EXPENSES BY GOVERNMENT FUNCTION

2011 Actual General Fund Expenditures with Comparison to Final Budget

Function	Final Budget	Actual	Variance
General Government	3,533,767	3,093,392	440,375
Public Safety	8,341,783	8,475,758	(133,975)
Public Health	4,321,838	4,856,789	(534,951)
Highways and Public Improvements	8,025,456	8,035,568	(10,112)
Culture and Recreation	1,849,467	1,780,779	68,688
Conservation and Economic Development	102,650	96,308	6,342
Total General Fund	26,174,961	26,338,594	(163,633)

Actual expenditures for the public safety function exceeded the approved budget by \$133 thousand. The corrections department within the public safety function exceeded approved budget by \$334 thousand. This was a result of salaries and benefits being \$335 thousand higher than budgeted.

Expenditures in the public health function of government exceeded budgets by \$534 thousand. This occurred partially due to prior year amounts being paid to Valley Mental Health in the prevention center department. Prevention center budget was \$129 thousand in excess of budgeted amounts. This program is tied to State funding and budgets and therefore final contract amounts are not received from the State of Utah until late in the year. This makes it difficult for the County to properly amend the budget to accommodate for program changes, positive or negative. Because the majority of this department’s expense is funded by pass-through grants received from the State, there is a lesser impact on County resources.

Another component causing the public health function budget overrun was the County charging the public health function for a lease payment of \$271 thousand to help make the annual debt service payment for the two-year old Quinn’s Health Service building. This annual lease payment was not in the 2011 budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County’s investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities as of December 31, 2011, totaled \$89.8 million – an decrease of 1.7 percent. This investment includes land, buildings, improvements, machinery and equipment, and infrastructure. The decrease in capital assets occurred primarily due to depreciation. The following table illustrates changes in capital assets, net of depreciation, by category, comparing current fiscal year end with prior year end.

SUMMIT COUNTY

Capital Assets (net of depreciation) for December 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 24,320,711	\$ 24,320,711	-	-	24,320,711	24,320,711
Construction in Process	-	-	-	-	-	-
Buildings	21,729,495	21,331,398	-	-	21,729,495	21,331,398
Improvements	288,000	310,871	125,182	94,250	413,182	405,121
Machinery and Equipment	7,141,434	7,705,705	-	-	7,141,434	7,705,705
Infrastructure	36,276,144	37,697,158	-	-	36,276,144	37,697,158
Total	89,755,784	91,365,843	125,182	94,250	89,880,966	91,460,093
Percent change from prior year	-1.8%	-1.1%	32.8%	-12.6%	-1.7%	-1.1%

Additional information on the County’s capital assets can be found in Note 4 on page 80 of this report.

Long-term Debt

As of December 31, 2011, the County had the following long-term debt outstanding:

SUMMIT COUNTY			
Long-Term Debt			
Year Ended December 31, 2011 and 2010			
	<u>Governmental Activities</u>		<u>Change</u>
	<u>2011</u>	<u>2010</u>	<u>2011 - 2010</u>
General Obligation Bond, net of			
Premiums/Discounts	\$ 2,550,000	\$ 3,135,000	(585,000)
Revenue Bonds	16,612,000	17,763,000	(1,151,000)
Assessment Bonds	34,000	239,000	(205,000)
Landfill Closure Costs	540,408	540,408	-
Compensated Absences	<u>2,044,994</u>	<u>1,797,754</u>	<u>247,240</u>
Total Long-Term Debt	21,781,402	23,475,162	(1,693,760)
Less Current Portion	<u>(4,072,184)</u>	<u>(4,169,682)</u>	<u>97,498</u>
Total Non-Current Portion	<u>\$ 17,709,218</u>	<u>\$ 19,305,480</u>	<u>(1,596,262)</u>

Total bonded debt outstanding December 31, 2011 was \$19.9 million, \$1.1 million lower, 5.4 percent, than prior year. This is due to the reduction in principal balances from required debt service payments.

General obligation indebtedness is limited by Utah law to 2% of the "reasonable fair cash value" of the taxable property in the County. Fair value of taxable property in the County as of December 31, 2011, was \$12.0 billion, the resulting debt limit being \$241.4 million. At year end, the County had \$2.5 million outstanding principal balance of general obligation debt, which means that the County had an additional general obligation debt incurring capacity in excess of \$238.3 million. The County's outstanding general obligation debt at December 31, 2011, was at 1.3 percent of the debt limit allowed by law.

Other long-term debt outstanding at December 31, 2011, is comprised of revenue and assessment bonds. The total of revenue and assessment bonds is \$16.6 million. Of the \$16.6 million in revenue bonds, \$4.4 million was issued by the Summit County Municipal Building Authority (SCMBA), a separate legal entity for which the County is financially accountable. This debt was issued to finance the construction and acquisition of assets which include remodeling costs of the courthouse, the courts section of the justice center, and the Sheldon Richins County Services Building.

A total of \$12.1 million in sales tax revenue bonds is outstanding as of December 31, 2011. This debt is backed by County sales and use tax revenues and excise tax revenues.

Assessment bonds outstanding were \$34 thousand. These special assessments are levied on those citizens benefiting from the improvements done in those areas. At year end 2011 assessments were levied in Park Ridge Estates.

Additional information related to long-term debt can be found in Note 4 on page 84 of this report.

OTHER MATTERS

The County's future financial position may be impacted by the following:

The Utah State Legislature, in its infinite wisdom, for tax year 2010, changed the way property tax rates were calculated. The Legislature had the idea that taxing entities were getting a windfall when they collected delinquent property taxes. The process was changed for 2010 to make a five year average of delinquent property tax collections part of the formula. They then had to give taxing entities a one year hold harmless, thus allowing entities to raise property tax rates above the certified rate without going through truth-in-taxation.

In 2009 the County's form of government changed from a three-member commission to a five-member council with an appointed county manager. During 2009 the personnel director acted as interim county manager while the County conducted a search for a permanent replacement. The first appointed county manager, Robert Jasper, was appointed January 2010. During fiscal year 2011, expenditures for council, administrative services and sustainability, those departments directly impacted by the change in county government, increased \$163 thousand or 30.8 percent compared to 2008. The following table illustrates the fiscal impact due to the change in government format:

Department	2008	2009	2010	2011	% Change
Commission/Council	256,385	277,759	385,613	194,644	-24.0
Administration	272,822	316,258	549,194	418,841	53.5
Sustainability	-	-	-	78,847	
Sub-total	529,207	594,017	934,807	692,332	30.8
Misc, Grants & Contingencies	490,980	507,690	894,330	770,766	56.9
Total	1,020,187	1,101,707	1,829,137	1,463,098	43.4

At the end of 2011 the County opted to partially self-fund its health insurance program for employees. This program takes effect January 1, 2012, and includes three service districts within the County: Mountain Regional Water Special Service District, Snyderville Basin Recreation District (both component units of the County) and Park City Fire District. While the net effect of

this program is unknown, the County has attempted to limit its exposure by reinsuring at \$500 thousand. In order to help fund the onset of this program, the County has reserved \$200 thousand that it received as part of a lawsuit settlement.

In May of 2012 the County purchased open space of 258 acres at the cost of \$7.4 million. To help fund the acquisition of this open space, the County received the assistance of \$6.0 million from Snyderville Basin Recreation District, a component unit of the County. Snyderville Basin Recreation District will retain ownership of 81 percent of the property in return for their contribution. The \$1.4 million balance is payable to the seller within one year of the purchase date and is pledged by Snyderville Basin Recreation District, but payable by Summit County. It is the intention of the County to raise funds to pay the \$1.4 million balance owed.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information in this report or any other matters related to the County's finances should be addressed to the Summit County Auditor, Blake Frazier, at the following:

Summit County Auditor's Office
60 North Main
PO Box 128
Coalville, UT 84017
(435) 336-3254
bfrazier@summitcounty.org

BASIC FINANCIAL STATEMENTS

Summit County, Utah

Statement of Net Assets

December 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Mountain Regional Water SSD	Snyderville Basin SRD
Assets					
Cash and cash equivalents	\$ 16,545,291	671,769	17,217,060	395,608	4,521,773
Restricted cash	24,299,244	-	24,299,244	6,003,632	20,405,180
Investment - note receivable	500,000	-	500,000	-	-
Accounts receivable - net	8,247,615	1,279,513	9,527,128	417,442	1,501,330
Due from other governments	-	-	-	-	-
Prepaid expenses	35,847	-	35,847	869,764	-
Inventory	-	-	-	74,253	-
Other assets	-	-	-	114,088	2,479
Deferred issuance costs	248,369	-	248,369	979,396	-
Capital assets (net of accumulated depreciation)					
Land and water rights	24,320,711	-	24,320,711	19,591,043	10,106,620
Construction-in-process	-	-	-	40,981	-
Buildings	21,729,495	-	21,729,495	57,942,449	14,463,822
Improvements	288,000	125,182	413,182	-	-
Machinery and equipment	7,141,434	-	7,141,434	-	-
Infrastructure	36,276,144	-	36,276,144	-	-
Total assets	139,632,150	2,076,464	141,708,614	86,428,656	51,001,204
Liabilities					
Accounts payable and accrued liabilities	5,628,182	317,565	5,945,747	708,434	166,617
Due to other governments	-	-	-	98,803	-
Accrued landfill closure costs	540,408	-	540,408	-	-
Unearned revenue	664,962	-	664,962	-	656,801
Compensated absences - current	1,968,184	-	1,968,184	-	-
Long-term debt - current	2,104,000	-	2,104,000	222,783	1,430,000
Accrued liability - developer - current	-	-	-	50,000	-
Long-term debt - noncurrent	17,317,232	-	17,317,232	44,699,713	38,038,922
Accrued liability - developer - noncurrent	-	-	-	1,504,255	-
Compensated absences - noncurrent	76,810	-	76,810	-	42,958
Total liabilities	\$ 28,299,778	317,565	28,617,343	47,283,988	40,335,298

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

Summit County, Utah

Statement of Net Assets

December 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Mountain Regional Water SSD	Snyderville Basin SRD
Net Assets					
Invested in capital assets, net of related debt	\$ 70,334,552	125,182	70,459,734	33,631,372	(14,898,480)
Restricted for					
Debt	608,201	-	608,201	-	1,809,576
Class B roads	981,019	-	981,019	-	-
Capital improvements	1,235,500	-	1,235,500	-	18,912,086
Transient room	5,631,471	-	5,631,471	-	-
Restaurant tax	3,926,028	-	3,926,028	-	-
Arts and recreation	1,427,701	-	1,427,701	-	-
Tax stability	10,192,354	-	10,192,354	-	-
Landfill closure	540,408	-	540,408	-	-
Health services	1,034,228	-	1,034,228	-	-
Other	407,953	-	407,953	5,037,696	-
Unrestricted	15,012,957	1,633,717	16,646,674	475,600	4,842,724
Total net assets	\$111,332,372	1,758,899	113,091,271	39,144,668	10,665,906

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

Summit County, Utah
Statement of Activities
For the Year Ended December 31, 2011

Function/Programs	Program Revenues				Net (Expense) Revenues & Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Business-type Activities	Mountain Regional Water SSD	Snyderville Basin SRD	
Primary government									
Governmental activities									
General government	\$ 13,129,675	3,307,100	1,519,949	-	(8,302,626)	-	-	-	-
Public safety	14,295,185	3,363,651	1,409,205	-	(9,522,329)	-	-	-	-
Highways and public improvements	14,143,191	242,451	5,204,273	386,003	(8,310,464)	-	-	-	-
Culture and recreation	4,771,778	95,429	26,351	-	(4,649,998)	-	-	-	-
Conservation and economic development	6,110,215	70,311	-	-	(6,039,904)	-	-	-	-
Public health	5,067,813	348,055	3,007,292	-	(1,712,466)	-	-	-	-
Interest on long-term debt	728,793	-	-	-	(728,793)	-	-	-	-
Total governmental activities	58,246,650	7,426,997	11,167,070	386,003	(39,266,580)	-	-	-	-
Business-type activities									
Transit District	1,985,936	425,667	522,663	-	-	(1,037,606)	-	-	-
Total business-type activities	1,985,936	425,667	522,663	-	-	(1,037,606)	-	-	-
Total primary government	\$ 60,232,586	7,852,664	11,689,733	386,003	(39,266,580)	-	-	-	-
Component units									
Mountain Regional Water SSD	\$ 5,072,938	5,950,435	11,667	2,075,743	-	-	2,964,907	-	-
Snyderville Basin SRD	7,172,233	1,002,761	35,000	1,057,929	-	-	-	(5,076,543)	-
Total component units	\$ 12,245,171	6,953,196	46,667	3,133,672	-	-	2,964,907	(5,076,543)	-
General revenues									
Property taxes					21,379,536	-	-	-	6,698,114
General sales and use tax					6,913,713	1,303,370	-	-	-
Transient room tax					5,157,082	-	-	-	-
Arts and recreation tax					1,199,345	-	-	-	-
Restaurant tax					1,872,890	-	-	-	-
Impact fees					208,541	-	-	242,285	-
Miscellaneous					712,698	-	-	1,725	6,957
Net interest earnings (expense)					282,288	2,790	-	(1,835,902)	139,946
Special item					1,600,000	-	-	-	-
Sale of capital assets					-	-	-	3,398	75,000
Total general revenues					39,326,093	1,306,160	-	(1,588,494)	6,920,017
Change in net assets					59,513	268,554	-	1,376,413	1,843,474
Net assets - beginning, as adjusted					111,272,859	1,490,345	-	37,768,255	8,822,432
Net assets - ending					\$ 111,332,372	1,758,899	-	39,144,568	10,565,906

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

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Summit County, Utah Balance Sheet

Governmental Funds For the Year Ended December 31, 2011

	General Fund	Special Revenue Funds						Permanent Fund	Other Governmental Funds	Total Governmental Funds
		Municipal Services	Service Areas	Transient Room	Restaurant Tax	Arts & Recreation	Tax Stability			
Assets										
Cash and cash equivalents	\$ 2,313,021	453,371	2,941,088	-	-	-	-	7,790,007	13,497,487	
Restricted cash	407,953	2,216,519	-	5,177,830	4,275,859	1,814,162	9,692,354	714,567	24,299,244	
Investment - note receivable	-	-	-	-	-	-	500,000	-	500,000	
Receivables (net)										
Accounts	3,833,200	1,545,372	800,135	946,226	300,969	252,131	-	424,945	8,102,978	
Assessments	-	111,959	-	-	-	-	-	32,678	144,637	
Prepaid expenditures	35,847	-	-	-	-	-	-	-	35,847	
Interfund loan receivable	-	2,184,886	-	-	-	-	-	-	2,184,886	
Due from other funds	5,100	-	-	-	-	-	-	-	5,100	
Total assets	\$ 6,595,121	6,512,107	3,741,223	6,124,056	4,576,828	2,066,293	10,192,354	8,962,197	48,770,179	
Liabilities and Fund Balances										
Liabilities										
Accounts payable	\$ 1,734,090	326,038	117,772	492,585	650,800	638,592	-	295,847	4,255,724	
Accrued liabilities	1,150,249	179,116	12,767	-	-	-	-	-	1,342,132	
Interfund loan payable	-	-	-	-	-	-	-	2,184,886	2,184,886	
Unearned revenue	-	220	-	-	-	-	-	664,742	664,962	
Deferred revenue	332,621	111,959	-	-	-	-	-	32,678	477,258	
Due to other funds	-	-	-	-	-	-	-	5,100	5,100	
Total liabilities	\$ 3,216,960	617,333	130,539	492,585	650,800	638,592	-	3,183,253	8,930,062	

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

Summit County, Utah
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2011

	General Fund	Special Revenue Funds						Permanent Fund	Other Governmental Funds	Total Governmental Funds
		Municipal Services	Service Areas	Transient Room	Restaurant Tax	Arts & Recreation	Tax Stability			
Fund Balances										
Nonspendable	\$ 35,847	-	-	-	-	-	500,000	-	535,847	
Restricted for										
Debt	-	-	-	-	-	-	-	608,201	608,201	
Class B roads	-	981,019	-	-	-	-	-	-	981,019	
Transient room	-	-	5,631,471	-	-	-	-	-	5,631,471	
Arts and recreation	-	-	-	-	1,427,701	-	-	-	1,427,701	
Tax stability	-	-	-	-	-	9,692,354	-	-	9,692,354	
Restaurant tax	-	-	-	3,926,028	-	-	-	-	3,926,028	
Capital improvements	-	1,235,500	-	-	-	-	-	-	1,235,500	
Health services	998,381	-	-	-	-	-	-	-	998,381	
Self insurance	407,953	-	-	-	-	-	-	-	407,953	
Assigned, reported in										
Special Revenue Funds	-	3,678,255	3,610,684	-	-	-	-	4,927,174	12,216,113	
Debt Service Funds	-	-	-	-	-	-	-	909,945	909,945	
Capital Projects Funds	-	-	-	-	-	-	-	106,366	106,366	
Unassigned	1,935,980	-	-	-	-	-	-	(772,742)	1,163,238	
Total fund balances	3,378,161	5,894,774	3,610,684	5,631,471	3,926,028	1,427,701	10,192,354	5,778,944	39,840,117	
Total liabilities and fund balances	\$ 6,595,121	6,512,107	3,741,223	6,124,056	4,576,828	2,066,293	10,192,354	8,962,197	48,770,179	

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

Summit County, Utah
Balance Sheet Reconciliation to Statement of Net Assets
December 31, 2011

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

Total fund balances - governmental fund types	\$ 39,840,117
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	89,755,784
Internal service funds are used by management to charge the costs of fleet management to individual funds. The assets and liabilities of the internal service fund are included in governmental funds.	3,044,787
Long-term assets are not available to pay for current period expenditures, and, therefore, are deferred in the funds.	477,258
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(21,785,574)</u>
Net assets of government activities	<u><u>\$ 111,332,372</u></u>

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

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Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	General Fund	Special Revenue Funds						Permanent Fund		Total Governmental Funds
		Municipal Services	Service Areas	Transient Room	Restaurant Tax	Arts & Recreation	Tax Stability	Other Governmental Funds		
Revenues										
Taxes	\$ 14,923,969	7,838,565	1,488,492	5,157,082	1,872,890	1,199,345	-	4,042,223	36,522,566	
Licenses and permits	17,077	842,332	-	-	-	-	-	-	859,409	
Intergovernmental	6,266,174	2,760,684	1,407,909	-	-	-	-	732,303	11,167,070	
Charges for services	4,086,608	729,959	-	-	-	-	-	468,865	5,285,432	
Fines and forfeitures	183,044	759,714	-	-	-	-	-	-	942,758	
Miscellaneous revenue	626,176	38,760	386,003	300	21,754	16,161	-	9,547	1,098,701	
Impact fees	-	208,541	-	-	-	-	-	-	208,541	
Interest	73,741	30,581	14,761	14,226	14,003	5,921	34,275	45,367	232,875	
Developer contributions	-	-	-	-	-	-	-	70,311	70,311	
Donations	-	-	-	-	-	-	-	21,226	21,226	
Total revenues	26,176,789	13,209,136	3,297,165	5,171,608	1,908,647	1,221,427	34,275	5,389,842	56,408,889	
Expenditures										
General government	3,093,392	4,049,694	-	-	-	-	-	3,186,456	10,329,542	
Public safety	8,475,758	5,414,538	-	-	-	-	-	27,925	13,918,221	
Public health	4,856,789	-	-	-	-	-	-	-	4,856,789	
Highways and public improvements	6,718,918	3,312,387	2,053,459	-	-	-	-	-	12,084,764	
Culture and recreation	1,780,779	466,453	-	-	1,544,614	731,193	-	206,633	4,729,672	
Conservation and economic development	96,308	-	-	4,556,576	-	-	-	1,506,618	6,159,502	

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	General Fund	Special Revenue Funds					Permanent Fund		Total Governmental Funds
		Municipal Services	Service Areas	Transient Room	Restaurant Tax	Arts & Recreation	Tax Stability	Other Governmental Funds	
Expenditures - continued									
Debt Service									
Principle	\$ -	1,346,500	-	-	-	310,000	-	1,617,000	3,273,500
Interest	286,564	107,025	-	-	-	13,195	-	329,360	736,144
Bond costs	1,043	36,121	-	-	-	1,525	-	16,000	54,689
Capital outlay	1,029,043	2,901,364	-	-	-	-	-	604,412	4,534,819
Total expenditures	26,338,594	17,634,082	2,053,459	4,556,576	1,544,614	1,055,913	-	7,494,404	60,677,642
Excess revenues over (under) expenditures	(161,805)	(4,424,946)	1,243,706	615,032	364,033	165,514	34,275	(2,104,562)	(4,268,753)
Other Financing Sources									
Issuance of refunding bonds	-	2,337,000	-	-	-	-	-	-	2,337,000
Proceeds from bonds	-	-	-	1,300,000	-	-	-	-	1,300,000
Payment to refunded bond escrow agent	-	(2,304,454)	-	-	-	-	-	-	(2,304,454)
Proceeds from settlement	-	-	-	-	-	-	-	1,600,000	1,600,000
Transfer (to) from other funds	331,507	2,905,109	(2,035,000)	(135,000)	-	-	(34,275)	(1,368,957)	(336,616)
Total other financing sources	331,507	2,937,655	(2,035,000)	1,165,000	-	-	(34,275)	231,043	2,595,930
Net change in fund balance	169,702	(1,487,291)	(791,294)	1,780,032	364,033	165,514	-	(1,873,519)	(1,672,823)
Fund balances - beginning of year, as adjusted	3,208,459	7,382,065	4,401,978	3,851,439	3,561,995	1,262,187	10,192,354	7,652,463	41,512,940
Fund balances - end of year	\$ 3,378,161	5,894,774	3,610,684	5,631,471	3,926,028	1,427,701	10,192,354	5,778,944	39,840,117

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

Summit County, Utah
Statement of Changes Reconciliation to Statement of Activities
For the Year Ended December 31, 2011

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

Net changes in fund balances - total governmental funds	\$ (1,672,823)
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 capital outlays exceeded depreciation in the current period.	(1,432,643)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(204,316)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	247,861
The issuance of long-term debt (i.e. bonds and 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. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,033,361
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.	(301,893)
Internal service funds are used by management to charge the costs of fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	<u>1,389,966</u>
Change in net assets of governmental activities	<u><u>\$ 59,513</u></u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

Revenues	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Taxes</u>				
General property taxes	\$ 13,161,000	13,161,000	12,579,799	(581,201)
General sales and use taxes	2,443,807	2,443,807	2,344,170	(99,637)
	<u>15,604,807</u>	<u>15,604,807</u>	<u>14,923,969</u>	<u>(680,838)</u>
<u>Licenses and permits</u>	<u>23,000</u>	<u>23,000</u>	<u>17,077</u>	<u>(5,923)</u>
<u>Intergovernmental</u>				
Federal grants	2,092,885	3,889,885	4,315,973	426,088
Dispatch reimbursement	74,000	74,000	73,067	(933)
State jail reimbursement	700,000	700,000	584,055	(115,945)
State grant	961,284	961,284	1,017,128	55,844
State liquor enforcement	18,000	18,000	13,709	(4,291)
Court security surcharge	100,000	100,000	56,712	(43,288)
Fleet maintenance	30,000	30,000	21,162	(8,838)
State court reimbursement	145,000	145,000	184,368	39,368
	<u>4,121,169</u>	<u>5,918,169</u>	<u>6,266,174</u>	<u>348,005</u>
<u>Charges for services</u>				
General government	1,855,000	1,855,000	1,458,186	(396,814)
Public safety	2,404,500	2,404,500	2,167,476	(237,024)
Public health	381,890	381,890	348,055	(33,835)
Recycle fees	-	-	38,688	38,688
Recreation	80,000	80,000	74,203	(5,797)
	<u>4,721,390</u>	<u>4,721,390</u>	<u>4,086,608</u>	<u>(634,782)</u>
<u>Fines and forfeitures</u>	<u>48,000</u>	<u>48,000</u>	<u>183,044</u>	<u>135,044</u>
<u>Interest on investments</u>	<u>113,725</u>	<u>113,725</u>	<u>73,741</u>	<u>(39,984)</u>
<u>Other revenue</u>				
Rental income	55,000	55,000	337,439	282,439
Miscellaneous revenue	52,900	52,900	288,737	235,837
	<u>107,900</u>	<u>107,900</u>	<u>626,176</u>	<u>518,276</u>
Total revenues	<u>24,739,991</u>	<u>26,536,991</u>	<u>26,176,789</u>	<u>(360,202)</u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Expenditures</u>				
<u>General government</u>				
Council	\$ 19,740	19,740	19,468	272
Administrative services	42,427	42,427	41,887	540
Risk management	188,700	188,700	180,926	7,774
Public defender	208,500	208,500	208,721	(221)
Information technology	219,582	219,582	210,549	9,033
Personnel	99,495	99,495	97,458	2,037
Auditor	142,061	142,061	135,125	6,936
Clerk	119,100	119,100	117,907	1,193
Treasurer	14,689	14,689	13,996	693
Recorder	237,200	237,200	222,208	14,992
Attorney	649,104	649,104	624,602	24,502
Non-departmental	586,925	586,925	252,754	334,171
Courthouse	256,190	256,190	262,330	(6,140)
Richins building	167,749	167,749	130,036	37,713
Kamas building	74,140	74,140	71,291	2,849
Public works/animal shelter	40,480	40,480	35,772	4,708
Public safety complex	399,600	399,600	404,330	(4,730)
Fleet services	13,200	13,200	10,942	2,258
Elections	54,885	54,885	53,090	1,795
	3,533,767	3,533,767	3,093,392	440,375

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Expenditures</u>				
<u>Public safety</u>				
North Summit ambulance	\$ 292,230	292,230	273,501	18,729
South Summit ambulance	234,686	234,686	239,055	(4,369)
Park City ambulance	1,764,240	1,764,240	1,747,679	16,561
Sheriff	328,275	328,275	302,636	25,639
Criminal investigation	91,900	91,900	100,762	(8,862)
Search & rescue	194,700	194,700	192,536	2,164
Communications	1,046,500	1,046,500	974,759	71,741
E911	304,000	304,000	197,902	106,098
Sheriff's administration	81,312	81,312	80,467	845
Reserves	16,950	16,950	19,477	(2,527)
Bailiff	679,500	679,500	796,110	(116,610)
Special operations	44,650	44,650	49,878	(5,228)
Compliance services	27,900	27,900	71,912	(44,012)
Corrections	2,079,500	2,079,500	2,413,537	(334,037)
Jail kitchen	427,500	427,500	393,503	33,997
Animal control	534,450	534,450	502,728	31,722
Emergency services	193,490	193,490	119,316	74,174
	<u>8,341,783</u>	<u>8,341,783</u>	<u>8,475,758</u>	<u>(133,975)</u>
<u>Public health</u>				
Administration	382,000	382,000	371,143	10,857
Facilities	145,900	145,900	432,670	(286,770)
General public health	1,619,633	1,619,633	1,683,860	(64,227)
Prevention center	601,874	601,874	731,247	(129,373)
Early intervention	403,535	403,535	346,237	57,298
Mental health	466,782	466,782	543,142	(76,360)
Environmental health	421,621	421,621	415,527	6,094
Bio terrorism	280,493	280,493	332,963	(52,470)
	<u>4,321,838</u>	<u>4,321,838</u>	<u>4,856,789</u>	<u>(534,951)</u>

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Expenditures</u>				
<u>Highways and public improvements</u>				
Public works	\$ 503,356	503,356	51,079	452,277
Waste disposal	3,848,700	3,848,700	4,196,806	(348,106)
Weed control	368,900	368,900	345,810	23,090
Roads	1,207,500	3,304,500	3,441,873	(137,373)
	5,928,456	8,025,456	8,035,568	(10,112)
<u>Culture and recreation</u>				
Television	184,100	184,100	181,693	2,407
Library	1,056,667	1,056,667	990,397	66,270
Historical society	82,600	82,600	74,648	7,952
County fair	194,700	194,700	208,347	(13,647)
Fair grounds	224,900	224,900	220,212	4,688
State fair	1,500	1,500	467	1,033
Youth recreation north	35,000	35,000	35,000	-
Youth recreation south	35,000	35,000	35,015	(15)
Youth recreation basin	35,000	35,000	35,000	-
	1,849,467	1,849,467	1,780,779	68,688
<u>Conservation and economic development</u>				
Agriculture extension service	102,650	102,650	96,308	6,342
	102,650	102,650	96,308	6,342

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - General Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Expenditures</u>				
Total expenditures	\$ 24,077,961	26,174,961	26,338,594	(163,633)
Excess revenues over (under) expenditures	662,030	362,030	(161,805)	(523,835)
<u>Other Financing Sources (Uses)</u>				
Transfers to other funds	(927,130)	(927,130)	(660,236)	266,894
Transfers from other funds	135,000	265,100	991,743	726,643
Total other financing sources and (uses)	(792,130)	(662,030)	331,507	993,537
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(130,100)	(300,000)	169,702	469,702
Fund balance, beginning of year - as adjusted	3,208,459	3,208,459	3,208,459	-
Fund balance, end of year	<u>\$ 3,078,359</u>	<u>2,908,459</u>	<u>3,378,161</u>	<u>469,702</u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Municipal Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes	\$ 8,190,000	8,190,000	7,838,565	(351,435)
Licenses and permits	725,000	725,000	842,332	117,332
Council	3,037,325	3,037,325	2,760,684	(276,641)
Charges for services	466,893	466,893	729,959	263,066
Fines and forfeitures	900,000	900,000	759,714	(140,286)
Impact fees	150,000	150,000	208,541	58,541
Miscellaneous	28,600	28,600	38,760	10,160
Interest	170,000	170,000	30,581	(139,419)
	13,667,818	13,667,818	13,209,136	(458,682)
<u>Expenditures</u>				
<u>General government</u>				
Council	157,920	157,920	155,713	2,207
Administrative services	339,412	339,412	335,073	4,339
Sustainability	252,200	252,200	931	251,269
Risk management	328,000	328,000	320,437	7,563
Justice court	413,250	413,250	402,820	10,430
Information technology	109,791	109,791	105,275	4,516
Personnel	132,660	132,660	129,938	2,722
Auditor	165,737	165,737	157,650	8,087
Clerk	178,650	178,650	176,859	1,791
Treasurer	14,689	14,689	13,995	694
Attorney	454,373	454,373	437,222	17,151
Non-departmental	124,000	124,000	119,087	4,913
Courthouse	256,190	256,190	262,341	(6,151)
Public works/animal shelter	50,600	50,600	44,715	5,885

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Municipal Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Expenditures - Continued</u>				
<u>General government</u>				
Public safety complex	\$ 99,900	99,900	101,210	(1,310)
Fleet services	13,200	13,200	10,942	2,258
Planning zoning	644,100	644,100	688,194	(44,094)
Contributions	28,500	28,500	24,322	4,178
Miscellaneous	414,250	414,250	562,970	(148,720)
	4,177,422	4,177,422	4,049,694	127,728
<u>Public safety</u>				
Sheriff	2,954,475	2,954,475	2,727,737	226,738
Criminal investigation	827,100	827,100	906,843	(79,743)
Forest law	14,000	14,000	21,101	(7,101)
Sheriff's administration	731,813	731,813	724,035	7,778
Fire warden	79,340	79,340	43,552	35,788
Special operations	401,850	401,850	448,934	(47,084)
Building inspection	617,580	617,580	542,336	75,244
	5,626,158	5,626,158	5,414,538	211,620
<u>Highways and public improvements</u>				
Public works	480,208	480,208	461,975	18,233
Class B roads	1,249,000	1,954,546	1,924,601	29,945
County roads	1,508,500	1,508,500	1,578,434	(69,934)
Storm water management	155,200	155,200	171,664	(16,464)
Engineering	649,330	649,330	665,359	(16,029)
	4,042,238	4,747,784	4,802,033	(54,249)
<u>Culture and recreation</u>				
Community development	548,900	548,900	466,453	82,447

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Municipal Fund
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Expenditures - Continued</u>				
<u>Capital outlay</u>				
Capital outlay	\$ 2,355,500	2,735,500	2,901,364	(165,864)
Total expenditures	16,750,218	17,835,764	17,634,082	201,682
Excess revenues over (under) expenditures	(3,082,400)	(4,167,946)	(4,424,946)	(257,000)
<u>Other Financing Sources (Uses)</u>				
Proceeds from refunding bonds	-	2,337,000	2,337,000	-
Payment to refunded bond escrow agent	-	(2,304,454)	(2,304,454)	-
Transfers to other funds	(680,852)	(680,852)	(680,852)	-
Transfers from other funds	2,941,900	3,614,900	3,585,961	(28,939)
Total other financing sources and (uses)	2,261,048	2,966,594	2,937,655	(28,939)
Excess of revenues and other sources over (under) expenditures and other uses	(821,352)	(1,201,352)	(1,487,291)	(285,939)
Fund balances - beginning of year - as adjusted	7,382,065	7,382,065	7,382,065	-
Fund balances - end of year	<u>\$ 6,560,713</u>	<u>6,180,713</u>	<u>5,894,774</u>	<u>(285,939)</u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Service Areas
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$1,495,050	1,495,050	1,488,492	(6,558)
Intergovernmental Grants	1,800,000	1,800,000	1,329,896	(470,104)
Miscellaneous	170,000	170,000	78,013	(91,987)
Interest	-	-	386,003	386,003
	90,000	90,000	14,761	(75,239)
Total revenues	3,555,050	3,555,050	3,297,165	(257,885)
<u>Expenditures</u>				
Highways and public improvements	1,730,300	1,730,300	2,053,459	(323,159)
Total expenditures	1,730,300	1,730,300	2,053,459	(323,159)
Excess revenues over (under) Council	1,824,750	1,824,750	1,243,706	(581,044)
<u>Other Financing Sources (Uses)</u>				
Transfer to other funds	(2,035,000)	(2,035,000)	(2,035,000)	-
Total other financing sources and (uses)	(2,035,000)	(2,035,000)	(2,035,000)	-
Excess of revenues and other sources over (under) expenditures and other uses	(210,250)	(210,250)	(791,294)	(581,044)
Fund balances - beginning of year	4,401,978	4,401,978	4,401,978	-
Fund balances - end of year	\$4,191,728	4,191,728	3,610,684	(581,044)

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Transient Room Tax
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 4,800,000	4,800,000	5,157,082	357,082
Miscellaneous revenue	-	-	300	300
Interest	30,000	30,000	14,226	(15,774)
Total revenues	<u>4,830,000</u>	<u>4,830,000</u>	<u>5,171,608</u>	<u>341,608</u>
<u>Expenditures</u>				
Conservation and economic development	<u>4,695,000</u>	<u>4,695,000</u>	<u>4,556,576</u>	<u>138,424</u>
Total expenditures	<u>4,695,000</u>	<u>4,695,000</u>	<u>4,556,576</u>	<u>138,424</u>
Excess revenues over (under) expenditures	<u>135,000</u>	<u>135,000</u>	<u>615,032</u>	<u>480,032</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from bonds	-	-	1,300,000	1,300,000
Transfer (to) from other funds	<u>(135,000)</u>	<u>(135,000)</u>	<u>(135,000)</u>	<u>-</u>
Total other financing sources and (uses)	<u>(135,000)</u>	<u>(135,000)</u>	<u>1,165,000</u>	<u>1,300,000</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	1,780,032	1,780,032
Fund balances - beginning of year - as adjusted	<u>3,851,439</u>	<u>3,851,439</u>	<u>3,851,439</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,851,439</u>	<u>3,851,439</u>	<u>5,631,471</u>	<u>1,780,032</u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Restaurant Tax
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget -
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<u>Revenues</u>				
Taxes	\$ 1,705,000	1,705,000	1,872,890	167,890
Miscellaneous revenue	-	-	21,754	21,754
Interest	50,000	50,000	14,003	(35,997)
Total revenues	<u>1,755,000</u>	<u>1,755,000</u>	<u>1,908,647</u>	<u>153,647</u>
<u>Expenditures</u>				
Culture and recreation	<u>1,755,000</u>	<u>1,755,000</u>	<u>1,544,614</u>	<u>210,386</u>
Total expenditures	<u>1,755,000</u>	<u>1,755,000</u>	<u>1,544,614</u>	<u>210,386</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>364,033</u>	<u>364,033</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	364,033	364,033
Fund balances - beginning of year - as adjusted	<u>3,561,995</u>	<u>3,561,995</u>	<u>3,561,995</u>	<u>-</u>
Fund balances - end of year	<u><u>\$ 3,561,995</u></u>	<u><u>3,561,995</u></u>	<u><u>3,926,028</u></u>	<u><u>364,033</u></u>

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

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Arts & Recreation
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 1,310,000	1,310,000	1,199,345	(110,655)
Miscellaneous revenue	-	-	16,161	16,161
Interest	50,000	50,000	5,921	(44,079)
Total revenues	<u>1,360,000</u>	<u>1,360,000</u>	<u>1,221,427</u>	<u>(138,573)</u>
<u>Expenditures</u>				
Culture and recreation	1,060,000	1,060,000	731,193	328,807
Debt service				
Principle	300,000	300,000	310,000	(10,000)
Interest	25,000	25,000	13,195	11,805
Bond costs	-	-	1,525	(1,525)
Total expenditures	<u>1,385,000</u>	<u>1,385,000</u>	<u>1,055,913</u>	<u>329,087</u>
Excess revenues over (under) expenditures	<u>(25,000)</u>	<u>(25,000)</u>	<u>165,514</u>	<u>190,514</u>
Excess of revenues and other sources over (under) expenditures and other uses	(25,000)	(25,000)	165,514	190,514
Fund balances - beginning of year - as adjusted	<u>1,262,187</u>	<u>1,262,187</u>	<u>1,262,187</u>	-
Fund balances - end of year	<u>\$ 1,237,187</u>	<u>1,237,187</u>	<u>1,427,701</u>	<u>190,514</u>

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

Summit County, Utah
Statement of Fund Net Assets
Proprietary Funds
December 31, 2011

	Business-Type Activities	Governmental Activities	Governmental Activities
	Enterprise Fund	Internal Service Fund	Internal Service Fund
	Primary	Primary	Primary
	Government Transit District	Government Fleet Leasing	Government Insurance Fund
<u>Assets</u>			
Current assets			
Cash and cash equivalents	\$ 671,769	2,711,188	336,616
Accounts receivable - net	1,279,513	-	-
Total current assets	1,951,282	2,711,188	336,616
Noncurrent assets			
Land, equipment, buildings and improvements	186,281	16,886,853	-
Less: accumulated depreciation	(61,099)	(10,476,736)	-
Total noncurrent assets	125,182	6,410,117	-
Total assets	<u>\$ 2,076,464</u>	<u>9,121,305</u>	<u>336,616</u>
<u>Liabilities</u>			
Current liabilities			
Accounts payable and accrued liabilities	\$ 317,565	3,017	-
Total current liabilities	317,565	3,017	-
Total liabilities	317,565	3,017	-
<u>Net Assets</u>			
Invested in capital assets	125,182	6,410,117	-
Unrestricted	1,633,717	2,708,171	336,616
Total net assets	1,758,899	9,118,288	336,616
Total liabilities and net assets	<u>\$ 2,076,464</u>	<u>9,121,305</u>	<u>336,616</u>

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

Summit County, Utah
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2011

	Business-Type Activities- Enterprise Fund	Activities - Internal Service Fund	Activities - Internal Service Fund
	Primary Government Transit District	Primary Government Fleet Leasing	Primary Government Insurance Fund
<u>Operating Revenues</u>			
Assessments	\$ 420,797	2,250,808	-
Miscellaneous	4,870	-	-
Total operating revenues	<u>425,667</u>	<u>2,250,808</u>	<u>-</u>
<u>Operating Expenses</u>			
Bus service	1,751,757	-	-
Salaries	62,088	-	-
Maintenance and supplies	149,963	233,836	-
Other	2,410	-	-
Depreciation and amortization	19,718	1,455,564	-
Total operating expenses	<u>1,985,936</u>	<u>1,689,400</u>	<u>-</u>
Operating income (loss)	<u>(1,560,269)</u>	<u>561,408</u>	<u>-</u>
<u>Nonoperating Revenues (Expenses)</u>			
Transit sales taxes	1,303,370	-	-
Intergovernmental	522,663	-	-
Gain on disposal of capital assets	-	44,759	-
Interest revenue	2,790	7,094	-
Total nonoperating revenues (expenses)	<u>1,828,823</u>	<u>51,853</u>	<u>-</u>
Income before transfers	268,554	613,261	
Transfer from other funds	-	-	336,616
Change in net assets	268,554	613,261	336,616
Total net assets - beginning of year, as adjusted	<u>1,490,345</u>	<u>8,505,027</u>	<u>-</u>
Total net assets - end of year	<u>\$ 1,758,899</u>	<u>9,118,288</u>	<u>336,616</u>

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

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Summit County, Utah
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Business-Type Activities		Governmental	
	Enterprise Funds		Activities - Internal	
	Primary Government	Transit District	Primary Government	Insurance Fund
<u>Cash Flows From Operating Activities</u>				
Receipts from assessments to businesses and others	\$ 403,729		2,250,808	-
Payments to suppliers	(39,714)		(232,417)	-
Payments to employees/subcontractors	(1,794,127)		-	-
Net cash provided (used) by operating activities	(1,430,112)		2,018,391	-
<u>Cash Flows From Noncapital Financing Activities</u>				
Transfers from other funds	-		-	336,616
Tax funding received	1,303,370		-	-
Net cash provided (used) by noncapital financing activities	1,303,370		-	336,616
<u>Cash Flows From Capital and Related Financing Activities</u>				
Intergovernmental funding received	522,663		-	-
Proceeds from sale of capital assets	-		62,950	-
Purchase of capital assets	(50,650)		(1,060,566)	-
Net cash provided (used) by capital financing activities	472,013		(997,616)	-
<u>Cash Flows From Investing Activities</u>				
Interest and dividends received	2,790		7,094	-
Net cash provided (used) by investing activities	2,790		7,094	-
Net increase (decrease) in cash and cash equivalents	348,061		1,027,869	336,616
Cash and cash equivalents - beginning	323,708		1,683,319	-
Cash and cash equivalents - ending	\$ 671,769		2,711,188	336,616

Summit County, Utah
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2011

	Business-Type Activities		Governmental	
	Enterprise Funds		Activities - Internal	
	Primary Government	Transit District	Primary Government	Fleet Leasing
			Primary Government	Insurance Fund
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating income	\$	(1,560,269)	561,408	-
Adjustments to reconcile operating income to net cash provided (used) by operating activities				
Depreciation expense		19,718	1,455,564	-
(Increase) decrease in accounts receivable		(21,938)	-	-
Increase (decrease) in accounts payable		132,377	1,419	-
Total adjustments		130,157	1,456,983	-
Net cash provided (used) by operating activities	\$	(1,430,112)	2,018,391	-

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

Summit County, Utah
Statement of Fiduciary Assets & Liabilities
Fiduciary Fund Types
For the Year Ended December 31, 2011

	Total Agency Funds
<u>Assets</u>	
Cash and cash equivalents	\$ 18,956,271
Other receivable	120,761
	<hr/>
Total assets	\$ 19,077,032
	<hr/> <hr/>
<u>Liabilities</u>	
Deferred tax distributions	\$ 14,446,270
Engineering bonds payable	3,623,593
Court bail bonds payable	130,717
Due to other entities	876,452
	<hr/>
Total liabilities	\$ 19,077,032
	<hr/> <hr/>

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

NOTES TO FINANCIAL STATEMENTS

Summit County, Utah
Notes to Financial Statements
For the Year Ended December 31, 2011

Note 1 - Summary of Significant Accounting Policies

Reporting entity

The County is governed by an elected five member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Blended component units - The following entities are blended in the accompanying general purpose financial statements:

- Community Development Renewal Agency
- Municipal Building Authority
- Service Areas
- Wildland Fire
- Summit Park Water
- Park Ridge Water

Blending means that component unit balances and transactions are combined with balances and transactions of the primary government. Although legally separate from the County, the above component units are blended because it is governed by a board comprised of the County Council. The County retains fiscal responsibility for these entities. These entities are reported as special revenue funds.

Discretely presented component units - The following entities are discretely presented in the accompanying general purpose financial statements:

- Mountain Regional Water Special Service District, formerly Atkinson Special Service District
- Snyderville Basin Special Recreation District

The Districts are included as discretely presented component units in the County's financial statements because of the significance of their operational and financial relationship with the County. The County is financially accountable for the Districts because the County's Council approves the Districts' budgets and must approve any debt issuances.

Complete financial statements for the component units may be obtained at the entities administrative offices.

Note 1 - Summary of Significant Accounting Policies - Continued

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 and its component units. For the most part, the effect of interfund 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, interfund services provided and used have not been eliminated.

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 the 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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1 - Summary of Significant Accounting Policies - Continued

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 government 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, franchise 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

The County reports the following major governmental funds:

The *general fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *municipal services fund* is a special revenue fund used to account for municipal revenues and expenditures related to various departments within the County, including roads and public safety.

The *service areas fund* is a special revenue fund used to account for service area revenues and expenditures related to the maintenance of specific geographic areas within the County.

The *transient room tax fund* is used to account for transient room tax revenue and expenditures related to the promotion of tourism in the County.

The *restaurant tax fund* is used to account for restaurant tax revenues and expenditures related to promotion of local tourism.

The *arts and recreation fund* is used to account for arts and recreation tax revenue and related grants given throughout the community by the County to promote the arts.

The *tax stability fund* is a permanent fund used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs. The principal of the fund is limited to a maximum percentage of the total taxable value of property in the County as calculated and set by Utah State Law. Use of any portion of the principal is subject to majority approval by the general public in a special election vote.

The County reports the following major proprietary funds:

The *transit district fund* accounts for the operations of the County's transit system.

Note 1 - Summary of Significant Accounting Policies - Continued

Additionally, the government reports the following fund types:

Internal service funds account for fleet services and risk management (health insurance) provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Fiduciary funds include the General Agency Fund and the Treasurer's Tax Fund which 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. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are interfund services where the amounts are reasonably equivalent in value to outside services, and elimination of these charges would distort the revenues and expenses reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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.

Note 1 - Summary of Significant Accounting Policies - Continued

Assets, liabilities, and net assets or equity

1. Deposits and investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool.

Investments for the County, as well as for its component units, are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2. 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 either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

All trade, property, sales, and franchise tax receivables are shown net of an allowance for uncollectibles.

The County bills and collects property taxes for all taxing districts within the County through the tax collection trust fund. All property taxes collected in 2011 were apportioned and distributed to the taxing districts, including the December 31, 2011, balance which was distributed in early 2012.

Sales taxes are collected by the State Tax Commission and remitted to the County monthly.

3. Restricted cash and cash equivalents

Certain resources of the County's governmental funds are set aside for the following: debt, Class B roads, capital improvements, transient room, restaurant tax, arts and recreation, tax stability, health services and payment of landfill closure costs as required by applicable federal and state regulations.

Note 1 - Summary of Significant Accounting Policies - Continued

4. Capital assets

Capital assets, which include property, plant, and equipment, are reported in the applicable government or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Infrastructure capital assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized and depreciated.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & improvements	25-50
System infrastructure	40
Machinery and equipment	3-10
Vehicles	3-10

5. Compensated absences

The County accounts for compensated absences in accordance with NGGA Statement No. 4. In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the County's policy to liquidate any unpaid vacation available from expendable resources. The County's policy allows for a maximum of 200 hours to be carried over into the next year. Sick leave can accumulate without limit. The County pays all unused vacation days upon separation. Sick leave is paid either in health insurance or cash upon separation.

6. 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 and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Note 1 - Summary of Significant Accounting Policies - Continued

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. Premiums received on debt issuances are 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.

7. Fund equity

Government-wide financial statements

Equity is classified in the government-wide financial statements as net assets and is displayed in three components:

Invested in capital assets, net of related debt - Capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balance of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets - Net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net assets - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Fund financial statements

In the fund financial statements governmental fund equity is classified as fund balance. Fund balance is further classified as Nonspendable, Restricted, Committed, Assigned or Unassigned. Descriptions of each follow:

Nonspendable fund balance - Amounts that cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact.

Restricted fund balance - Amounts restricted by enabling legislation. Also reported if, (a) externally imposed by creditors, grantors, contributors, or laws regulations or other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, the County Council. The commitment can only be removed through the same action.

Note 1 - Summary of Significant Accounting Policies - Continued

Assigned fund balance - Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. This intent is expressed by either the County Council or delegated by the County Council to the Auditors' Office. Also includes all remaining amounts that are report in governmental funds, other than the General Fund that are not classified as nonspendable, restricted nor committed or in the General Fund, that are intended to be used for specific purposes.

Unassigned fund balance - Residual classification of the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to a specific purpose within the General Fund.

It is the County's policy to apply expenditures first to committed fund balance, then assigned, and finally unassigned.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

A. 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.

Capital related items:

When capital assets (property, plant, and equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net assets includes those capital assets among the assets of the County as a whole.

Cost of capital assets	\$161,059,547
Accumulated depreciation	<u>(71,303,763)</u>
Total difference	<u><u>\$ 89,755,784</u></u>

Deferred revenue:

Long-term assets applicable to the County's governmental activities are not available to pay for current expenditures and thus are deferred in governmental funds. The statement of net assets includes these as revenue.

Deferred revenue	<u><u>\$ 477,258</u></u>
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Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 2 - Reconciliation of Government-wide and Fund Financial Statements - Continued

Long-term debt transactions:

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities in the fund financials. All liabilities (both current and long-term) are reported in the statement of net assets. Balances at December 31, 2011, were:

Bonds payable	\$ (19,196,000)
Premium on issuance	(225,232)
Deferred issuance costs	248,369
Accrued landfill closure costs	(540,408)
Interest payable	(27,309)
Compensated absences	<u>(2,044,994)</u>
Total difference	<u><u>\$ (21,785,574)</u></u>

B. Explanation of differences between governmental fund operating statements and the statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances 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	\$ 3,063,135
Depreciation expense	<u>(4,495,778)</u>
Net difference as reported	<u><u>\$ (1,432,643)</u></u>

Another element of the reconciliation states that "the issuance of long-term debt (i.e., bonds and 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." The details of this difference are as follows:

Debt issued or incurred	\$ (3,637,000)
Bond payments	3,273,500
Bond issuance costs	72,250
Payment to escrow agent for refunding	2,304,500
Accrued interest	20,111
Net difference as reported	<u><u>\$ 2,033,361</u></u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 2 - Reconciliation of Government-wide and Fund Financial Statements - Continued

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of capital assets sold.

Net difference reported	<u>\$ (204,316)</u>
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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 details of this difference are as follows:

Amortization of bond premium	\$ 42,319
Compensated absences	(247,240)
Amortization of bond issuance costs	<u>(96,972)</u>
Net difference reported	<u>\$ (301,893)</u>

Another element of the reconciliation states that "Internal service funds are used by management to charge the costs of fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities." The details of this \$1,026,450 are as follows:

Changes in net assets	\$ 613,261
Depreciation on fleet assets	1,455,564
Purchased capital assets	(1,060,566)
Loss on disposal of capital assets	(44,759)
Proceeds from sale of capital assets	<u>62,950</u>
Net difference reported	<u>\$ 1,026,450</u>

Budgetary information

Budgets are prepared and adopted, in accordance with State law, by the Summit County Council. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the guarantee debt service fund. Budgets must be adopted on or before December 31st for the following fiscal year, beginning January 1. Budgets may be increased by resolution of the Summit County Council at any time during the year. A public hearing must be held regarding any proposed increase in a fund's appropriations. Budgets are adopted at departmental levels. Budget amendments are required when excess expenditures occur at the departmental level for the General Fund and at the fund level for all other funds. Appropriations lapse at December 31.

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 3 - Stewardship, Compliance, and Accountability

Utah State law states that expenditures being made in excess of those budgeted, is an illegally created debt in violation of the Utah Constitution. As such, the total illegally created deficit should be budgeted to be made up in the following fiscal year. Deficits arising from emergencies are not illegal and may be retired over 5 years.

Excess of expenditures over appropriations

For the year ended December 31, 2011, expenditures exceeded appropriations in the following departments and funds:

General fund - departments

General government

Public defender	\$ 221
Courthouse	6,140
Public safety complex	4,730

Public safety function

South Summit	
Ambulance	4,369
Criminal investigation	8,862
Reserves	2,527
Bailiff	116,610
Special operations	5,228
Compliance services	44,012
Corrections	334,037

Public health function

Facilities	286,770
General public health	64,227
Prevention center	129,373
Mental health	76,360
Bio terrorism	52,470

General fund - departments

Highways and public improvements

Waste disposal	348,106
Roads	137,373

Cultural and recreation function

County fair	13,647
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Other funds

Municipal services -

General Government	253,118
Service Areas	323,159
Other Services - Economic	
Development	1,459,618
Other Services - transfers	405,009
Guarantee Fund	1,245,900
Summit Park - transfers	\$ 241,668

Utah State law allows for any unassigned fund balance in excess of 5% of the total revenues of the General Fund to be utilized for budget purposes. The law also allows for the accumulation of a fund balance in the General Fund in an amount equal to 50% of the total estimated revenue of the General Fund. In the event that the fund balance, at the end of the fiscal year, is in excess of that allowed, the County has one year to determine an appropriate use and then the excess must be included as an available resource in the General Fund budget. For the year ending December 31, 2011, the County is not over 50% of the total estimated limit of revenue in the General Fund. The County's Open Space Fund for the year ending December 31, 2011, is in a deficit position.

Note 4 - Detailed Notes on all Funds

Deposits and investments

Deposits and investments for local government are governed by the Utah Money Management Act (Utah Code Annotated, Title 51, Chapter 7, "the Act") and by rules of the Utah Money Management Council ("the Council"). Following are discussions of the local government's exposure to various risks related to its cash management activities.

Custodial Credit Risk - Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the local government's deposits may not be recovered. The local government's policy for managing custodial credit risk is to adhere to the Money Management Act. The Act requires all deposits of the local government to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council. As of December 31, 2011, \$23,750,176 of the local government's bank balances of \$25,500,176 were uninsured and uncollateralized.

Credit Risk - Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The local government's policy for limiting the credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits or qualified depositories; 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 & Poors; bankers acceptances; obligations of the U.S. Treasury and U.S. government sponsored enterprises; bonds and notes of political subdivisions of the State of Utah; fixed rate corporate obligations and variable rate securities rated "A" or higher by two nationally recognized statistical rating organizations as defined in the Act.

The local government is authorized to invest in the Utah Public Treasurer's Investment Fund (PTIF), an external pooled investment fund managed by the Utah State Treasurer and subject to the Act and Council requirements. The PTIF is not registered with the SEC as an investment company, and deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah. The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated based upon the participants' average daily balances.

For the year ended December 31, 2011, the County had investments of \$16,370,589 with the PTIF. The balances had maturities of less than one year. The PTIF pool has not been rated.

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The local government's policy is to manage its exposure to declines in fair value by investment mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less.

As of December 31, 2011, the County had the following deposits and investments:

	<u>Fair Value</u>
Cash in depository accounts	\$ 25,500,176
State Treasurer's investment pool	16,370,589
Investment - note receivable	<u>500,000</u>
	<u>\$ 42,370,765</u>

Components of cash and investments (including interest earning deposits) as reflected on the financial statements at December 31, 2011, are as follows:

Cash and cash equivalents	\$ 17,217,060
Restricted assets	
Cash and cash equivalents	<u>24,299,244</u>
Total cash	<u>\$ 41,516,304</u>

Investment - note receivable

During 2011 the County issued a \$500,000 note receivable from the Tax Stability Fund to Mountain Regional Special Service District, a political subdivision of the State of Utah. The District is to pay the County 1.5% interest annually with the principal due in a lump sum payment at the end of 5 years.

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Receivables

Receivables as of year end for the government's general and enterprise funds are as follows:

	Governmental	Business-type	Total
Accounts, net	\$ 1,461,650	709,552	2,171,202
B & C road	252,485	-	252,485
Property taxes	2,291,623	-	2,291,623
Assessments	144,637	-	144,637
Intergovernmental	4,097,220	569,961	4,667,181
	<u>\$ 8,247,615</u>	<u>1,279,513</u>	<u>9,527,128</u>

The governmental accounts receivable includes \$90,106 in allowance for doubtful accounts for ambulance services.

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Special assessments not yet due (debt service fund)	\$ 32,678	-
Delinquent ambulance receivable	332,621	-
Prepaid rent revenue (court building)	-	663,202
Grant drawdowns prior to meeting all eligibility requirements	-	1,760
Special assessments not yet due (capital projects)	111,959	-
Total deferred / unearned revenue for governmental funds	<u>\$ 477,258</u>	<u>664,962</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Capital assets

Capital asset activity for the year ended December 31, 2011, was as follows:

Primary Government	Beginning			Ending
Governmental activities	Balance	Increases	Decreases	Balance
Capital assets not being depreciated				
Land	\$ 24,320,711	-	-	24,320,711
Total capital assets not being depreciated	24,320,711	-	-	24,320,711
Capital assets being depreciated				
Buildings	39,080,131	1,470,062	(80,420)	40,469,773
Improvements	487,635	-	-	487,635
Machinery and equipment	19,777,638	1,120,753	(1,235,958)	19,662,433
Infrastructure	76,038,738	472,320	(392,063)	76,118,995
Total capital assets being depreciated	135,384,142	3,063,135	(1,708,441)	136,738,836
Less accumulated depreciation for				
Buildings	17,748,733	1,071,965	(80,420)	18,740,278
Improvements	176,764	22,871	-	199,635
Machinery and equipment	12,071,933	1,666,833	(1,217,767)	12,520,999
Infrastructure	38,341,580	1,734,109	(232,838)	39,842,851
Total accumulated depreciation	68,339,010	4,495,778	(1,531,025)	71,303,763
Total capital assets, being depreciated, net	67,045,132	(1,432,643)	(177,416)	65,435,073
Governmental activities capital assets, net	\$ 91,365,843	(1,432,643)	(177,416)	89,755,784
Business-type activities				
Capital assets being depreciated				
Improvements	\$ 135,631	50,650	-	186,281
Total capital assets being depreciated	135,631	50,650	-	186,281
Less accumulated depreciation for				
Improvements	41,381	19,718	-	61,099
Total accumulated depreciation	41,381	19,718	-	61,099
Total capital assets, being depreciated, net	94,250	30,932	-	125,182
Business-type activities capital assets, net	\$ 94,250	30,932	-	125,182

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

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

Governmental activities	
General government	\$ 477,833
Public safety	1,225,084
Highways and streets	2,422,445
Parks and recreation	134,117
Public health	236,299
	<u>\$ 4,495,778</u>
Business-type activities	<u>\$ 19,718</u>

Component unit - Mountain Regional Water SSD

Activity for the District for the year ended December 31, 2011, was as follows:

Component Unit	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land and water rights	\$ 18,577,678	1,013,365	-	19,591,043
Construction-in-progress	2,617,603	691,930	(3,268,552)	40,981
	<u>21,195,281</u>	<u>1,705,295</u>	<u>(3,268,552)</u>	<u>19,632,024</u>
Capital assets being depreciated				
Buildings	6,050,093	1,362,576	-	7,412,669
Improvements other than buildings	57,890,112	3,808,905	-	61,699,017
Furniture and fixtures	218,131	-	-	218,131
Machinery and equipment	910,105	36,975	-	947,080
Vehicles	658,941	74,220	(71,008)	662,153
Engineering library	105,000	-	-	105,000
	<u>65,832,382</u>	<u>5,282,676</u>	<u>(71,008)</u>	<u>71,044,050</u>
Total accumulated depreciation	<u>(11,797,718)</u>	<u>(1,359,635)</u>	<u>55,751</u>	<u>(13,101,602)</u>
Total capital assets, being depreciated, net	<u>54,034,664</u>	<u>3,923,041</u>	<u>(15,257)</u>	<u>57,942,448</u>
Governmental activities capital assets, net	<u>\$ 75,229,945</u>	<u>5,628,336</u>	<u>(3,283,809)</u>	<u>77,574,472</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Component unit - Snyderville Basin SRD

Activity for the District for the year ended December 31, 2011, was as follows:

Component Unit	Beginning			Ending
Business-type activities	Balance	Increases	Decreases	Balance
Capital assets not being depreciated				
Land	\$ 8,086,620	2,000,000	-	10,086,620
Water shares	20,000	-	-	20,000
Total capital assets not being depreciated	8,106,620	2,000,000	-	10,106,620
Capital assets being depreciated				
Buildings	7,483,569	115,750	-	7,599,319
Parks	4,919,118	509,249	-	5,428,367
Trails	4,486,909	1,362,014	-	5,848,923
Vehicles and equipment	907,226	128,698	-	1,035,924
Total capital assets being depreciated	17,796,822	2,115,711	-	19,912,533
Total accumulated depreciation	(4,716,689)	(732,022)	-	(5,448,711)
Total capital assets, being depreciated, net	13,080,133	1,383,689	-	14,463,822
Governmental activities capital assets, net	\$ 21,186,753	3,383,689	-	24,570,442

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Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Interfund receivables, payables, and transfers

Interfund receivables/payable

Individual interfund receivable and payable balances at December 31, 2011, are as follows:

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 5,100	-
Nonmajor Funds	-	5,100
	<u>\$ 5,100</u>	<u>5,100</u>

Interfund receivables and payables are created when expenditures are paid by one fund on behalf of another. In addition, allocations of expenditures between funds are recorded as due to/from until paid.

Interfund loans

An interfund loan was created between the Municipal Services and the Open Space in the amount of \$4,500,000 in 2009. The purpose of this loan was to fund purchases of property near the end of 2009. This loan is being repaid by the Open Space Fund over a four year period. In 2011, the Open Space Fund paid interest in the amount of \$10,972. As of December 31, 2011, the balance due is \$2,184,886.

Interfund transfers

	Transfers out					Total
	General	Transient Room Tax	Tax Stability	Service Areas	Non major	
<u>Transfers in</u>						
General fund	\$ -	135,000	34,275	-	822,468	991,743
Municipal						
Services	-	-	-	2,035,000	870,109	2,905,109
Nonmajor	523,620	-	-	-	-	523,620
Insurance						
fund	136,616	-	-	-	200,000	336,616
<u>Total transfers</u>						
out	<u>\$ 660,236</u>	<u>135,000</u>	<u>34,275</u>	<u>2,035,000</u>	<u>1,892,577</u>	<u>4,757,088</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Operating leases

The County is the lessor of a portion of one of its buildings to the State of Utah under a noncancelable operating lease. Total revenue received was \$288,322 for the year ending December 31, 2011. The contract also provides for reimbursement from the State for operating and maintenance costs. Reimbursements for the year ending December 31, 2011 were \$79,254. The future minimum lease payments for these leases are as follows:

<u>For the year ending December 31</u>	<u>Amount</u>
2012	\$ 288,322
2013	288,322
2014	288,322
2015	288,322
2016	288,322
2017-2021	1,441,610
	<u>\$ 2,883,220</u>

Long-term debt

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental activities. The original amount of general obligation bonds issued in prior years was \$14,725,000, of which \$5,775,000 was a partial refunding of the original \$8,950,000. The original bonds matured in 2006. The refunding bond matures in 2015 with annual installments ranging from \$575,000 to \$675,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued as 20-year serial bonds with an equal amount of principal maturing each year. General obligation bonds currently outstanding are as follows:

<u>Series/Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
<u>Public Safety</u>		
Refunding Bonds	2.25-4.00%	\$ 2,550,000
		<u>\$ 2,550,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 600,000	91,500
2013	625,000	67,500
2014	650,000	45,125
2015	675,000	27,000
	<u>\$ 2,550,000</u>	<u>231,125</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Revenue Bonds

The government also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The 1998 MBA Lease Revenue Bonds Series A with original amount of \$4,185,000 matures in 2013 with annual installments of \$205,000 to \$370,000. The 2007 MBA Refunding Lease Revenue Bonds with original amount of \$3,797,000 matures in 2020 with annual installments ranging from \$11,000 to \$398,000. The 2009 Sales Tax Revenue Bonds with original amount of \$8,545,000 matures in 2023 with annual installments ranging from \$405,000 to \$1,300,000. The 2011 Refunding Road Excise Tax Revenue Bonds with original amount of \$2,337,000 matures in 2015 with annual installments of \$571,000 to \$599,000. The 2011 Transient Room Tax Revenue Bonds with original amount of \$1,300,000 matures in 2031 with annual installments of \$49,000 to \$86,000.

Series/Purpose	Interest Rates	Amount
MBA of Summit Co.		
Lease Revenue Bonds 1998	3.9-4.7%	\$ 725,000
Tax Revenue Bonds 2011	1.48-3.03%	1,300,000
Refunding Road Excise		
Tax Revenue Bonds 2011	1.27-1.74%	2,337,000
MBA of Summit Co. Refunding		
Lease Revenue Bonds 2007	3.87%	3,705,000
Sales Tax Revenue Bonds 2009	3.00-3.70%	8,545,000
		<u>\$ 16,612,000</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

For the year ending December 31	Principal	Interest
2012	1,487,000	533,929
2013	1,529,000	490,929
2014	1,598,000	443,573
2015	1,643,000	399,262
2016	1,081,000	357,890
2017-2021	5,964,000	1,227,433
2022-2026	2,905,000	235,473
2027-2031	405,000	37,542
	<u>\$ 16,612,000</u>	<u>3,726,031</u>

Note 4 - Detailed Notes on all Funds - Continued

Advance and Current Refundings

The government issued \$3,797,000 of MBA Lease Revenue Refunding Bonds 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 all future debt service payments of \$3,840,000 of MBA Lease Revenue Bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net assets. This advance refunding was undertaken to reduce total debt service payments over the next 9 years by \$705,627 and resulted in an economic gain of \$234,126.

On March 4, 2009, the County issued \$4,310,000 in General Obligation Bonds to advance refund \$4,430,000 of outstanding 1998 Series General Obligation Refunding Bonds. The net proceeds of \$4,484,904 (after payment of \$65,249 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 Series Bonds. As a result, the 1998 Series Bonds are considered to be defeased and the liability for those bonds has been removed from the governmental activities column of the statement of net assets. This advance refund was undertaken to reduce total debt service payments over the next 6 years by \$366,064 and resulted in an economic gain of \$343,450.

The government issued \$2,337,000 of Excise Tax Revenue Refunding Bonds to provide resources for a current refund of \$2,337,000 Excise Tax Revenue Bonds. This current refunding was undertaken to reduce total amount of debt service payments over the next 4 years in total by \$50,508.

Special Assessment Bonds

The government also issues bonds where the government uses the funding for specific improvements. The government collects from those citizens that benefit from the improvement to repay the associated debt. The 1993 Park Ridge Estates SID Special Assessment Bonds with original amount of \$337,161 matures in 2013 with annual installments of \$16,161 to \$17,000. Special Assessment bonds outstanding at year end are as follows:

Series/Purpose	Interest Rates	Amount
1993 Park Ridge Estates SID		\$ 34,000

Annual debt service requirements to maturity for special assessment bonds are as follows:

For the year ending December 31	Principal	Interest
2012	\$ 17,000	-
2013	17,000	-
	\$ 34,000	-

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Component unit - Mountain Regional Water SSD

Notes Payable

The District assumed a note payable as part of the acquisition of water companies by the District. The note is payable to the State of Utah, Department of Natural Resources - Division of Water Resources. The loan was originally issued for \$324,000, at 0% interest, annual payments of \$13,100, with the last payment due in 2016. The loan is secured by property.

The District entered into an agreement in 2009 with Weber Basin Water Conservancy District and Park City Municipal Corporation which authorized Weber Basin to pay the upfront capital costs to expand the Lost Canyon Project owned by the District. Under this agreement, the District will repay Weber Basin \$2,206,585 over the next twenty years.

In 2011, the District issued a \$500,000 subordinate note to Summit County that is due in three years. These funds were earmarked to prepay state loans to help meet debt coverage in 2011 and 2012, until rate increases effective in August 2011 and August 2012 are in full effect. The District's rate increases included funds to pay off this note in 2014.

Series	Interest Rates	Amount
Weber Basin Water		
Conservancy District	4.60%	\$ 2,075,296
Summit County	1.50%	500,000
State of Utah, Department of Natural Resources - Division of Water Resources		
Resources	0.00%	56,193
		<u>\$ 2,631,489</u>

Annual debt service requirements to maturity for notes payable are as follows:

For the year ending December 31	Principal	Interest
2012	\$ 112,783	61,801
2013	114,984	60,229
2014	617,286	57,927
2015	119,694	48,019
2016	112,907	45,500
2017-2021	587,599	185,466
2022-2026	670,416	102,649
2027-2031	295,820	13,401
	<u>\$ 2,631,489</u>	<u>574,992</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Component unit - Mountain Regional Water SSD (continued)

Revenue Bonds

The District issues bonds that are secured by the revenues of the District. These bonds are issued to finance construction projects that would provide the income to pay the debt service. Water Revenue Bond 2002B was originally issued for \$433,000 with 0% interest, maturing in 2015 with annual installments. Water Revenue Bond 2003 was originally issued for \$18,600,000 with 2.0% - 5.0% interest, maturing in 2033 with annual installments.

Water Revenue Bond 2006 was originally issued for \$257,000 with 0% interest, maturing in 2018 with annual installments. Water Revenue Bond 2008 was originally issued for \$3,026,000 with 2% interest, maturing in 2029 with annual installments. Water Revenue Bond 2009 was originally issued for \$9,045,000 with 2.0 - 3.5% interest, maturing in 2018 with annual installments. Water Revenue Bond 2011 was originally issued for \$679,000 with 1.53% interest, maturing in 2031 with annual installments.

<u>Series</u>	<u>Interest Rates</u>	<u>Amount</u>
Water Revenue 2002B	0%	\$ 100,000
Water Revenue 2003	2-5%	29,890,000
Water Revenue 2006	2.0% - 5.0%	131,000
Water Revenue 2008	2%	2,644,000
Water Revenue 2009B	3.19%	8,395,000
Water Revenue 2011A	1.53%	679,000
		<u>\$ 41,839,000</u>

Annual debt service requirements to maturity for notes payable and revenue bonds are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 110,000	1,820,601
2013	810,000	1,817,849
2014	1,729,000	1,801,332
2015	1,769,000	1,756,543
2016	1,821,000	1,703,786
2017-2021	7,438,000	7,595,565
2022-2026	8,531,000	6,058,260
2027-2031	13,016,000	3,636,552
2032-2036	6,615,000	502,750
	<u>\$ 41,839,000</u>	<u>26,693,238</u>

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Component unit - Mountain Regional Water SSD (continued)

Advance and Current Refundings

In 2009, the District refunded \$11.91 million in existing bonds with \$9.04 million in new revenue bonds with an average interest rate of 3.20%. This refunding included the entire \$9.60 million outstanding balance for the District's Series 2003 Special Assessment Bonds, and \$2.31 million of its Series 2003 Water Revenue Bonds. The District was able to reduce the total amount of bonds outstanding for the refunding by \$2.87 million through the italicization of \$3.37 million of special assessment reserves that were on hand.

Component unit - Snyderville Basin SRD

General Obligation Bond

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. GO refunding bonds were issued May 5, 2004 for \$9,400,000, with 2.0-5.0% interest, maturity of 2023 and annual installments of \$165,000. GO bonds issued October 22, 2008 for \$10,000,000, with 4.0-4.65% interest, maturity of 2028 and annual installments of \$265,000. GO refunding bonds were issued March 9, 2010 for \$5,125,000, with 2.0-5.0% interest, maturity of 2028 and annual installments of \$25,000 to \$885,000. GO bonds issued March 2, 2011 for \$20,000,000, with 3.0-4.75% interest, maturity of 2030 and annual installments of \$320,000.

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
GO refunding bond 2004	2.0-5.0%	\$ 6,210,000
GO bond 2008	4.0-4.65%	6,060,000
GO refunding bond 2010	2.0-5.0%	5,035,000
GO bond 2011	3.0-4.75%	19,520,000
		\$ 36,825,000

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Component unit - Snyderville Basin SRD

General obligation bond requirements to maturity are as follows:

<u>For the year ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 1,430,000	1,728,301
2013	1,480,000	1,679,551
2014	1,535,000	1,623,601
2015	1,590,000	1,565,513
2016	1,655,000	1,503,138
2017-2021	9,330,000	6,454,865
2022-2026	11,535,000	4,255,535
2027-2031	11,270,000	1,366,984
	<u>\$ 39,825,000</u>	<u>20,177,488</u>

Advance and Current Refundings

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. As of December 31, 2011, \$5,920,000 of bonds outstanding were considered defeased.

On March 9, 2010, the District issued \$5,125,000 in general obligation refunding bonds with interest rates ranging between 2.0% and 5.0%. The District issued the bonds to advance refund most of the remaining balance of the 2002 General Obligation Bonds with interest rates ranging between 4.2% and 4.8%. The District used the net proceeds of the 2010 bonds to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the 2002 Series Bonds. As a result, the refunded portions mentioned above are considered defeased, and the District has removed the liabilities from its accounts. The outstanding principal of the defeased bonds is \$4,995,000.

The advance refund reduced total debt service payments over the next ten years by \$66,601. This resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$230,723.

Summit County, Utah
Notes to Financial Statements-Continued
For the Year Ended December 31, 2011

Note 4 - Detailed Notes on all Funds - Continued

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2011, was as follows:

<u>Primary Government</u>	Beginning			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
<i>Governmental activities</i>					
GO bonds payable	\$ 3,135,000	-	(585,000)	2,550,000	600,000
Revenue bonds payable	17,763,000	3,637,000	(4,788,000)	16,612,000	1,487,000
Special assessment bonds	239,000	-	(205,000)	34,000	17,000
Landfill closure costs	540,408	-	-	540,408	-
Compensated absences	1,797,754	2,434,111	(2,186,871)	2,044,994	1,968,184
Less deferred amounts					
Bond issue premium	267,551	-	(42,319)	225,232	-
For issuance costs	(273,091)	72,250	(47,528)	(248,369)	-
Total governmental activity					
Long-term liabilities	<u>\$ 23,469,622</u>	<u>6,143,361</u>	<u>(7,854,718)</u>	<u>21,758,265</u>	<u>4,072,184</u>

In prior years, the general fund has been used to liquidate the liability for compensated absences.

Component Units

Mountain Regional Water Special Service District

<i>Bonds payable</i>					
Revenue bonds	\$ 42,322,000	679,000	(1,162,000)	41,839,000	112,783
Notes payable	1,309,177	1,381,157	(58,845)	2,631,489	110,000
Less deferred amounts					
Bond issue premium	490,223	-	(38,216)	452,007	-
For issuance costs	(1,047,711)	(18,743)	87,058	(979,396)	-
Total bonds & notes payable	<u>\$ 43,073,689</u>	<u>2,041,414</u>	<u>(1,172,003)</u>	<u>43,943,100</u>	<u>222,783</u>

Snyderville Basin Special Recreation District

<i>Bonds payable</i>					
GO bonds	\$ 21,385,000	20,000,000	(1,560,000)	39,825,000	1,430,000
Less deferred amounts					
Bond issue premium	451,724	220,327	(48,581)	623,470	-
For issuance costs	(205,682)	(152,268)	22,890	(335,060)	-
On refunding	(704,374)	-	59,885	(644,489)	-
Compensated absences	53,753	2,879	(13,674)	42,958	42,958
Total bonds payable	<u>\$ 20,980,421</u>	<u>20,070,938</u>	<u>(1,539,480)</u>	<u>39,511,879</u>	<u>1,472,958</u>

Note 5 - Other Information

Retirement plans

Plan description

Summit County, Utah, contributes to the Contributory System: Local Governmental Division and Public Safety System, Other Division A Contributory, for employers which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (the Systems). The 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 (the 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 Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers with (without) Social Security coverage. A copy of the report may be obtained by writing the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding policy

Plan members in the Contributory System: Local Governmental Division were not required to contribute any of their annual covered salary and Summit County, Utah, was required to contribute 3.0% for January - June 2011 and 3.0% for July - December 2011 of the member's annual salary. In the Public Safety System: Other Division A Contributory, members were not required to contribute any of their salary and Summit County, Utah, was required to contribute 9.29% for January - June 2011 and 9.29% for July - December 2011 of the member's annual salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

Summit County, Utah's, contributions to the Contributory System: Local Governmental Division for the years ending December 31, 2011, 2010 and 2009 were \$6,086, \$5,440, and \$4,858 respectively, for the Noncontributory System: Local Governmental Division for the years ending December 31, 2011, 2010 and 2009 were \$1,284,968, \$1,237,463, and \$1,166,888, and for the Public Safety System: Other Division A Contributory the contributions for December 31, 2011, 2010, and 2009 were \$147,358, \$135,032, and \$115,809, respectively. Other Division A Noncontributory, the contributions for December 31, 2011, 2010 and 2009 were \$797,601, \$760,424, and \$698,146 respectively. The contributions were equal to the required contributions for each year.

Note 5 - Other Information - Continued

Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. The County is a member of the Utah Local Governments Trust (ULGT), a public entity risk pool currently operating as a common risk management and insurance program for Utah State Governments. The County pays an annual premium to ULGT for its general insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

Beginning in 2007, the County decided to stop carrying dental insurance because of its prohibitive cost and began covering all claim settlements up to \$1,500 per covered individual out of General Fund resources. Claims expenditures and liabilities are reported when it is probable that a event will occur and the amount of that loss can be reasonably estimated. At December 31, 2011, General Fund investments of \$407,953 were held for purposes of funding the County's future claims liabilities. As a result, \$407,953 of General Fund balance is reserved for payment of future claims liabilities.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. For certain of these cases, where it is probable that a claim will be paid, the County has determined that such claims would be covered under the County's insurance policy. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County Attorney's Office, the resolution of these matters will not have a materially adverse effect on the financial condition of the County, with the exception of items noted below.

At the end of 2011, the County created the Insurance Fund (an internal service fund). Summit County is establishing the fund, in conjunction with Snyderville Basin Special Recreation District and Mountain Regional Water Special Service District (component units), to begin a medical self-insurance plan that went into effect January 1, 2012. The County has initially funded the plan through a transfer from the General Fund in the current year of \$336,616. In subsequent years, the County and its component units will contribute self-insured premiums to the Insurance Fund for each covered employee, which will be comparable to standard primary insurance rates. The County has contracted with Intermountain Healthcare to process all claims and to provide reinsurance for any individual claim that exceeds \$150,000.

Note 5 - Other Information - Continued

Landfill closure and post closure care costs

State and federal laws and regulations require the County to place a final cover on its Three Mile Canyon and Henefer landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and post closure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The \$540,408 reported as landfill closure and post closure care liability at December 31, 2011, represents the cumulative amount reported to date based on the use of 51.43 percent of the estimated capacity of the Three Mile Canyon landfill and the use of 38.43 percent of the estimated capacity of the Henefer landfill. The County will recognize the remaining estimated cost of closure and post closure care of \$555,880 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post closure care in 2031. The County expects to close the Three Mile Canyon landfill in the year 2031 and the Henefer landfill in the year 2031. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. All sites were reviewed in 2008, and the County determined that the landfills have expanded in capacity and therefore no further accrual for closure and post closure care liability is required for 2011.

The County is required by state and federal laws and regulations to assure financial resources for the closure and postclosure care costs through the "local government financial test". By utilizing this test, the County is not required to establish a separate fund to accumulate the monies for closure and postclosure care requirements. Instead, the County may assure closure and postclosure care costs with up to 43 percent of the County's total annual revenue. The County's total revenues are sufficiently high enough to comply with the "local government financial test" without making annual contributions to a separate trust fund. Another requirement of the "local government financial test" is that the County may not operate at a deficit equal to 5 percent or more of the total revenue in each of the past two years. Summit County has not operated at a deficit equal to 5 percent or more of the total revenues in the past two years.

Note 5 - Other Information - Continued

Component unit reporting difference

In 2008, the County purchased many pieces of property in an effort to establish open spaces in the County. At the end of 2008, SBSRD received title to 10 of the 20 acres identified as the Koleman property. The stated price of this parcel per the interlocal agreement was \$1 million. Snyderville Basin Special Recreation District's independent audit indicated that the cost of these 10 acres was \$2.5 million, not the stated \$1 million in the interlocal agreement. The County maintains that the value of the specific 10 acres titled to the SBSRD is consistent with the interlocal agreement. The County has chosen to restate the component unit reporting of this transaction in the government-wide statement of net assets, to more correctly reflect the terms specified in the interlocal agreement. This effectively increases the amount shown as a contribution from SBSRD to the County over that reported in the SBSRD's financial statements for 2008, which results in a decrease in investment in capital assets net of related debt by \$1.5 million.

Interlocal agreement

The interlocal agreement between Summit County and Snyderville Basin Special Recreation District is for the purpose of protecting the scenic beauty, wildlife, recreational opportunities and open space values of the properties purchased. SBSRD agreed to use the proceeds of the \$10 million Recreation Open Space Bond for the purchase of two properties designated as open space, identified above as the Koleman Property and the Kimball Junction Property. SBSRD is responsible for the construction, operation and maintenance of trails on the two specified pieces of property. With the exception of the 10 acres of the Koleman Property, the County will perpetually hold fee title to all lands purchased.

Tenants in common

Summit County and Park City Municipal Corporation are tenants in common, despite significantly disproportionate contributions from the County, for both the Kimball Junction Property and the Triangle Property. This joint ownership is for the purpose of meeting mutual goals such as the following: a research park, visitor's information center, park and ride facility, athlete support services, and a public cemetery.

Related party transaction

The County has provided space for a local not-for-profit in the main County Health Complex. The People's Health Clinic provides health services to underprivileged community members. The Clinic staff and former board members are members of the County Council. The Clinic receives an annual contribution from the General Fund of \$30,000 to fund the activities that the County believes benefits the community as a whole. The Clinic also pays \$18,813 annually in maintenance fees to the County for the space used. The annual lease value of the space occupied is approximately \$70,000 to \$85,000.

Note 5 - Other Information - Continued

Contingencies

A plaintiff seeks damages from Summit County for the actions of the County Sheriff in not properly placing a recorded lien on a property. The lien was recorded in the miscellaneous index instead of the specific property index. The title company failed to research the complete file prior to the sale of the property. There is a high likelihood of an unfavorable outcome wherein the County may be negligent and liable for some part of the total damages which were approximately \$250,000. Since only a portion of this amount is likely to be assumed by the County and the amount has not been determined, no accrual for this contingency has been made in the financial statements.

Subsequent events

Subsequent events have been evaluated through May 31, 2012, the date that the financial statements were available to be issued. There have been the following subsequent events.

On May 23, 2012, Summit County announces a purchase agreement with the landowner, Nadine Gillmor, to acquire approximately 290 acres known as Stoneridge to be permanently protected as open space in settlement of a lawsuit between Summit County and Ms. Gillmor. The purchase price will be \$7.425 million funded by \$6 million in Snyderville Basin Special Recreation District bonds and \$1.425 million through a public fundraising campaign.

Prior period adjustment

During the 2011 year, the County discovered that they had not been using the modified accrual method of accounting to recognize two months of the revenue collected and paid through the Utah State Tax Commission. This resulted in a \$2,589,472 increase in the beginning fund balance of various governmental funds and a \$221,500 increase in net assets in the Transit District Proprietary Fund.

Special Item

Under a settlement and release agreement entered into in 2011, the County received \$1.6 million from the Utah Local Government Trust to fund the settlement agreement. Per the agreement, the County paid \$1.2 million of the proceeds in settlement costs to outside parties.

SUPPLEMENTARY INFORMATION

Summit County, Utah
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Tax Stability
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest	\$ -	-	34,275	34,275
Total revenues	-	-	34,275	34,275
<u>Expenditures</u>				
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Excess revenues over (under) expenditures	-	-	34,275	34,275
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	(34,275)	(34,275)
Total other financing sources and (uses)	-	-	(34,275)	(34,275)
Excess of revenues and other sources over (under) expenditures and other uses	-	-	-	-
Fund balances - beginning of year - as adjusted	10,192,354	10,192,354	10,192,354	-
Fund balances - end of year	<u>\$ 10,192,354</u>	<u>10,192,354</u>	<u>10,192,354</u>	<u>-</u>

Summit County, Utah
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditures for specified purposes. Summit County has the following nonmajor special revenue funds:

Assessing & Collecting - This fund is used to account for property tax revenues and expenditures directly related to assessing and collecting property taxes within the County.

Senior Citizens - This fund is used to account for the activities of four separate centers dedicated to assisting the aging citizens of the County.

Disaster Fund - This fund is used to account for cash set aside by the County to be used in the event of a disaster.

Community Development Renewal Agency - This fund is used to account for redevelopment agency transactions conducted by the County, including property acquisition, site improvements, preparation costs, installation of public improvements, and administration costs.

Wildland Fire District - This fund is used to account for property tax revenue and expenditures related to fire fighting in the region.

Building Authority - This fund is used to account for both payment of facility related debt and state rental contracts for the many courthouses in the County.

Other Services - This fund is used to account for revenue and expenditures related to weed control in the County.

Summit County, Utah
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

Debt Service Funds

Debt service funds account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds. Summit County has the following nonmajor debt service funds:

Bond Redemption - This fund is used to account for principal and interest on bonds used to finance construction in the County.

Excise Bond Redemption - This fund is used to account for principal and interest on bonds used to finance construction of roadways in the County.

Guarantee Fund - This fund is used to account for the various sinking funds required by bonding agencies.

Summit Park Water - This fund is used to account for principal and interest on bonds used to finance construction in the County and assessments collected to pay the debt.

Park Ridge Water - This fund is used to account for principal and interest on bonds used to finance construction in the County and assessments collected to pay the debt.

Capital Project Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds. Summit County has the following nonmajor capital projects funds:

Open Space Fund - This fund is used to account for the ongoing acquisition and replacement of land in the County in order to maintain the appearance of open spaces.

Capital Projects Agent - This fund is used to account for developer fee revenue and the acquisition and development of various capital projects within the County.

Summit County, Utah
Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2011

	Special Revenue			
	Assessing & Collecting	Senior Citizens	Disaster Fund	Community Development Renewal Agency
<u>Assets</u>				
Cash and cash equivalents	\$ 2,198,470	24,886	269,601	616,331
Restricted cash	-	-	-	-
Receivables				
Accounts (net)	350,205	6,021	-	-
Assessments	-	-	-	-
Total assets	<u>\$ 2,548,675</u>	<u>30,907</u>	<u>269,601</u>	<u>616,331</u>
<u>Liabilities and Fund Balances</u>				
Liabilities				
Accounts payable	\$ 75,103	1,997	-	-
Unearned revenue	1,540	-	-	-
Deferred assessment revenue	-	-	-	-
Interfund loan payable	-	-	-	-
Due to other funds	-	5,000	-	-
Total liabilities	<u>76,643</u>	<u>6,997</u>	<u>-</u>	<u>-</u>
Fund Balances				
Restricted for				
Debt	-	-	-	-
Assigned				
Special Revenue Funds	2,472,032	23,910	269,601	616,331
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>2,472,032</u>	<u>23,910</u>	<u>269,601</u>	<u>616,331</u>
Total liabilities and fund balances	<u>\$ 2,548,675</u>	<u>30,907</u>	<u>269,601</u>	<u>616,331</u>

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

Summit County, Utah
Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2011

	Special Revenue			Debt Service
	Wildland Fire	Other Services	Building Authority	Bond Redemption
Assets				
Cash and cash equivalents	\$ 748,332	424,313	1,250,840	753,604
Restricted cash	-	-	-	-
Receivables				
Accounts (net)	3,478	10	-	65,231
Assessments	-	-	-	-
Total assets	\$ 751,810	424,323	1,250,840	818,835
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	218,471	-	-
Unearned revenue	-	-	663,202	-
Deferred assessment revenue	-	-	-	-
Interfund loan payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	218,471	663,202	-
Fund Balances				
Restricted for				
Debt	-	-	-	-
Assigned				
Special Revenue Funds	751,810	205,852	587,638	-
Debt Service Funds	-	-	-	818,835
Capital Projects Funds	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	751,810	205,852	587,638	818,835
Total liabilities and fund balances	\$ 751,810	424,323	1,250,840	818,835

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

Summit County, Utah
Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2011

	Debt Service			
	Excise Bond Redemption	Guarantee Fund	Summit Park Water	Park Ridge Water
<u>Assets</u>				
Cash and cash equivalents	\$ 86,127	-	-	5,258
Restricted cash	-	608,201	-	-
Receivables				
Accounts (net)	-	-	-	-
Assessments	-	-	-	32,678
Total assets	<u>\$ 86,127</u>	<u>608,201</u>	<u>-</u>	<u>37,936</u>
<u>Liabilities and Fund Balances</u>				
Liabilities				
Accounts payable	\$ -	-	-	175
Unearned revenue	-	-	-	-
Deferred assessment revenue	-	-	-	32,678
Interfund loan payable	-	-	-	-
Due to other funds	-	-	-	100
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,953</u>
Fund Balances				
Restricted for				
Debt	-	608,201	-	-
Assigned				
Special Revenue Funds	-	-	-	-
Debt Service Funds	86,127	-	-	4,983
Capital Projects Funds	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>86,127</u>	<u>608,201</u>	<u>-</u>	<u>4,983</u>
Total liabilities and fund balances	<u>\$ 86,127</u>	<u>608,201</u>	<u>-</u>	<u>37,936</u>

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

Summit County, Utah
Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2011

	<u>Capital Projects</u>		<u>Total</u>
	<u>Open Spaces</u>	<u>Capital Projects Agent</u>	
<u>Assets</u>			
Cash and cash equivalents	\$ 1,412,245	-	7,790,007
Restricted cash	-	106,366	714,567
Receivables			
Accounts (net)	-	-	424,945
Assessments	-	-	32,678
Total assets	<u>\$ 1,412,245</u>	<u>106,366</u>	<u>8,962,197</u>
<u>Liabilities and Fund Balances</u>			
Liabilities			
Accounts payable	\$ 101	-	295,847
Unearned revenue	-	-	664,742
Deferred assessment revenue	-	-	32,678
Interfund loan payable	2,184,886	-	2,184,886
Due to other funds	-	-	5,100
Total liabilities	<u>2,184,987</u>	<u>-</u>	<u>3,183,253</u>
Fund Balances			
Restricted for			
Debt	-	-	608,201
Assigned			
Special Revenue Funds	-	-	4,927,174
Debt Service Funds	-	-	909,945
Capital Projects Funds	-	106,366	106,366
Unassigned	<u>(772,742)</u>	<u>-</u>	<u>(772,742)</u>
Total fund balances	<u>(772,742)</u>	<u>106,366</u>	<u>5,778,944</u>
Total liabilities and fund balances	<u>\$ 1,412,245</u>	<u>106,366</u>	<u>8,962,197</u>

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

Summit County, Utah
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Special Revenue			
	Assessing & Collecting	Senior Citizens	Disaster Fund	Community Development Renewal Agency
<u>Revenues</u>				
Taxes	\$ 3,193,413	-	-	-
Intergovernmental	87,063	26,351	-	-
Charges for services	266,404	-	-	-
Miscellaneous revenue	4,938	663	-	-
Interest	3,784	19	903	2,065
Developer contributions	-	-	-	-
Donations	-	21,226	-	-
Total revenues	3,555,602	48,259	903	2,065
<u>Expenditures</u>				
General government	3,186,456	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	127,555	-	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	-	-	-	-
Interest	-	-	-	-
Bond costs	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	3,186,456	127,555	-	-
Excess revenues over (under) expenditures	369,146	(79,296)	903	2,065
<u>Other Financing Sources (Uses)</u>				
Proceeds from settlement	-	-	-	-
Transfer (to) from other funds	-	73,620	-	-
Total other financing sources (uses)	-	73,620	-	-
Excess of revenues and other sources over (under) expenditures and other uses	369,146	(5,676)	903	2,065
Fund balances - beginning of year	2,102,886	29,586	268,698	614,266
Fund balances - end of year	\$ 2,472,032	23,910	269,601	616,331

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

Summit County, Utah
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Continued
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Special Revenue			Debt Service
	Wildland Fire District	Other Services	Building Authority	Bond Redemption
<u>Revenues</u>				
Taxes	\$ 67,924	-	-	780,886
Intergovernmental	-	322,567	288,322	-
Charges for services	-	-	-	-
Miscellaneous revenue	3,946	-	-	-
Interest	2,369	9,445	9,684	2,526
Developer contributions	-	-	-	-
Donations	-	-	-	-
Total revenues	74,239	332,012	298,006	783,412
<u>Expenditures</u>				
General government	-	-	-	-
Public safety	27,925	-	-	-
Culture and recreation	-	-	-	-
Conservation and economic development	-	1,506,618	-	-
Debt Service				
Principle	-	-	827,000	585,000
Interest	-	-	217,522	111,838
Bond costs	-	-	13,445	2,555
Capital outlay	-	-	-	-
Total expenditures	27,925	1,506,618	1,057,967	699,393
Excess revenues over (under) expenditures	46,314	(1,174,606)	(759,961)	84,019
<u>Other Financing Sources (Uses)</u>				
Proceeds from settlement	-	1,600,000	-	-
Transfer (to) from other funds	-	(405,009)	400,000	-
Total other financing sources (uses)	-	1,194,991	400,000	-
Excess of revenues and other sources over (under) expenditures and other uses	46,314	20,385	(359,961)	84,019
Fund balances - beginning of year	705,496	185,467	947,599	734,816
Fund balances - end of year	\$ 751,810	205,852	587,638	818,835

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

Summit County, Utah
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Continued
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Debt Service			
	Excise Bond Redemption	Guarantee Fund	Summit Park Water	Park Ridge Water
<u>Revenues</u>				
Taxes	\$ -	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	185,103	17,358
Miscellaneous revenue	-	-	-	-
Interest	5,586	-	804	49
Developer contributions	-	-	-	-
Donations	-	-	-	-
Total revenues	<u>5,586</u>	<u>-</u>	<u>185,907</u>	<u>17,407</u>
<u>Expenditures</u>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Conservation and economic development	-	-	-	-
Debt Service				
Principle	-	-	188,000	17,000
Interest	-	-	-	-
Bond costs	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>188,000</u>	<u>17,000</u>
Excess revenues over (under) expenditures	<u>5,586</u>	<u>-</u>	<u>(2,093)</u>	<u>407</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from settlement	-	-	-	-
Transfer (to) from other funds	-	(1,245,900)	(241,668)	-
Total other financing sources (uses)	<u>-</u>	<u>(1,245,900)</u>	<u>(241,668)</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	5,586	(1,245,900)	(243,761)	407
Fund balances - beginning of year	<u>80,541</u>	<u>1,854,101</u>	<u>243,761</u>	<u>4,576</u>
Fund balances - end of year	<u>\$ 86,127</u>	<u>608,201</u>	<u>-</u>	<u>4,983</u>

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

Summit County, Utah
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Continued
Nonmajor Governmental Funds
For the Year Ended December 31, 2011

	Capital Projects		Total
	Open Spaces	Capital Projects Agent	
<u>Revenues</u>			
Taxes	\$ -	-	4,042,223
Intergovernmental	-	8,000	732,303
Charges for services	-	-	468,865
Miscellaneous revenue	-	-	9,547
Interest	4,624	3,509	45,367
Developer contributions	70,311	-	70,311
Donations	-	-	21,226
Total revenues	<u>74,935</u>	<u>11,509</u>	<u>5,389,842</u>
<u>Expenditures</u>			
General government	-	-	3,186,456
Public safety	-	-	27,925
Culture and recreation	79,078	-	206,633
Conservation and economic development	-	-	1,506,618
Debt Service			
Principle	-	-	1,617,000
Interest	-	-	329,360
Bond costs	-	-	16,000
Capital outlay	-	604,412	604,412
Total expenditures	<u>79,078</u>	<u>604,412</u>	<u>7,494,404</u>
Excess revenues over (under) expenditures	<u>(4,143)</u>	<u>(592,903)</u>	<u>(2,104,562)</u>
<u>Other Financing Sources (Uses)</u>			
Proceeds from settlement	-	-	1,600,000
Transfer (to) from other funds	50,000	-	(1,368,957)
Total other financing sources (uses)	<u>50,000</u>	<u>-</u>	<u>231,043</u>
Excess of revenues and other sources over (under) expenditures and other uses	45,857	(592,903)	(1,873,519)
Fund balances - beginning of year	<u>(818,599)</u>	<u>699,269</u>	<u>7,652,463</u>
Fund balances - end of year	<u>\$ (772,742)</u>	<u>106,366</u>	<u>5,778,944</u>

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

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Assessing & Collecting
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 3,020,000	3,020,000	3,193,413	173,413
Intergovernmental	100,000	100,000	87,063	(12,937)
Charges for services	330,000	330,000	266,404	(63,596)
Miscellaneous revenue	-	-	4,938	4,938
Interest	23,130	23,130	3,784	(19,346)
Total revenues	3,473,130	3,473,130	3,555,602	82,472
<u>Expenditures</u>				
General government	3,502,130	3,502,130	3,186,456	315,674
Total expenditures	3,502,130	3,502,130	3,186,456	315,674
Excess revenues over (under) expenditures	(29,000)	(29,000)	369,146	398,146
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	(29,000)	(29,000)	369,146	398,146
Fund balances - beginning of year	2,102,886	2,102,886	2,102,886	-
Fund balances - end of year	<u>\$ 2,073,886</u>	<u>2,073,886</u>	<u>2,472,032</u>	<u>398,146</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Senior Citizens
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 28,500	28,500	26,351	(2,149)
Miscellaneous	-	-	663	663
Interest	-	-	19	19
Donations	31,000	31,000	21,226	(9,774)
Total revenues	<u>59,500</u>	<u>59,500</u>	<u>48,259</u>	<u>(11,241)</u>
<u>Expenditures</u>				
Culture and recreation	136,630	136,630	127,555	9,075
Total expenditures	<u>136,630</u>	<u>136,630</u>	<u>127,555</u>	<u>9,075</u>
Excess revenues over (under) expenditures	<u>(77,130)</u>	<u>(77,130)</u>	<u>(79,296)</u>	<u>(2,166)</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	77,130	77,130	73,620	(3,510)
Total other financing sources and (uses)	<u>77,130</u>	<u>77,130</u>	<u>73,620</u>	<u>(3,510)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(5,676)	(5,676)
Fund balances - beginning of year	29,586	29,586	29,586	-
Fund balances - end of year	<u>\$ 29,586</u>	<u>29,586</u>	<u>23,910</u>	<u>(5,676)</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Disaster Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest	\$ -	-	903	903
Total revenues	-	-	903	903
<u>Expenditures</u>				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess revenues over (under) expenditures	-	-	903	903
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	903	903
Fund balances - beginning of year	268,698	268,698	268,698	-
Fund balances - end of year	<u>\$ 268,698</u>	<u>268,698</u>	<u>269,601</u>	<u>903</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Community Development Renewal Agency
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest	\$ -	-	2,065	2,065
Total revenues	-	-	2,065	2,065
<u>Expenditures</u>				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess revenues over (under) expenditures	-	-	2,065	2,065
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	2,065	2,065
Fund balances - beginning of year	614,266	614,266	614,266	-
Fund balances - end of year	<u>\$ 614,266</u>	<u>614,266</u>	<u>616,331</u>	<u>2,065</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Wildland Fire District
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Taxes	\$ 68,055	68,055	67,924	(131)
Miscellaneous revenue	-	-	3,946	3,946
Interest	-	-	2,369	2,369
Total revenues	<u>68,055</u>	<u>68,055</u>	<u>74,239</u>	<u>6,184</u>
<u>Expenditures</u>				
Public safety	<u>68,055</u>	<u>68,055</u>	<u>27,925</u>	<u>40,130</u>
Total expenditures	<u>68,055</u>	<u>68,055</u>	<u>27,925</u>	<u>40,130</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>46,314</u>	<u>46,314</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>46,314</u>	<u>46,314</u>
Fund balances - beginning of year	<u>705,496</u>	<u>705,496</u>	<u>705,496</u>	<u>-</u>
Fund balances - end of year	<u>\$ 705,496</u>	<u>705,496</u>	<u>751,810</u>	<u>46,314</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Other Services
For the Year Ended December 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Intergovernmental	\$ 45,000	45,000	322,567	277,567
Interest	2,000	2,000	9,445	7,445
Total revenues	47,000	47,000	332,012	285,012
<u>Expenditures</u>				
Conservation and economic development	47,000	47,000	1,506,618	(1,459,618)
Total expenditures	47,000	47,000	1,506,618	(1,459,618)
Excess revenues over (under) expenditures	-	-	(1,174,606)	(1,174,606)
<u>Other Financing Sources (Uses)</u>				
Proceeds from settlement	-	-	1,600,000	1,600,000
Transfer (to) from other funds	-	-	(405,009)	(405,009)
Total other financing sources and (uses)	-	-	1,194,991	1,194,991
Excess of revenues and other sources over (under) expenditures and other uses	-	-	20,385	20,385
Fund balances - beginning of year	185,467	185,467	185,467	-
Fund balances - end of year	\$ 185,467	185,467	205,852	20,385

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Building Authority
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 253,464	253,464	288,322	34,858
Interest	10,000	10,000	9,684	(316)
Total revenues	<u>263,464</u>	<u>263,464</u>	<u>298,006</u>	<u>34,542</u>
<u>Expenditures</u>				
Debt Service				
Principle	815,000	815,000	827,000	(12,000)
Interest	290,000	290,000	217,522	72,478
Bond costs	12,000	12,000	13,445	(1,445)
Capital outlay	250,000	250,000	-	250,000
Total expenditures	<u>1,367,000</u>	<u>1,367,000</u>	<u>1,057,967</u>	<u>309,033</u>
Excess revenues over (under) expenditures	<u>(1,103,536)</u>	<u>(1,103,536)</u>	<u>(759,961)</u>	<u>343,575</u>
<u>Other Financing Sources (Uses)</u>				
Transfer from other funds	800,000	800,000	400,000	(400,000)
Total other financing sources and (uses)	<u>800,000</u>	<u>800,000</u>	<u>400,000</u>	<u>(400,000)</u>
Excess of revenues and other sources over (under) expenditures and other uses	(303,536)	(303,536)	(359,961)	(56,425)
Fund balances - beginning of year	947,599	947,599	947,599	-
Fund balances - end of year	<u>\$ 644,063</u>	<u>644,063</u>	<u>587,638</u>	<u>(56,425)</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Bond Redemption
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Taxes	\$ 697,000	697,000	780,886	83,886
Interest	10,000	10,000	2,526	(7,474)
Total revenues	<u>707,000</u>	<u>707,000</u>	<u>783,412</u>	<u>76,412</u>
<u>Expenditures</u>				
Debt Service				
Principle	585,000	585,000	585,000	-
Interest	112,000	112,000	111,838	162
Bond costs	10,000	10,000	2,555	7,445
Total expenditures	<u>707,000</u>	<u>707,000</u>	<u>699,393</u>	<u>7,607</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>84,019</u>	<u>84,019</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>84,019</u>	<u>84,019</u>
Fund balances - beginning of year	<u>734,816</u>	<u>734,816</u>	<u>734,816</u>	<u>-</u>
Fund balances - end of year	<u>\$ 734,816</u>	<u>734,816</u>	<u>818,835</u>	<u>84,019</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Excise Bond Redemption
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest	\$ -	-	5,586	5,586
Total revenues	-	-	5,586	5,586
<u>Expenditures</u>				
Debt Service				
Principle	-	-	-	-
Total expenditures	-	-	-	-
Excess revenues over (under) expenditures	-	-	5,586	5,586
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources and (uses)	-	-	-	-
Excess of revenues and other sources over (under) expenditures and other uses	-	-	5,586	5,586
Fund balances - beginning of year	80,541	80,541	80,541	-
Fund balances - end of year	\$ 80,541	80,541	86,127	5,586

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Guarantee Fund
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Interest	\$ -	-	-	-
Total revenues	-	-	-	-
<u>Expenditures</u>				
Debt Service				
Principle	-	-	-	-
Total expenditures	-	-	-	-
Excess revenues over (under) expenditures	-	-	-	-
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	(1,245,900)	(1,245,900)
Total other financing sources and (uses)	-	-	(1,245,900)	(1,245,900)
Excess of revenues and other sources over (under) expenditures and other uses	-	-	(1,245,900)	(1,245,900)
Fund balances - beginning of year	1,854,101	1,854,101	1,854,101	-
Fund balances - end of year	<u>\$ 1,854,101</u>	<u>1,854,101</u>	<u>608,201</u>	<u>(1,245,900)</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Summit Park Water
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
<u>Revenues</u>				
Charges for services	\$ 185,000	185,000	185,103	103
Interest	3,000	3,000	804	(2,196)
Total revenues	<u>188,000</u>	<u>188,000</u>	<u>185,907</u>	<u>(2,093)</u>
<u>Expenditures</u>				
Debt Service				
Principle	<u>188,000</u>	<u>188,000</u>	<u>188,000</u>	<u>-</u>
Total expenditures	<u>188,000</u>	<u>188,000</u>	<u>188,000</u>	<u>-</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(2,093)</u>	<u>(2,093)</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	<u>-</u>	<u>-</u>	<u>(241,668)</u>	<u>(241,668)</u>
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>(241,668)</u>	<u>(241,668)</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>(243,761)</u>	<u>(243,761)</u>
Fund balances - beginning of year	<u>243,761</u>	<u>243,761</u>	<u>243,761</u>	<u>-</u>
Fund balances - end of year	<u><u>\$ 243,761</u></u>	<u><u>243,761</u></u>	<u><u>-</u></u>	<u><u>(243,761)</u></u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Park Ridge Water
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>Revenues</u>				
Charges for services	\$ 17,000	17,000	17,358	358
Interest	-	-	49	49
Total revenues	<u>17,000</u>	<u>17,000</u>	<u>17,407</u>	<u>407</u>
<u>Expenditures</u>				
Debt Service				
Principle	<u>17,000</u>	<u>17,000</u>	<u>17,000</u>	<u>-</u>
Total expenditures	<u>17,000</u>	<u>17,000</u>	<u>17,000</u>	<u>-</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>407</u>	<u>407</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>407</u>	<u>407</u>
Fund balances - beginning of year	<u>4,576</u>	<u>4,576</u>	<u>4,576</u>	<u>-</u>
Fund balances - end of year	<u>\$ 4,576</u>	<u>4,576</u>	<u>4,983</u>	<u>407</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Open Space
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Interest	\$ 1,000	1,000	4,624	3,624
Developer contributions	150,000	150,000	70,311	(79,689)
Total revenues	<u>151,000</u>	<u>151,000</u>	<u>74,935</u>	<u>(76,065)</u>
<u>Expenditures</u>				
Culture and recreation	<u>241,000</u>	<u>241,000</u>	<u>79,078</u>	<u>161,922</u>
Total expenditures	<u>241,000</u>	<u>241,000</u>	<u>79,078</u>	<u>161,922</u>
Excess revenues over (under) expenditures	<u>(90,000)</u>	<u>(90,000)</u>	<u>(4,143)</u>	<u>85,857</u>
<u>Other Financing Sources (Uses)</u>				
Proceeds from sale of capital asset	40,000	40,000	-	(40,000)
Transfer (to) from other funds	50,000	50,000	50,000	-
Total other financing sources and (uses)	<u>90,000</u>	<u>90,000</u>	<u>50,000</u>	<u>(40,000)</u>
Excess of revenues and other sources over (under) expenditures and other uses	-	-	45,857	45,857
Fund balances - beginning of year	<u>(818,599)</u>	<u>(818,599)</u>	<u>(818,599)</u>	-
Fund balances - end of year	<u>\$ (818,599)</u>	<u>(818,599)</u>	<u>(772,742)</u>	<u>45,857</u>

Summit County, Utah
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual - Capital Projects Agent
For the Year Ended December 31, 2011

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Intergovernmental	\$ 315,000	315,000	8,000	(307,000)
Interest	19,200	19,200	3,509	(15,691)
Total revenues	<u>334,200</u>	<u>334,200</u>	<u>11,509</u>	<u>(322,691)</u>
<u>Expenditures</u>				
Capital outlay	765,000	765,000	604,412	160,588
Total expenditures	<u>765,000</u>	<u>765,000</u>	<u>604,412</u>	<u>160,588</u>
Excess revenues over (under) expenditures	<u>(430,800)</u>	<u>(430,800)</u>	<u>(592,903)</u>	<u>(162,103)</u>
<u>Other Financing Sources (Uses)</u>				
Transfer (to) from other funds	-	-	-	-
Total other financing sources and (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over (under) expenditures and other use	<u>(430,800)</u>	<u>(430,800)</u>	<u>(592,903)</u>	<u>(162,103)</u>
Fund balances - beginning of year	699,269	699,269	699,269	-
Fund balances - end of year	<u>\$ 268,469</u>	<u>268,469</u>	<u>106,366</u>	<u>(162,103)</u>

Summit County, Utah
Combining Statement of Fiduciary Assets & Liabilities
Agency Fund Types
For the Year Ended December 31, 2011

	County General Agency Fund	Treasurer's Tax Fund	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 4,939,712	14,016,559	18,956,271
Other receivable	-	120,761	120,761
Total assets	<u>4,939,712</u>	<u>14,137,320</u>	<u>19,077,032</u>
<u>Liabilities</u>			
Taxes payable	\$ 308,950	14,137,320	14,446,270
Developer bonds payable	3,623,593	-	3,623,593
Court bail bonds payable	130,717	-	130,717
Due to other entities	876,452	-	876,452
Total liabilities	<u>\$ 4,939,712</u>	<u>14,137,320</u>	<u>19,077,032</u>

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

Summit County, Utah
Combining Statement of Changes in Fiduciary Net Assets
For the Year Ended December 31, 2011

	County General Agency	Treasurer's Tax Fund	Total
<u>Additions</u>			
Tax collections	\$ 405,129	139,914,737	140,319,866
Developer deposits	716,558	-	716,558
Court bail bonds collected	2,015,449	-	2,015,449
Other deposits	3,535,615	-	3,535,615
Total additions	<u>6,672,751</u>	<u>139,914,737</u>	<u>146,587,488</u>
<u>Deductions</u>			
Tax disbursements	310,847	145,307,313	145,618,160
Developer refunds	557,941	-	557,941
Court bail bonds disbursements	2,030,617	-	2,030,617
Other disbursements	3,554,667	-	3,554,667
Total deductions	<u>6,454,072</u>	<u>145,307,313</u>	<u>151,761,385</u>
Change in cash held	<u>218,679</u>	<u>(5,392,576)</u>	<u>(5,173,897)</u>
Assets & liabilities -			
beginning of the year			
Tax	214,668	19,529,896	19,744,564
Developer bonds	3,464,976	-	3,464,976
Court bail bonds	146,241	-	146,241
Other entities	895,148	-	895,148
Assets & liabilities -			
beginning of the year - total	<u>4,721,033</u>	<u>19,529,896</u>	<u>24,250,929</u>
Assets & liabilities - at end of year			
Tax	308,950	14,137,320	14,446,270
Developer bonds	3,623,593	-	3,623,593
Court bail bonds	131,073	-	131,073
Other entities	876,096	-	876,096
Assets & liabilities -			
at end of year - total	<u>\$ 4,939,712</u>	<u>14,137,320</u>	<u>19,077,032</u>

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

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Summit County, Utah
Schedule of Receipts and Disbursements - Treasurer's Collection Account
For the Year Ended December 31, 2011

	Treasurer's Balance December 31, 2010	Collection Receipts	Amounts Apportioned	Distributions	Treasurer's Balance December 31, 2011
Tax Collection Accounts					
Current year taxes & assessments		\$ 114,036,114	114,036,114		
Fee in lieu		3,526,202	3,526,202		
Redemptions of prior year tax		8,474,074	8,474,074		
Penalties, interest, and cost		848,600	848,600		
Other collections and refunds		193,566	193,566		
Total Collections		<u>127,078,557</u>	<u>127,078,557</u>		
County General Fund	\$ 2,205,020		13,437,118	14,118,599	1,523,539
County Municipal Fund	509,547		3,268,468	3,411,857	366,158
School Districts					
South Summit	1,463,634		10,786,760	11,261,372	989,022
North Summit	717,001		6,971,979	6,840,433	848,547
Park City	7,898,130		50,124,805	52,815,441	5,207,494
Assessing and Collecting					
A/C State	387,460		2,461,610	2,593,708	255,362
A/C County	111,707		992,705	1,001,950	102,462
Cities and Towns					
Coalville City	24,659		269,711	268,116	26,254
Francis City	32,088		165,678	181,786	15,980
Henefer Town	3,668		43,664	41,867	5,465
Kamas City	25,341		196,860	212,837	9,364
Oakley City	28,051		200,822	215,182	13,691
Park City Municipal Corp	2,067,141		13,847,032	14,567,207	1,346,966
Other Districts					
South Summit Cemetery	27,131		175,439	191,768	10,802
Wanship Cemetery	6,446		66,041	62,382	10,105
Hoytsville Cemetery	545		4,580	4,694	431
South Summit Fire	37,670		247,829	268,679	16,820
North Summit Fire	30,921		411,986	412,488	30,419
Park City Fire District	2,018,651		13,973,387	14,463,510	1,528,528
SC Wildland Fire District	422		68,056	64,862	3,616
Weber Basin Water	414,076		2,930,359	3,042,214	302,221
Central Utah Water District	9,475		59,149	63,434	5,190
Service Area # 3	34,354		320,181	325,124	29,411
Service Area # 5	9,161		74,682	77,233	6,610
Service Area # 6	81,282		892,124	877,594	95,812
Service Area # 8	28,729		596,485	624,334	880
Summit County Mosquito	84,100		549,308	575,389	58,019
Snyderville Basin Recreation	781,367		6,698,982	6,672,158	808,191
Snyderville Basin Water Reclamation	-		102,735	81,374	21,361
Total Due to Taxing Units	19,037,777		129,938,535	135,337,592	13,638,720

Summit County, Utah
Schedule of Receipts and Disbursements - Treasurer's Collection Account
For the Year Ended December 31, 2011

	Treasurer's Balance December 31, 2010	Collection Receipts	Amounts Apportioned	Distributions	Treasurer's Balance December 31, 2011
Other					
Timberline Water SSD	-		9,132	7,453	1,679
Summit Park Water SSD	-		45,539	45,539	-
Weber Basin Water SSD	-		287,598	267,537	20,061
Mountain Regional Water SSD	-		61,730	61,730	-
Echo Ranch SSD	-		11,400	10,800	600
Park Ridge Water SID	-		3,093	3,093	-
Main Street Redevelopment	193,237		1,339,935	1,402,231	130,941
Park Ave Redevelopment	305,306		2,643,038	2,758,865	189,479
Other Redevelopment Agencies	-		22,059	19,897	2,162
Total	\$ 19,536,320		134,362,059	139,914,737	13,983,642
Refunds	60		60,819	-	60,879
Overpayments	-		-	-	-
Carryover	(6,484)		(21,478)	-	(27,962)
Grand Total	\$ 19,529,896		134,401,400	139,914,737	14,016,559

Summit County, Utah
Statement of Taxes Charged, Collected, and Distributed
For the 2011 Property Tax Year

Taxing Units	Tax		Treasurer's Relief			Net Taxes Collected and Apportioned		Other Collections			Delinquencies	
	Valuation in Dollars	Percent	Unpaid Taxes	Abatements	Other	Amount	Percent	Fee in Lieu	Misc. Collections	Tax		In/Pen
County Funds												
General	\$ 13,323,957,747	0.000924	\$ 942,543	\$ 29,608	-	\$ 972,151	92.10%	\$ 351,473	\$ 40,326	\$ 938,400	\$ 549,057	
Municipal	6,475,398,142	0.000467	227,070	8,339	-	235,409	92.21%	116,765	3,112	276,717	11,992	
Assessing & collecting	13,779,313,608	0.000069	69,570	2,211	-	71,781	92.45%	25,919	381	64,947	2,729	
Total County	33,578,753,497		1,239,183	40,158	-	1,279,341		494,156	43,819	1,280,064	563,778	
School Districts												
So Summit Co School Dist	1,396,035,807	0.007047	583,021	55,053	-	638,074	93.51%	472,973	22,794	887,197	43,905	
No Summit Co School Dist	910,222,897	0.006572	345,298	47,193	-	392,491	93.44%	291,558	20,067	899,664	50,472	
Park City School Dist	11,017,862,271	0.004405	3,718,542	75,106	-	3,793,648	92.18%	1,210,510	23,228	2,932,113	99,974	
Total School Districts	32,324,120,975		9,646,861	177,352	-	4,824,213		1,975,041	66,089	4,718,974	194,351	
State Assessing & Collecting	13,779,313,608	0.000172	173,392	5,511	-	178,903	92.44%	63,623	942	153,257	5,690	
Cities and Towns												
Coalville City	76,452,802	0.003109	17,131	8,583	-	25,714	89.16%	30,070	9,305	11,405	701	
Francis City	63,948,530	0.002290	15,065	3,255	-	18,320	87.49%	16,123	6,783	7,722	390	
Henefer Town	36,906,166	0.000934	34,462	939	-	32,168	93.34%	6,092	2,800	645	24	
Kamas City	110,045,563	0.001548	9,088	3,713	-	12,800	92.47%	21,684	4,627	7,866	423	
Oakley City	142,987,091	0.001273	8,745	1,326	-	10,070	94.47%	17,792	3,919	138		
Park City Municipal Corp	6,418,513,891	0.002130	982,784	11,843	-	994,627	92.73%	191,318	8,804	664,350	20,191	
Total Cities and Towns	33,578,753,497		1,034,168	29,657	-	1,063,825		283,078	36,360	695,907	21,867	
Other Districts												
South Summit Cemetery	844,682,957	0.000194	8,296	1,506	-	9,802	94.02%	11,795	613	6,280	253	
Wanship Cemetery	364,461,608	0.000152	3,847	191	-	4,037	92.71%	1,138	422	11,265	635	
Hoytsville Cemetery	66,700,448	0.000056	140	38	-	178	95.24%	506	170	252	13	
South Summit Fire	755,770,382	0.000305	12,693	2,368	-	15,061	93.47%	18,324	955	9,249	371	
North Summit Fire	484,597,173	0.000559	16,499	5,607	-	22,106	91.84%	22,822	1,899	13,821	628	
Park City Fire District	11,646,916,611	0.001161	1,032,050	19,740	-	1,051,790	92.21%	306,015	6,030	883,192	32,975	
SC Wildland Fire District	436,279,000	0.000165	4,520	46	-	4,566	93.65%	36	135	235	13	
Weber Basin Water	12,974,082,956	0.000217	205,562	6,479	-	212,040	92.46%	77,584	1,182	183,018	7,229	
Central Utah Water District	120,411,828	0.000436	4,178	942	-	5,120	90.25%	5,638	1,294	2,887	105	
Service Area # 3	191,255,349	0.001492	41,545	3,177	-	44,722	84.33%	19,237	4,529	18,323	549	
Service Area # 5	22,846,365	0.002759	6,130	106	-	6,236	90.11%	2,433	7,660	5,503	297	
Service Area # 6	1,687,477,349	0.000489	33,375	3,472	-	36,847	95.53%	61,733	1,521	27,414	873	
Service Area # 8	112,703,981	0.005118	2,765	-	-	2,765	99.52%	90	15,386	847	191	
Summit County Mosquito	13,072,437,015	0.000040	38,780	1,281	-	40,061	92.34%	15,678	225	37,264	1,468	
Snyderville Basin Recreation	6,137,264,967	0.001085	651,151	12,492	-	663,643	89.99%	167,278	4,335	426,322	17,415	
Total Other Districts	33,578,753,497		2,061,531	57,444	-	2,118,974		710,305	46,356	1,625,872	62,915	
GRAND TOTAL	\$ 123,501,372		\$ 9,155,135	\$ 310,122	\$ 9,465,257	\$ 114,036,114		\$ 3,526,202	\$ 193,566	\$ 8,474,074	\$ 848,600	

STATISTICAL SECTION

This part of Summit County, Utah's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

Table 1-5

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

Table 6-9

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

Table 10-13

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

Table 14-15

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

Operating Information

Table 16-18

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the specific years.

Summit County, Utah
Table 1 - Net Assets by Component
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets,									
net of related debt	\$ 57,384,658	60,598,094	69,080,836	39,457,452	41,882,604	69,223,150	68,714,592	69,961,292	70,334,552
Restricted	23,629,591	14,213,033	23,435,232	30,522,799	31,292,917	25,731,055	28,554,491	24,860,463	25,984,863
Unrestricted	21,020,104	32,924,510	22,965,694	25,248,845	28,237,003	18,344,950	16,802,358	16,451,104	15,012,957
Total governmental activities net assets	102,034,353	107,735,637	115,481,762	95,229,096	101,412,524	113,299,155	114,071,441	111,272,859	111,332,372
Business-type activities									
Invested in capital assets,									
net of related debt	-	-	-	-	71,893	121,376	107,813	94,250	125,182
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	-	176,004	452,923	486,320	1,144,155	985,984	1,274,231	1,396,095	1,633,717
Total business-type activities net assets	-	176,004	452,923	486,320	1,216,048	1,107,360	1,382,044	1,490,345	1,758,899
Primary government									
Invested in capital assets,									
net of related debt	57,384,658	60,598,094	69,080,836	39,457,452	41,954,497	69,344,526	68,822,405	70,055,542	70,459,734
Restricted	23,629,591	14,213,033	23,435,232	30,522,799	31,292,917	25,731,055	28,554,491	24,860,463	25,984,863
Unrestricted	21,020,104	33,100,513	23,418,617	25,735,165	29,381,157	19,330,934	18,076,589	17,847,198	16,646,674
Total primary government net assets	\$ 102,034,353	107,911,641	115,934,685	95,715,416	102,628,572	114,406,515	115,453,485	112,763,204	113,091,271

Note: Information not available for years prior to 2003 when the County implemented the reporting model under GASB statement 34.

Summit County, Utah
Table 2 - Changes in Net Assets
Last Nine Fiscal Years
 (accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities									
General government	\$ 12,134,807	9,440,324	8,697,184	10,209,390	11,790,556	14,311,494	11,158,025	12,294,041	13,129,675
Public safety	8,527,955	9,878,597	10,424,598	12,569,107	14,849,168	16,243,750	15,763,183	14,396,026	14,295,185
Highways and public improvements	7,505,296	6,704,192	5,921,047	8,900,329	8,957,784	9,883,624	9,816,641	11,471,189	14,143,191
Cultural and recreation	3,495,989	2,654,936	3,346,408	4,859,191	4,843,304	5,243,448	4,719,801	5,607,854	4,771,778
Conservation and economic development	3,894,539	4,466,042	3,918,407	4,202,363	4,594,341	5,075,575	3,383,657	3,650,650	6,110,215
Public health	2,796,243	3,261,748	3,221,109	3,795,134	3,975,200	4,504,602	4,468,376	4,881,912	5,067,813
Interest on long-term debt	1,013,623	1,168,706	1,054,067	1,091,828	998,132	950,652	645,504	902,381	728,793
Total governmental activities	39,368,452	37,574,545	36,582,820	45,627,342	50,008,485	56,213,145	49,955,187	53,204,053	58,246,650
Business-type activities									
Transit District	-	-	894,283	1,417,405	1,052,038	1,806,362	2,198,036	2,012,320	1,985,936
Total business-type activities	-	-	894,283	1,417,405	1,052,038	1,806,362	2,198,036	2,012,320	1,985,936
Total primary government expenses	\$ 39,368,452	37,574,545	37,477,103	47,044,747	51,060,523	58,019,507	52,153,223	55,216,373	60,232,586

Summit County, Utah
Table 2 - Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Program Revenues									
Governmental activities									
Charges for services									
General government	\$ 2,424,813	3,652,660	4,856,381	4,810,693	5,666,034	3,432,883	3,096,846	2,876,166	3,307,100
Public safety	1,974,226	1,364,452	2,179,821	2,227,276	2,244,703	3,088,949	2,993,137	2,719,511	3,363,651
Highways and public improvements	909,855	568,520	-	-	-	251,092	234,910	233,694	242,451
Culture and recreation	244,279	215,349	-	-	-	121,355	128,751	106,471	95,429
Conservation and economic development	-	-	1,436,611	4,408,681	1,243,154	100,412	67,785	10,033	70,311
Public health	219,414	227,820	266,462	266,462	266,462	265,794	212,260	208,186	348,055
Operating grants and contributions	4,218,575	5,208,679	6,914,867	7,787,062	8,774,724	10,585,988	8,544,648	8,795,740	11,167,070
Capital grants and contributions	315,786	281,487	-	-	-	10,960,402	320,000	420,369	386,003
Total governmental activities	10,306,948	11,518,967	15,654,142	19,500,174	18,195,077	28,806,875	15,598,337	15,370,170	18,980,070
Business-type activities									
Charges for services	-	-	267,603	261,948	237,087	265,347	446,776	395,989	425,667
Operating grants and contributions	-	-	-	-	320,846	404,046	567,507	512,625	522,663
Total business-type activities	-	-	267,603	261,948	557,933	669,393	1,014,283	908,614	948,330
Total primary government program revenues	10,306,948	11,518,967	15,921,745	19,762,122	18,753,010	29,476,268	16,612,620	16,278,784	19,928,400
Net (expense) / revenue	(29,061,504)	(26,055,578)	(20,928,678)	(26,127,168)	(31,813,408)	(27,406,270)	(34,356,850)	(37,833,883)	(39,266,580)
Governmental activities	-	-	(626,680)	(1,155,457)	(494,105)	(1,136,969)	(1,183,753)	(1,103,706)	(1,037,606)
Business-type activities	(29,061,504)	(26,055,578)	(21,555,358)	(27,282,625)	(32,307,513)	(28,543,239)	(35,540,603)	(38,937,589)	(40,304,186)

Summit County, Utah
Table 2 - Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Revenue and Other Changes in Net Assets									
Governmental activities									
Taxes									
Property taxes	\$ 14,093,325	16,073,049	16,543,151	19,924,170	20,955,637	20,212,529	20,063,893	21,302,914	21,379,536
General sales and use tax	8,154,334	6,488,803	6,293,306	6,565,268	6,582,346	7,250,025	6,311,546	6,396,411	6,913,713
Transient room tax	3,130,105	3,587,572	4,161,056	4,683,750	5,198,848	5,284,752	3,507,982	4,149,585	5,157,082
Arts and recreation tax	-	-	-	-	-	-	-	-	1,199,345
Restaurant tax	1,016,511	1,451,992	1,056,333	1,527,081	1,686,991	1,676,933	1,532,176	1,648,359	1,872,890
Impact fees	-	-	-	266,494	552,068	306,364	257,987	244,047	208,541
Gain (loss) on sale of capital assets	-	-	(103,596)	193,117	(341,963)	-	-	-	-
Interest earnings	777,072	907,349	1,502,907	2,355,004	3,013,291	1,996,450	828,168	438,256	282,288
Grants and contributions not restricted to specific programs	897,642	994,689	-	-	-	-	-	-	-
Miscellaneous	134,408	138,098	8,035	596,010	349,616	163,077	267,918	855,729	712,698
Extraordinary items	-	-	-	-	-	-	-	-	1,600,000
Transfers	-	-	(25,000)	(50,000)	-	(50,000)	-	-	-
Total governmental activities	28,203,397	29,641,552	29,436,192	36,060,894	37,996,834	36,840,130	32,769,670	35,035,301	39,326,093
Business-type activities									
Taxes	-	176,004	975,758	1,119,174	1,184,398	1,272,384	1,133,153	1,210,607	1,303,370
Net interest earnings	-	-	3,734	19,679	39,435	26,744	4,438	1,400	2,790
Transfers	-	-	25,000	50,000	-	50,000	-	-	-
Total business-type activities	-	176,004	1,004,492	1,188,853	1,223,833	1,349,128	1,137,591	1,212,007	1,306,160
Total primary government	\$ 28,203,397	29,817,556	30,440,684	37,249,747	39,220,667	38,189,258	33,907,261	36,247,308	40,632,253
Change in Net Assets									
Governmental activities	\$ (858,107)	3,585,974	8,507,514	9,933,726	6,183,426	9,433,860	(1,587,180)	(2,798,582)	59,513
Business-type activities	-	176,004	377,812	33,396	729,728	212,159	(46,162)	108,301	268,554
Total primary government	\$ (858,107)	3,761,978	8,885,326	9,967,122	6,913,154	9,646,019	(1,633,342)	(2,690,281)	328,067

Note: Information not available for years prior to 2003 when the County implemented the reporting model under GASB statement 34.

Summit County, Utah
Table 3 - Governmental Activities Tax Revenue by Source
Last Nine Fiscal Years
(accrual basis of accounting)

Fiscal Year	General Property Taxes	General Sales and Use Tax	Transient Room Tax	Restaurant Tax	Total Tax Revenue
2003	\$ 14,093,325	\$ 8,154,334	\$ 3,130,105	\$ 1,016,511	\$ 26,394,275
2004	16,073,049	6,488,803	3,587,572	1,451,992	27,601,416
2005	16,543,151	6,293,306	4,161,056	1,056,333	28,053,846
2006	19,924,170	6,565,268	4,683,750	1,527,081	32,700,269
2007	20,955,637	6,582,346	5,198,848	1,686,991	34,423,822
2008	20,212,529	7,250,025	5,284,752	1,676,933	34,424,239
2009	20,063,893	6,311,546	3,507,982	1,532,176	31,415,597
2010	21,302,914	6,396,411	4,149,585	1,648,359	33,497,269
2011	21,379,536	8,113,058	5,157,082	1,872,890	36,522,566

Note: Information not available for years prior to 2003 when the County implemented the reporting model under GASB statement 34.

Summit County, Utah
Table 4 - Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund									
Nonspendable	\$ -	-	-	-	-	-	-	-	535,847
Restricted for									
Capital projects	-	-	1,926,609	2,339,657	1,551,255	928,153	2,323,492	-	-
Health services	-	-	1,596,031	923,324	1,246,002	1,243,108	1,230,727	1,295,492	998,381
Other	-	-	-	-	134,612	197,490	263,406	363,228	407,953
Unassigned *	2,588,193	3,078,426	3,027,804	2,778,248	3,026,019	2,263,672	(307,265)	1,428,361	1,935,980
Total general fund	2,588,193	3,078,426	6,550,444	6,041,229	5,957,888	4,632,423	3,510,360	3,087,081	3,878,161
All other governmental funds									
Restricted for									
Debt	9,027,775	2,963,424	2,134,674	2,134,755	1,854,100	1,854,101	1,854,101	1,854,101	608,201
Class B roads	-	-	361,887	204,683	327,905	1,232,797	743,802	912,299	981,019
Transient room *	489,483	637,053	1,653,269	2,177,584	3,018,714	3,236,118	3,411,896	3,851,439	5,631,471
Arts and recreation *	547,943	196,018	1,229,380	1,272,078	1,722,663	1,368,244	1,573,967	1,262,187	1,427,701
Tax stability	9,749,122	9,909,868	10,449,317	11,281,803	11,942,354	12,192,354	12,192,354	10,192,354	9,692,354
Restaurant tax *	181,791	506,670	2,689,066	2,888,302	3,231,629	3,369,288	3,470,059	3,561,995	3,926,028
Capital improvements	2,648,981	3,370,109	2,450,622	6,760,205	5,857,887	(431,006)	761,548	1,026,960	1,235,500
Health services	984,494	-	-	-	-	-	-	-	-
Assigned, reported in									
Special Revenue Funds *	18,105,105	26,150,981	18,232,385	22,028,342	24,489,534	15,898,532	16,529,421	14,698,782	12,216,113
Debt Service Funds	-	-	745,952	740,003	820,068	1,016,390	1,051,642	1,063,694	909,945
Capital Projects Funds	-	-	581,799	627,753	653,815	687,320	282,272	820,647	106,366
Unassigned	-	-	-	-	-	-	-	(818,599)	(772,742)
Total all other governmental funds	\$ 41,734,694	43,734,123	40,528,351	50,115,508	53,918,669	40,424,138	41,871,062	38,425,859	35,961,956
General fund balance unrestricted									
% of total estimated revenue	21.55%	23.01%	16.17%	14.04%	13.68%	9.87%	-1.38%	6.34%	7.45%
for the current year									

* These fund balances reflect adjustments for the prior period adjustment disclosed in the notes to the financial statements.

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Summit County, Utah
Table 5 - Changes in Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues									
Taxes	\$ 26,499,362	27,476,416	28,053,846	32,700,269	34,423,822	34,424,239	31,415,595	33,497,267	36,522,566
Licenses and permits	1,337,679	1,536,270	1,729,937	1,609,986	1,844,978	874,484	715,252	656,618	859,409
Intergovernmental	2,609,273	2,969,724	3,878,248	5,166,375	4,867,934	6,922,575	5,045,114	4,968,389	5,361,296
Federal grants	1,502,967	1,876,596	1,580,111	1,563,960	2,323,755	2,898,727	2,518,885	2,892,519	4,806,029
State grants	1,428,293	1,638,536	1,439,817	981,038	1,506,002	1,641,131	1,300,649	1,090,212	999,745
Charges for services	3,659,434	3,757,782	4,788,479	5,406,214	5,706,625	5,515,261	5,233,684	4,782,216	5,285,432
Fines and forfeitures	598,280	686,631	784,248	831,703	849,130	944,132	888,483	874,330	942,758
Miscellaneous revenue	103,402	185,875	132,448	318,010	349,616	132,412	267,918	855,729	1,098,701
Impact fees	-	-	-	266,494	552,068	306,364	257,987	244,047	208,541
Interest	763,812	1,015,171	1,468,027	2,315,543	3,209,032	1,979,593	771,746	388,550	232,875
Developer contributions	-	-	1,436,611	4,408,681	1,243,154	100,412	67,785	10,033	70,311
Donations	-	-	16,691	75,689	77,033	26,663	30,217	27,583	21,226
Total revenues	38,502,502	41,143,001	45,308,463	55,643,962	56,953,149	55,765,993	48,513,315	50,287,493	56,408,889
Expenditures									
General government	11,149,583	9,035,753	8,515,164	9,392,674	10,457,306	10,473,156	10,337,879	10,910,124	10,329,542
Public safety	8,170,573	9,377,433	10,590,566	12,928,514	14,305,331	15,720,220	15,561,375	13,912,401	13,918,221
Public health	2,767,334	3,234,547	3,231,616	3,818,267	4,013,611	4,531,763	4,531,443	4,788,922	4,856,789
Highways and public improvements	7,050,993	6,426,550	14,028,426	7,090,171	7,768,253	7,934,995	8,093,920	9,632,461	12,084,764
Culture and recreation	3,449,978	2,596,536	3,490,534	4,887,310	6,853,251	5,548,948	4,677,366	5,545,147	4,729,672
Conservation and economic development	3,888,029	4,466,042	3,918,407	4,228,642	4,618,372	5,100,211	3,437,688	3,697,350	6,159,502

Summit County, Utah
Table 5 - Changes in Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenditures - continued									
Debt Service									
Principle	\$ 1,912,459	1,685,000	7,255,000	2,083,000	2,311,000	2,325,998	2,451,000	2,503,000	3,273,500
Interest	793,640	1,175,244	1,011,994	1,074,257	995,291	953,847	629,984	897,189	736,144
Bond costs	-	-	17,103	28,026	20,497	15,386	19,191	32,491	54,689
Capital outlay	310,689	426,144	1,194,300	897,002	1,579,226	29,519,712	7,011,542	2,425,621	4,534,819
Total expenditures	39,493,278	38,423,249	53,253,110	46,427,863	52,922,138	82,124,236	56,751,388	54,344,706	60,677,642
Excess revenues over (under) expenditures	(990,776)	2,719,752	(7,944,647)	9,216,099	4,031,011	(26,358,243)	(8,238,073)	(4,057,213)	(4,268,753)
Other Financing Sources									
Transfer (to) from other funds	-	-	(25,000)	(50,000)	-	(50,000)	-	-	(336,616)
Proceeds from sale of capital assets	-	-	-	-	-	1,283,149	-	-	-
Transfers from component units	1,378,377	-	-	-	-	10,067,957	-	-	-
Issuance of refunding bonds	-	-	-	-	-	-	4,550,153	-	-
Proceeds from bond issuance	2,200,000	-	6,651,000	-	3,797,000	-	8,655,004	-	2,337,000
Cost of issuance of bonds	-	-	-	-	(48,790)	-	(212,223)	-	1,300,000
Proceeds from settlement	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(4,059,401)	-	(4,430,000)	-	1,600,000
Total other financing sources	3,578,377	-	6,626,000	(50,000)	(311,191)	11,301,106	8,562,934	-	(2,304,454)
Excess of revenues and other sources over (under) expenditures and other uses	2,587,601	2,719,752	(1,318,647)	9,166,099	3,719,820	(15,057,137)	324,861	(4,057,213)	(1,672,823)
Fund balances - beginning of year, as adjusted	41,735,286	44,092,797	48,397,442	46,990,639	56,156,738	60,113,698	45,056,561	45,570,153	41,512,940
Fund balances - end of year	\$ 44,322,887	46,812,549	47,078,795	56,156,738	59,876,558	45,056,561	45,381,422	41,512,940	39,840,117
Debt service as a percentage of noncapital expenditures	7.72%	8.52%	4.76%	8.06%	7.44%	5.80%	6.72%	7.24%	7.59%

Summit County, Utah

Table 6 - Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year Ended	Real Property, Buildings and Structures						Personal Property			Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	
	Primary Residential Property		Other Residential Property		Unimproved Property		Commercial Property		Motor Vehicles						Other
	Property	Value	Property	Value	Property	Value	Property	Value	Property						Value
2002	1,870,584,896	2,899,581,586	988,956,690	618,445,923	3,311,660	191,910,194	841,763,203	5,731,027,746	0.001488	6,377,569,095	89.86%				
2003	1,983,230,835	3,059,378,244	1,118,271,354	614,679,321	3,545,667	205,674,233	892,453,876	6,092,325,778	0.001523	6,775,559,754	89.92%				
2004	2,114,382,112	3,155,281,599	1,117,130,309	652,808,226	3,669,181	180,492,049	951,471,950	6,272,291,526	0.001554	7,039,602,246	89.10%				
2005	2,404,012,261	3,448,211,232	1,076,080,963	706,996,578	3,816,247	206,681,823	1,081,805,517	6,763,993,587	0.001491	7,635,301,034	88.59%				
2006	3,073,017,665	4,274,935,709	1,472,177,252	772,429,244	4,003,411	221,615,903	1,382,857,949	8,435,321,235	0.001256	9,592,559,870	87.94%				
2007	3,764,088,951	5,901,529,505	2,072,314,146	926,743,517	4,117,453	203,295,500	1,693,840,028	11,178,249,044	0.001059	12,664,676,119	88.26%				
2008	4,228,191,665	7,281,368,021	2,261,196,439	1,068,946,230	4,295,384	247,727,713	1,902,686,249	13,189,039,203	0.000935	14,839,702,335	88.88%				
2009	4,182,238,882	7,465,813,325	2,063,072,841	1,304,662,210	3,990,834	246,910,144	1,882,007,497	13,384,680,739	0.000943	15,015,787,258	89.14%				
2010	3,570,328,316	6,643,783,677	1,560,071,803	1,333,435,946	3,865,297	467,016,568	1,606,647,742	11,971,853,865	0.001123	13,107,619,742	91.34%				
2011	3,462,313,080	6,785,011,194	1,471,355,604	1,439,900,538	3,865,297	468,542,359	1,558,040,886	12,072,947,186	0.001650	13,158,580,416	91.75%				

Source: Summit County Assessor's Office

Note: Property in the County is reassessed annually. The County assesses property at approximately 100 percent of actual value for all types of real and personal property. Estimated actual value is calculated by dividing assessed value by those percentages.

Summit County, Utah

Table 7 - Property Tax Rates - Direct and Overlapping¹ Governments Last Ten Fiscal Years (Per \$1 of Assessed/Taxable Value)

Fiscal Year	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
County Direct Rates²										
County General	0.001165	0.001186	0.001220	0.001170	0.001009	0.000846	0.000753	0.000746	0.000895	0.000924
State Assessing and Collecting	0.000177	0.000181	0.000180	0.000173	0.000139	0.000121	0.000121	0.000142	0.000162	0.000172
Local Assessing and Collecting	0.000146	0.000156	0.000154	0.000148	0.000108	0.000092	0.000061	0.000055	0.000066	0.000069
School Districts										
Park City School District	0.003902	0.005672	0.005885	0.005494	0.005212	0.004302	0.003895	0.004018	0.002865	0.004405
North Summit School District	0.004381	0.006096	0.007142	0.007056	0.006218	0.005283	0.004871	0.005258	0.004795	0.006572
South Summit School District	0.004327	0.006107	0.006089	0.006307	0.006307	0.006307	0.005901	0.005747	0.005388	0.007047
Uniform School Levy	0.001807	0.001825	0.001800	0.001720	0.001515	0.001311	0.001311	0.001311	0.001495	0.001591
City and Town Rates										
Coalville	0.003603	0.003685	0.003557	0.003665	0.003699	0.002931	0.002717	0.002801	0.003042	0.003109
Francis	0.002321	0.002405	0.002344	0.002218	0.001993	0.001664	0.001773	0.001766	0.002215	0.002290
Henefer	0.001211	0.001239	0.001200	0.001233	0.001234	0.000860	0.000789	0.000913	0.000919	0.000934
Kamas	0.001724	0.001785	0.001710	0.001710	0.001647	0.001311	0.001299	0.001240	0.001507	0.001548
Oakley	0.001147	0.001093	0.001131	0.001162	0.001162	0.001147	0.001136	0.001212	0.001341	0.001273
Park City	0.002132	0.002267	0.002525	0.002349	0.001983	0.001674	0.001404	0.001798	0.002148	0.002130
Summit County Municipal - Unincorp. Rate	0.000541	0.000553	0.000580	0.000576	0.000506	0.000424	0.000393	0.000385	0.000463	0.000467
Cemetery Maintenance Districts										
South Summit	0.000089	0.000089	0.000091	0.000217	0.000335	0.000187	0.000178	0.000176	0.000195	0.000194
Wanship	0.000073	0.000075	0.000093	0.000093	0.000090	0.000080	0.000078	0.000082	0.000132	0.000152
Hoytsville	0.000065	0.000067	0.000065	0.000070	0.000069	0.000060	0.000054	0.000055	0.000056	0.000056
Fire Protection Districts										
South Summit	0.000354	0.000353	0.000348	0.000346	0.000335	0.000282	0.000268	0.000263	0.000303	0.000305
North Summit	0.000351	0.000361	0.000380	0.000384	0.000381	0.000435	0.000550	0.000529	0.000555	0.000809
Park City	0.000858	0.000885	0.001180	0.001132	0.000963	0.000811	0.000846	0.000849	0.001070	0.001161
Wildland	0.000006	0.000006	0.000006	0.000007	0.000007	0.000007	0.000006	0.000006	0.000007	0.000165
Summit County Service Areas										
Service Area #3	0.001400	0.001400	0.001379	0.001215	0.001400	0.001199	0.001116	0.001252	0.001487	0.001492
Service Area #5	0.000935	0.000690	0.001387	0.001446	0.001115	0.000506	0.000408	0.001400	0.002557	0.002759
Service Area #6	0.000651	0.000673	0.000686	0.000635	0.000500	0.000384	0.000367	0.000397	0.000474	0.000489
Service Area #8	0.001400	0.001570	0.001687	0.002440	0.002602	0.003208	0.004075	0.004552	0.005073	0.005118
Weber Basin Water Conservancy District	0.000193	0.000198	0.000198	0.000193	0.000178	0.000200	0.000181	0.000188	0.000207	0.000217
Summit County Mosquito Abatement District	0.000193	0.000199	0.000210	0.000050	0.000044	0.000038	0.000034	0.000034	0.000040	0.000040
Central Utah Water Conservancy District	0.000358	0.000359	0.000353	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436
Snyderville Basin Special Recreation District	0.001198	0.001030	0.001201	0.001188	0.000836	0.000584	0.000587	0.000640	0.000849	0.001085

¹ Overlapping rates are those of local and county governments that apply to property owners within Summit County. Not all overlapping rates apply to all Summit County property owners (e.g., the rates for special districts apply only to the proportion of the property in that district).

² Public hearings are required before the direct rates can be adjusted by the Summit County Commissioners.

Summit County, Utah

Table 8 - Principal Taxpayers

Taxpayer	2011			2002		
	Taxable Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Value	Rank	Percentage of Total Taxable Assessed Value
Talisker Empire Pass Hotel	\$ 470,074,773	1	3.89%			
Morinda Properties Escala Lodges	117,420,105	2	0.97%			
Marriott Ownership Resorts	114,504,078	3	0.95%	\$ 115,813,110	2	2.02%
The Canyons/American Ski Corp	95,264,620	4	0.79%			
Westgate Resort	66,401,008	5	0.55%			
Promontory Investments LLC	61,296,557	6	0.51%			
Grand Summit Resort Properties	59,291,000	7	0.49%	71,884,194	5	1.25%
Deer Valley Resort	47,973,246	8	0.40%	51,595,973	6	0.90%
Pivitol Promontory Inc	44,081,407	9	0.37%			
COROC/Park City LLC	44,080,254	10	0.37%			
Amoco				243,981,903	1	4.26%
DMB Park City Holdings LLC/Glenwilde				106,828,231	3	1.86%
Wolf Mountain				87,828,231	4	1.53%
Kern River Pipeline				51,130,232	7	0.89%
Pacificorp				50,618,863	8	0.88%
Silver Lake Associates				42,023,406	9	0.73%
Parkwest Associates Frostwood				40,971,485	10	0.71%
Total of principal taxpayers	<u>\$ 1,120,387,048</u>		9.27%	<u>\$ 862,675,628</u>		15.03%
Total taxable assessed value	\$ 12,072,947,186			\$ 5,731,027,746		

Summit County, Utah
Table 9 - Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the		Percent of Levy	Collections in Subsequent Years	Total Collections To Date	
		Fiscal Year of the Levy	Amount			Amount	Percent of Levy
2002	\$ 11,938,014	\$ 10,553,678		88.40%	\$ 1,379,195	\$ 11,932,873	100.0%
2003	12,948,163	11,944,419		92.25%	966,014	12,910,433	99.7%
2004	13,971,559	12,872,419		92.13%	1,096,573	13,968,993	100.0%
2005	14,269,047	13,218,154		92.64%	1,041,324	14,259,478	99.9%
2006	15,139,764	14,079,393		93.00%	1,027,571	15,106,964	99.8%
2007	16,777,023	15,514,991		92.48%	1,151,644	16,666,635	99.3%
2008	17,221,568	15,636,976		90.80%	1,436,131	17,073,107	99.1%
2009	17,522,794	15,529,105		88.62%	1,219,182	16,748,287	95.6%
2010	18,252,911	16,529,827		90.56%	1,182,483	17,712,310	97.0%
2011	18,646,719	17,068,604		91.54%	-	17,068,604	91.5%

Summit County, Utah
Table 10 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Tax Revenue Bonds		Lease Revenue Bonds		Special Assessment Bonds				
2002	\$ 7,700,000	\$ 925,000	\$ 11,200,000	\$ 2,395,000	\$ 22,220,000	1.55%	\$ 699.56			
2003	7,300,000	2,960,000	10,665,000	2,130,000	23,055,000	1.55%	719.28			
2004	6,880,000	2,560,000	10,105,000	1,865,000	21,410,000	1.28%	651.81			
2005	6,435,000	2,170,000	9,520,000	1,621,000	19,746,000	1.06%	587.68			
2006	5,970,000	8,206,000	8,910,000	1,099,000	24,185,000	1.18%	710.26			
2007	4,965,000	6,667,000	7,506,000	854,000	19,992,000	0.88%	573.43			
2008	4,430,000	5,797,000	6,790,000	649,000	17,666,000	0.69%	497.07			
2009	3,710,000	13,442,000	6,044,000	444,000	23,640,000	0.99%	660.30			
2010	3,135,000	12,506,000	5,257,000	239,000	21,137,000	0.84%	579.16			
2011	2,550,000	12,182,000	4,430,000	34,000	19,196,000	0.00%	515.91			

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. See Table 14 in this Statistical Section for personal income and population data.

Summit County, Utah
Table 11 - Ratio of Net General Bonded Debt
And Net General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Assessed Values	Gross Bonded Debt	Debt		Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
				Service Monies Available	Net Bonded Debt		
2002	31,763	\$ 5,731,027,746	\$ 22,220,000	\$ -	\$ 22,220,000	0.39%	\$ 699.56
2003	32,053	6,092,325,778	23,055,000	9,200,947	13,854,053	0.23%	432.22
2004	32,847	6,272,291,525	21,410,000	3,615,356	17,794,644	0.28%	541.74
2005	33,600	6,763,993,587	19,746,000	4,225,036	15,520,964	0.23%	461.93
2006	34,051	8,435,321,234	24,185,000	4,155,308	20,029,692	0.24%	588.23
2007	34,864	11,178,249,044	19,992,000	4,200,922	15,791,078	0.14%	452.93
2008	35,540	13,189,039,203	17,666,000	2,302,825	15,363,175	0.12%	432.28
2009	35,802	13,384,680,739	23,640,000	4,397,788	19,242,212	0.14%	537.46
2010	36,496	11,971,853,865	21,137,000	4,470,241	16,666,759	0.14%	456.67
2011	37,208	12,072,947,186	19,196,000	2,704,030	16,491,970	0.14%	443.24

Summit County, Utah

Table 12 - Legal Debt Margin Information

Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Taxable Assessed Values \$	5,731,027,746	6,092,325,778	6,272,291,525	6,763,993,587	8,435,321,234	11,178,249,044	13,189,039,203	13,189,039,203	11,971,853,865	12,072,947,186
Debt limit	114,620,555	121,846,516	125,445,831	135,279,872	168,706,425	223,564,981	263,780,784	263,780,784	239,437,077	241,458,944
Total net debt applicable to limit	7,700,000	7,300,000	6,880,000	6,435,000	5,970,000	4,965,000	4,430,000	4,430,000	4,430,000	3,135,000
Legal debt margin \$	106,920,555	114,546,516	118,565,831	128,844,872	162,736,425	218,599,981	259,350,784	259,350,784	235,007,077	238,323,944

Total net debt applicable to the limit as a percentage of debt limit	6.72%	5.99%	5.48%	4.76%	3.54%	2.22%	1.68%	1.68%	1.85%	1.30%
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Legal Debt Margin Calculation for Fiscal Year 2011

Total Assessed Actual Value	\$ 12,072,947,186
Debt limit - 2% of total actual value	241,458,944
Total amount of debt applicable to debt limit	3,135,000
Legal debt margin \$	238,323,944

Note: Under the state finance law, the County's outstanding general obligation debt should not exceed 2% of total assessed property value.

Summit County, Utah

Table - 13 Pledged - Revenue Coverage

Last Ten Fiscal Years

Fiscal Year	Lease Revenue Bonds						Tax Revenue Bonds					
	Lease Revenue	Less: Expenditures	Net Available Revenue			Coverage	Lease Revenue	Less: Expenditures	Net Available Revenue			Coverage
			Principle	Interest	Debt Service				Principle	Interest	Debt Service	
2002	\$ 1,008,865	\$ 303,639	\$ 705,226	\$ 535,000	\$ 562,054	0.643	\$ 1,580,258	\$ 789,894	\$ 790,364	\$ 165,000	\$ 552,054	1.102
2003	902,448	56,880	845,568	560,000	570,628	0.748	1,910,933	1,103,676	807,257	400,000	528,291	0.870
2004	952,047	12,361	939,686	585,000	502,183	0.864	1,941,020	951,120	989,900	390,000	503,046	1.108
2005	1,045,519	12,403	1,033,116	610,000	476,387	0.951	1,920,715	572,011	1,348,704	615,000	476,386	1.236
2006	1,040,459	12,498	1,027,961	645,000	447,457	0.941	2,123,208	1,037,107	1,086,101	704,000	448,256	0.943
2007	1,269,348	668,917	600,431	716,000	528,336	0.483	2,145,291	647,258	1,498,033	835,000	491,463	1.129
2008	1,038,322	13,462	1,024,860	716,000	545,076	0.813	2,605,518	2,559,746	45,772	868,000	207,392	0.043
2009	3,236,540	17,079	3,219,461	746,000	287,310	3.116	2,203,726	1,717,462	486,264	900,000	261,708	0.419
2010	1,088,322	14,839	1,073,483	787,000	329,902	0.961	2,365,825	2,214,156	151,669	936,000	437,326	0.110
2011	688,322	13,445	674,877	827,000	217,522	0.646	2,499,388	1,258,536	1,240,852	993,000	407,827	0.886

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Tax and assessment revenue includes investment earnings. Operating expenses do not include interest or depreciation.

Summit County, Utah
Table 14 - Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Personal Income		Per Capita Personal Income as a Percentage of United States	Average Earnings per Job (Dollars)	Mean Age	School Enrollment	Unemployment Rate
	(Amounts Expressed In Thousands)	Per Capita Personal Income					
2002	\$ 1,431,193	\$ 45,058	143%	\$ 28,965	33.3	6,248	6.4
2003	1,486,259	45,939	141%	29,171	33.2	6,319	6.0
2004	1,674,654	50,334	147%	30,359	33.3	6,402	5.2
2005	1,861,528	54,531	151%	31,773	33.3	6,575	4.0
2006	2,041,364	59,616	155%	32,795	33.4	6,676	2.8
2007	2,280,837	65,831	163%	33,907	33.4	6,701	2.5
2008	2,566,489	72,852	159%	36,217	33.3	7,129	3.5
2009	2,385,825	66,572	156%	34,175	33.2	6,962	6.4
2010	2,503,395	68,524	n/a	36,846	33.2	7,131	7.5
2011	-	-	n/a	-	37.1	-	6.1

Data Sources

Population: Utah Department of Workforce Services
 Personal Income: US Bureau of Economic Analysis
 Per Capita Personal Income: US Bureau of Economic Analysis
 Average Earnings per Job (Dollars): US Bureau of Economic Analysis
 Median Age: Estimated based on 2000 United States Census Information
 School Enrollment: Utah State Governor's Office of Planning & Budget
 Unemployment Rate: Utah Department of Workforce Services

Note: Personal income information and per capital information are totals for the year and based on totals for Summit County in its entirety. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

Summit County, Utah

Table 15 - Principal Employers

<u>Employer</u>	2011		Industry
	<u>Employees</u>		
Asc Utah Llc	250-499	Accommodation And Food Services	
Intermountain Health Care, Inc.	250-499	Health Care And Social Assistance	
Montage Hotels & Resort, Llc	250-499	Accommodation And Food Services	
Royal Street Of Utah Et Al	250-499	Arts, Entertainment, And Recreation	
Stein Eriksen Lodge Owners' Association	250-499	Accommodation And Food Services	
Backcountry.com, Inc.	100-249	Retail Trade	
Cfi Resorts Management, Inc.	100-249	Real Estate And Rental And Leasing	
Glenwild Golf Club Llc	100-249	Arts, Entertainment, And Recreation	
Greater Park City Company	100-249	Arts, Entertainment, And Recreation	
Hilton Worldwide, Inc.	100-249	Accommodation And Food Services	
Home Depot Usa Inc	100-249	Retail Trade	
Kroger Group Cooperative, Inc.	100-249	Retail Trade	
Park City Fire Service Dist	100-249	Public Administration	
Park City Hotel Associates, Llc	100-249	Accommodation And Food Services	
Park City Municipal Corp	100-249	Arts, Entertainment, And Recreation	
Park City School District	100-249	Education Services	
Skullcandy Inc	100-249	Manufacturing	
Talisker Club Llc	100-249	Arts, Entertainment, And Recreation	
Triumph Gear Systems Inc	100-249	Manufacturing	
United States Ski And Snowboard Association	100-249	Other Services (except Public Admin.)	
Utah Athletic Foundation	100-249	Arts, Entertainment, And Recreation	
Wal-mart Associates, Inc.	100-249	Retail Trade	
Whole Foods Market Rocky Mountain	100-249	Retail Trade	

Source: Utah Department of Workforce Services

Note: Information for the nine years prior to the current year was not available for this comparison.

Summit County, Utah

Table 16 - Full-time Equivalent County Government Employees By Function Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government										
Assessor	12	12	11	11	11	12	12	15	15	10
Attorney	9	9	9	12	13	12	10	11	13	10
Auditor	12	14	16	15	14	15	15	5	5	5
Clerk	3	3	2	3	3	3	3	3	3	3
Commission	5	6	6	6	7	8	9	9	12	11
Recorder	11	12	11	11	11	11	11	11	9	7
Treasurer	7	7	7	7	7	7	7	3	4	7
Public Safety										
Administration	3	5	5	5	5	5	6	6	6	6
Corrections	31	29	30	32	32	32	32	35	37	36
Detective	4	4	5	5	5	7	10	11	13	15
Dispatch	10	12	13	14	14	14	16	15	14	15
Patrol	26	28	28	31	35	35	30	30	29	25
Justice Court	4	4	4	4	5	5	5	5	5	5
Public Works										
Administration	5	6	6	7	7	6	4	5	5	5
Engineering	7	7	7	8	8	8	7	7	6	6
Roads	14	16	16	16	20	20	20	20	20	20
Community Development										
Administration	2	4	3	4	4	4	3	3	3	3
Building Inspection	10	9	9	10	11	11	10	8	7	7
Planning	12	10	12	13	14	10	12	10	10	10
Public Health										
Administration	2	2	2	2	2	2	2	2	2	2
Environmental	6	6	6	6	6	4	4	4	4	4
Public Health	17	17	20	21	22	20	19	20	15	16
Government Services										
Administration	1	-	-	-	-	-	-	-	-	-
Information Technology										
Technology	6	8	8	8	8	8	9	9	9	9
Library	10	12	16	17	16	19	19	19	13	14
Personnel	3	3	3	3	3	3	3	3	3	3
USU	1	1	1	1	1	1	1	1	1	1
Landfill	7	8	8	8	9	9	9	10	10	11
Animal Control	7	7	8	7	7	7	7	7	7	7
Facilities	-	-	-	-	-	-	-	10	11	11
Total Employees	247	261	272	287	300	298	295	297	291	284

Source: Summit County Human Resource Department

Summit County, Utah

Table 17 - Operating Indicators by Function

Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Incidents	8,343	8,797	11,465	15,086	16,334	21,221	20,831	22,286	24,238	25,056
Parking violations	156	161	221	256	344	232	329	264	454	327
Traffic violations	56	81	174	271	581	2,392	9,054	8,504	8,359	8,337
Clerk										
Registered Voters	19,910		23,962		24,558		27,227		24,637	24,364
Voter Turnout	9,695		15,524		11,229		17,059		12,024	3,811
Community development										
Building permits issued	424	624	657	899	837	1,139	214	385	606	551
Public health										
Marriages	287	279	331	373	310	204	245	186	181	193
Births	468	520	583	523	545	595	506	562	446	451
Deaths	89	97	102	105	108	130	131	93	93	102
Culture and recreation										
Fair gate										
Demo Derby	24,455	31,966	30,968	31,156	31,753	37,322	35,536	35,994	36,049	36,520
Rodeo (2 nights)	19,876	22,600	22,345	23,137	26,554	33,859	35,292	32,120	32,745	27,625
Library										
Patrons	n/a	12,920	15,678	18,052	20,248	22,594	25,368	27,967	30,789	26,998
Attendance	n/a	139,984	193,508	182,369	187,070	188,501	189,824	234,366	248,558	242,679

Source: Bureau of Business and Economic Research, University of Utah.
Residential Building Permits (1980-2010)

Summit County, Utah
Table 18 - Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government buildings										
Coalville	1	1	1	1	1	1	1	1	1	1
Kamas	1	1	1	1	1	1	1	1	1	1
Park City/Snyderville Basin	1	1	1	1	1	1	1	2	2	2
Public safety buildings										
Justice Center	1	1	1	1	1	1	1	1	1	1
District Court	1	1	1	1	1	1	1	1	1	1
Animal Control	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Paved (lane miles)	242.0	242.0	243.0	243.0	243.0	249.8	249.8	252.3	252.3	252.3
Unpaved (lane miles)	76.6	76.6	76.6	76.6	76.6	81.4	81.4	78.6	79.0	79.0
Public Works Complex	1	1	1	1	1	1	1	1	1	1
Landfills	2	2	2	2	2	2	2	2	2	2
Sheds and support buildings	5	5	6	6	6	7	7	7	7	7
Public health										
Health clinics	3	3	3	3	3	3	3	3	3	3
Recreation										
Parks acreage										
Coalville	19.06	19.06	19.06	19.06	19.06	19.06	19.06	19.06	19.06	19.06
Marion	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48	9.48
Parks	2	2	2	2	2	2	2	2	2	2
Senior citizen centers	1	1	1	1	1	1	1	1	1	1

Source: Summit County Public Works Department

OTHER REPORTS

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

The Honorable County Council
Summit County, Utah

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Summit County, Utah, as of and for the year ended December 31, 2011, which collectively comprise Summit County, Utah's, basic financial statements and have issued our report thereon dated May 31, 2012. 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

Management of Summit County, Utah, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Summit County, Utah's, internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Summit County, Utah's, internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Summit County, Utah's, internal control over financial reporting.

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

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 Summit County, Utah's, financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items (see Finding 2011-1).

We noted other matters involving the internal control over financial reporting that we have reported to management of Summit County in a separate letter dated May 31, 2012.

Summit County, Utah's, response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Summit County, Utah's, response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Council, management, others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Ulrich & Associates, P.C.

May 31, 2012

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable County Council
Summit County, Utah

Compliance

We have audited Summit County, Utah's, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Summit County, Utah's, major federal programs for the year ended December 31, 2011. Summit County, Utah's, major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Summit County, Utah's, management. Our responsibility is to express an opinion on Summit County, Utah's, compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Summit County, Utah's, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Summit County, Utah's, compliance with those requirements.

In our opinion, Summit County, Utah, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items (see Finding 2011-1).

Internal Control Over Compliance

Management of Summit County, Utah, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Summit County, Utah's, internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Summit County, Utah's, internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items (see Finding 2011-1). *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Summit County, Utah's, responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Summit County, Utah's, responses and, accordingly, we express no opinion on the responses.

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

Wentz & Associates, P.C.

May 31, 2012

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Summit County, Utah
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Federal Grantor/Pass-Through Grantor/Program	Federal CFDA Number	Grant Number	Grant Expend- itures
U.S. Department of Health and Human Services			
Passed Through Utah Department of Environmental Quality			
DEQ/LHD Environmental Services	66.468	050466/80122	\$ 16,707
Passed Through Utah Department of Health			
Division of Community & Family Health Services			
PHSBG/Cardiovascular	93.991	1998-BI-UT-PRVS-03/092544	32,032
Injury Prevention/ MCHS Title V Block Grant	93.994	2B04MC00321-09/110790	21,415
MCH Title V Grant	93.994	092441/110794	13,954
Prenatal Home Visitation Program/			
Safety Program	93.994	2B04MC00321/092441&110764	2,190
Immunization Program	93.268	5H23IP822520-08/102160	72,100
Immunization Program - Vaccines	93.268	5H23IP822520-08/102160	93,829
HIV/AIDS	93.940	2U62/PS823496/102160	1,000
TB Elimination and Labs	93.116	5U52/PS807865/091831	2,750
STD Prevention	93.977	5H25/PS804358-15/102160	1,000
National Cancer Prevention and Control	93.283	CDC-RFA-DP07-703/092544	8,816
Early Childhood Development Program/Target Case	93.778	5-0105UT5028/100056-111101	458
Summit County Safe Community	20.600	CP090205 CP100205 (SUMX)	13,822
Comprehensive Tobacco/Core Capacity Bldg			
For Tobacco P&C Programs	93.283	1U58DP001993/092544-110790	41,511
MRC Healthcare Preparedness Program UTNEDSS	93.889	1U3REP070040-01-00/101416	2,187
ELC ACA Healthcare - Associated Infections	93.521	111800/121902	3,986
SPF SIG (DSAMH)	93.243	95206000000/101597	48,737
Passed Through Utah Department of Health Centers			
For Disease Control and Prevention			
PH Preparedness & Response/Bioterrorism	93.283	AA154/101416-111164	268,436
H1N1 Flu Preparedness	93.069	CDC-RFA-TP09-90202-H1N109/	70,373
City Readiness Initiative/CTR of Disease Control & Prevention Investigation & Technical Assistance	93.283	AA154/101416-111164	143,709
Passed Through Utah Department of Human Services			
A&D Substance Abuse SAPT Block Grant	93.959	100058	337,005
ARRA - A&D Substance Abuse SAPT Block Grant	93.959	100058	524
Mental Health /CMHS Block Grant	93.958	100059	31,919
ARRA - Mental Health	93.958	100059	26,032
Total U.S. Department of Health and Human Services			<u>1,254,492</u>
U.S. Department of Education			
Passed Through Utah Department of Health - Division of Community and Family Health Services			
Early Intervention	84.181A	J181A000111/092438&H181A00	136,995
Early Intervention/ Medicaid	84.181A	J181A000111/092438&H181A00	116,800
Passed Through Mountainlands Association of Govts.			
Mountainlands/Social Services Block Grant (Aging)	93.667		26,351
Total U.S. Department of Education			<u>280,146</u>

Summit County, Utah
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Federal Grantor/Pass-Through Grantor/Program	Federal CFDA Number	Grant Number	Grant Expend- itures
U.S. Department of Agriculture			
Passed Through Utah Department of Health			
Special supplemental nutrition program for women, infants and children - Administration	10.557	3UT700709/101354-111208	\$ 219,269
Special supplemental nutrition program for women, infants and children - Food Vouchers	10.557	3UT700709/101354-111208	340,905
Passed Through the State of Utah			
Federal Forest Reserve Payments	10.665	09UCA51-9	78,013
NRCS Emergency Watershed Protection Project	10.904	68-8D43-10-25	<u>2,109,330</u>
Total U.S. Department of Agriculture			<u>2,747,517</u>
U.S. Department of Homeland Security			
Passed Through Utah Division of Emergency Services and Homeland Security			
Emergency Management Performance Grant	97.042	EMPG-2011-HLS-022	18,207
Homeland Security Grant 2010	97.067	DES-2010-SHSP-002	6,829
Homeland Security Grant 2009	97.067	DES-2009-SHSP-002	62,404
Local Emergency Planning Committee	20.703	HLS2011LEPC SUMMIT CO	7,898
Passed Through Flood Mitigation Assistance FEMA	97.029		<u>13,362</u>
Total U.S. Department of Homeland Security			<u>108,700</u>
U.S. Department of Justice			
Passed Through Utah Office of Crime Victim Reparations			
Passed Through the State of Utah Commission On Criminal and Juvenile Justice			
Byrne-Justice Assistance Grant	16.738	2008-DJ-BX-0049	17,108
ARRA - Edward Byrne Memorial JAG	16.804	2009-SB-B9-1861	12,259
JCAT	16.304	JLEOTFS 4	12,681
Passed Through Drug Enforcement Administration			
DEA - Drug Enforcement Administration Task Force	16.003	OJP4061/6	5,651
Passed Through Utah Department of Justice			
Bulletproof Vest Partnership Program	16.607	OMB#1121-0235	3,786
Passed Through the Utah Department of Corrections			
UDOC Sex Offender	16.750	2009AWBX0008/112429	1,870
Juvenile Justice and Delinquency Prevention			
Passed Through Utah Department of Highway Safety			
ICAC Task Force Program	16.800	2009-55092-UT-MC	20,799
Youth Alcohol Enforcement Task Force	16.727	2007AHFX0015	<u>19,934</u>
Total U.S. Department of Justice			<u>94,088</u>
U.S. Department of Interior/BLM			
Passed Through Utah Department of Technical Services			
Automated Geographic Reference Center			
Cadastral Mapping	11.400	JSA041001/092013	<u>25,000</u>
Total U.S. Department of Interior/BLM			<u>\$ 25,000</u>

Summit County, Utah
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

<u>Federal Grantor/Pass-Through Grantor/Program</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Grant Expend- itures</u>
U.S. Department of Energy Office of Civilian RW Management Energy Efficiency and Conservation Block Grant	81.128	DERW0000225	\$ 43,620
U.S. Department of Community Development Passed Through Utah State Department of Community and Culture Division of Housing and Community Development CDBG - Peoa Pipeline Co Water Tank & Treatment	14.228	B-10-DC-49-0001	<u>252,469</u>
Total U.S. Department of Community Development			<u>252,469</u>
		Total federal expenditures	<u><u>\$ 4,806,032</u></u>

Summit County, Utah
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2011

Note A - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Summit County, Utah, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Summit County, Utah
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2011

Summary of Audit Results

1. The auditors' report expresses an unqualified opinion on the general purpose financial statements of Summit County, Utah.
 2. No significant deficiencies relating to the audit of the general purpose financial statements were reported.
 3. No instances of noncompliance material to the general purpose financial statements of Summit County, Utah, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
 4. One significant deficiency relating to the audit of the major federal award programs is reported in the accompanying schedule. The deficiency is not reported as a material weakness.
 5. The auditors' report on compliance for the major federal award programs expresses an unqualified opinion on the major federal programs.
 6. Audit findings that are required to be reported relative to the major federal award programs for Summit County, Utah, are reported in this schedule.
 7. The programs tested as major were:

CDBG Peoa Pipeline Co Water Tank & Treatment Facility	CFDA#	14.228
Immunization Program	CFDA#	93.268
NRCS Emergency Watershed Protection Project	CFDA#	10.923
A&D Substance Abuse SAPT Block Grant	CFDA#	93.959
 8. The threshold for distinguishing Types A and B programs was \$300,000.
 9. Summit County did not qualify as a low-risk auditee.
-

Summit County, Utah
Schedule of Findings and Questioned Costs - continued
For the Year Ended December 31, 2011

Findings - Financial Statement Audit

None

Findings and Questioned Costs - Major Federal Award Programs Audit

Significant Deficiency

Finding 2011-1 - Subrecipient Monitoring

Condition: Summit County, Utah's, monitoring system related to the A&D Substance Abuse SAPT Block Grant, in which they have a long standing contract with a local not-for-profit, is not adequate.

Criteria: Internal controls related to subrecipient monitoring should be in place that provide reasonable assurance that the subrecipient is complying with laws, regulations, grants, and contracts.

Cause: There are no procedures in place to ensure that contracts with subrecipients are properly monitored

Effect: Because of inadequate monitoring, there is a potential that subrecipients are not following guidelines set forth.

Recommendation: We recommend that policies and procedures be reviewed to ensure the proper monitoring of subrecipients of federal awards through Summit County, Utah. Procedures should include review of financial and performance reports provided by the subrecipient, site visits, and regular contact with responsible parties.

Management response: The County Health Department and County Manager will take the necessary steps to ensure proper monitoring, and documenting of those procedures.

Corrective action plan: The County is working to inform responsible employees of the need to monitor subrecipients, identify the appropriate monitoring procedures and to properly document those activities.

Responsible party: The County Health Department.

Current status: The County has implemented procedures to inform sub-recipients and others of the monitoring and documentation requirements. In 2012, the County Health Director has met with top management at the sub-recipient. Together they have set expected deliverables for each month with timelines for each expectation. Additionally, the County Health Director has assigned specific County employees with the responsibility to follow-up on the agreed upon deliverables.

Summit County, Utah
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2011

Findings - Financial Statement Audit - Prior Year

None

Findings and Questioned Costs - Major Federal Award Programs Audit

Significant Deficiency

Finding 2010-1 - Subrecipient Monitoring

Condition: Summit County, Utah's monitoring system related to the A&D Substance Abuse SAPT Block Grant, in which they have a long standing contract with a local not-for-profit, is not adequate.

Criteria: Internal controls related to subrecipient monitoring should be in place that provide reasonable assurance that the subrecipient is complying with laws, regulations, grants, and contracts.

Cause: There are no procedures in place to ensure that contracts with subrecipients are properly monitored.

Effect: Because of inadequate monitoring, there is a potential that subrecipients are not following guidelines set forth.

Recommendation: We recommend that policies and procedures be reviewed to ensure the proper monitoring of subrecipients of federal awards through Summit County, Utah. Procedures should include review of financial and performance reports provided by the subrecipient, site visits, and regular contact with responsible parties.

Management response: The County Health Department and County Manager will take the necessary steps to ensure proper monitoring and documenting of those procedures.

Corrective action plan: The County is working to inform responsible employees of the need to monitor subrecipients, identify the appropriate monitoring procedures, and to properly document those activities.

Responsible party: The County Health Department.

Current status: The County has implemented procedures to inform sub-recipients and others of the monitoring and documentation requirements.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
IN ACCORDANCE WITH THE
STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

The Honorable County Council
Summit County, Utah

We have audited Summit County, Utah's. compliance with the general and major state program compliance requirements described in the *State of Utah Compliance Audit Guide* for the year ended December 31, 2011. The general compliance requirements applicable to the County are identified as follows:

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

The County received the following major assistance programs from the State of Utah:

B & C Road Funds (Department of Transportation)
Liquor Law Enforcement (State Tax Commission)
General Health Services (Department of Health)
Mental Health (Department of Health)
Substance Abuse (Department of Health)
Mineral Lease Distribution (Department of Transportation)

Compliance with the requirements referred to above is the responsibility of the County's management. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above could have a material effect on the major assistance programs or general compliance requirements identified above. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with these requirements.

In our opinion, Summit County, Utah, complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended December 31, 2011. However, the results of our auditing procedures disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with the *State of Utah Legal Compliance Audit Guide* and which are described in the accompanying schedule of findings.

This report is intended solely for the information and use of the County Council, management, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties. However, the report is a matter of public record and its distribution is not limited.

Winters & Associates, P.C.

May 31, 2012

Summit County, Utah
State Legal Compliance - Schedule of Findings
For the Year Ended December 31, 2011

1. CASH MANAGEMENT

Finding - We found four instances where public funds were not deposited within three business days after receipt.

Recommendation - We recommend that management review procedures at the animal control, clerks office and planning departments.

Management Response - Management will reeducate employees in these areas on fund handling procedures and subsequently follow up in the two departments noted above.

2. BUDGETARY COMPLIANCE

Finding - Expenditures in excess of approved budget amounts were noted in numerous General Fund departments and other individual funds. See the notes to the financial statements on page 76 for the full listing.

Recommendation - Program directors and department managers should carefully review expenditures against the budget so that amendments may be made when appropriate.

Management Response - Management will work with program directors and the auditors to develop the proper understanding of the budget process in order to address this problem. We anticipate this will involve training and review of the budget process prior to year end to determine the need for possible amendments to the budget.

3. FUND BALANCE COMPLIANCE ISSUES

Finding - The County's Open Space Fund has fund balance in a deficit position of \$772,742.

Recommendation - The County should review the fund and take action to determine how to resolve the deficit position.

Management Response - The County will consider various options to resolve the deficit, select an appropriate strategy, and develop a timeline for implementation.

Summit County, Utah
Transient Room Taxes and the Tourism, Recreation, Culture
And Convention Facilities Schedule of Expenditures
For the Year Ended December 31, 2011

Transient Room Tax

Establishing and promoting:

Recreation

Tourism

Film Production

Conventions

The County distributes 90% of its Transient Room Tax revenue to the Park City/Summit County Chamber Bureau, which uses the funds entirely for tourism promotion. The balance of the funding is used to sponsor recreational activities within the County.

Total expenditures for the year ending 12/31/11 \$ 4,651,827

<p align="center">Application for Property Tax Exemption</p> <p align="center">County Board of Equalization</p>	<p align="center">SUMMIT CO. ASSESSOR LCA 5592-1101 and 1102 STEVE MARTIN Form PT-020 PT-020.ai Rev. 10/99</p>
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This application should be used to apply for exemption from ad valorem (value-based) property tax.

Nonprofit Entity Information

Name of organization applying	EIN, SSN, or other tax ID number
Address	Tax year
City	State
Contact person	Zip
Telephone	Telephone

Exemption Information

This property is exclusively used for (check one):

- Religious purposes
 Charitable purposes
 Educational purposes
 Other (specify) _____

Describe the purpose of this nonprofit organization:

K-8 Public Charter School

Describe why this property should be exempt from ad valorem property taxes:

We are a state funded 501(c)3 non-profit public charter school

Attachments Attach the following documentation

1. A certified copy of the Articles of Incorporation of the nonprofit entity.
2. A copy of current by-laws and/or other organizational information.
3. A copy of the 501(c)(3) certification issued by the IRS.
4. Completed schedules as follows:
 - Schedule A** – Real Property; one schedule for each parcel of real property under consideration.
 - Schedule B** – Personal Property used exclusively for religious, charitable, or educational purposes.
 - Schedule C** – Financial information related to the property under consideration; complete only applicable portions.

Division of Corporations and Commercial Code
certified that the foregoing has been filed
and approved on this 27 day of MAR 2008
in this office of this Division and hereby issued
This Certificate thereof.

RECEIVED
MAR 24 2008

Utah Div. Of Corp. & Comm. Code

Examiner [Signature] Date 4/2/08

ARTICLES OF INCORPORATION
OF



[Signature]
Kathy Berg
Division Director

WEILENMANN SCHOOL OF DISCOVERY
(a Utah nonprofit corporation)

The undersigned, for the purpose of forming a nonprofit corporation under the Utah Revised Nonprofit Corporation Act (the "Nonprofit Act"), hereby adopts the following Articles of Incorporation and certifies as follows:

ARTICLE 1
CORPORATE NAME; DURATION

The name of the corporation is WEILENMANN SCHOOL OF DISCOVERY. The period of duration of the corporation is perpetual.

ARTICLE 2
PURPOSES AND POWERS

The corporation is organized and shall be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future federal tax code (the "Code"). Without limiting the generality of the foregoing, the corporation is organized and shall operate for the following purposes:

- (a) To support and promote the establishment, operation and maintenance of the Weilenmann School of Discovery, a Utah public charter school, and to educate students in a manner consistent with the school's charter;
- (b) To receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, shall use and apply the whole or any part of the income therefrom and the principal thereof exclusively for educational or charitable purposes, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code and Regulations promulgated thereunder as they now exist or as they may hereafter be amended;
- (c) To purchase, own and sell real and personal property, to make contracts, to invest corporate funds, to spend corporate funds for corporate purposes, and to engage in any activity in furtherance of, incidental to, or connected with, any of the other purposes enumerated herein;
- (d) To do such other things as are incidental to the purposes of the Weilenmann School of Discovery, or necessary or desirable in order to accomplish them;
- (e) To make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Code; and
- (f) To engage in any and all other lawful purposes, activities and pursuits, which are substantially similar to the foregoing and which are or may hereafter be authorized by Section 501(c) of the Code and are consistent with those powers described in the Nonprofit Act.

6953595

03-24-08P02:04 RCVD

CLASS
Receipt Number: 2443865
Amount Paid: \$22.00



The corporation shall have all powers necessary and incidental to carrying out the purposes for which the corporation is formed.

ARTICLE 3 LIMITATIONS

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its directors or officers or to other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2 hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

ARTICLE 4 DISTRIBUTION OF ASSETS UPON DISSOLUTION

Upon the dissolution of the corporation, all of the corporation's assets remaining after payment of or provision for all of its liabilities shall be transferred to or distributed for one or more exempt organizations or purposes within the meaning of Section 501(c)(3) of the Code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by the district court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE 5 MEMBERS

The corporation shall have such classes of members as may from time to time be prescribed in its Bylaws. The designation and voting powers of each class, their manner of election or appointment, and the qualifications, rights, limitations and obligations attaching to each or any class of members shall be as from time to time stated in the Bylaws. Voting powers may be denied to any class either generally or in any limited way. The corporation shall not have or issue any shares of stock. However, the corporation may issue certificates evidencing membership therein, should the Bylaws at any time provide for one or more classes of members. No member which is not an exempt organization described in Section 501(c)(3) of the Code shall be entitled to share in or receive any part of the net earnings of the corporation, any distribution of net assets, or any proprietary interest in any of the corporation's property or assets. Each member shall be subject to the fees, dues and assessments, if any, as permitted by the Bylaws.

**ARTICLE 6
DIRECTORS**

All corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the Board of Directors, except as otherwise provided in the Nonprofit Act. The number of directors (which shall not be less than three), their classifications, if any, their terms of office, and the manner of their election, appointment or removal, as well as their rights, privileges and duties, shall be determined according to applicable provisions of the Nonprofit Act and the Bylaws of the corporation from time to time in force.

**ARTICLE 7
LIMITATION UPON LIABILITY OF DIRECTORS**

To the fullest extent permitted by the Nonprofit Act or any other applicable law as now in effect or as it may hereafter be amended, a director of this corporation shall not be liable to the corporation or to its members for monetary damages for any action taken, or any failure to take any action, as a director.

**ARTICLE 8
INDEMNIFICATION**

To the fullest extent permitted by law, and subject to the requirements of the Nonprofit Act, the corporation shall indemnify all directors and officers of the corporation from and against all liability incurred in connection with any proceeding in which they are made a party by reason of being or having been a director or officer, except in relation to matters as to which they have failed to satisfy the applicable standards of conduct to be eligible for indemnification as set forth in the Nonprofit Act or any other applicable provisions of law, and shall make such indemnification in accordance with the requirements of the Nonprofit Act and other applicable legal requirements. The foregoing indemnification provisions may be clarified in the Bylaws of the corporation.

**ARTICLE 9
BYLAWS**

The Board of Directors may adopt, amend, repeal, alter and replace Bylaws for the corporation from time to time, and such Bylaws may contain any provision for managing the business and regulating the affairs of the corporation that are not inconsistent with the Act or other applicable law, or these Articles of Incorporation.

**ARTICLE 10
INCORPORATOR**

The name and street address of the incorporator are as follows:

Merry Fusselman:	1833 East 2050 North Layton, Utah 84040
------------------	--

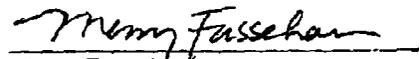
**ARTICLE 11
REGISTERED AGENT AND OFFICE**

The registered office of the corporation shall be initially located at 1833 East 2050 North Layton, Utah 84040. The initial registered agent of the corporation at that address shall be Merry Fusselman.

IN WITNESS WHEREOF, the undersigned hereby states that he has read the foregoing Articles of Incorporation, is familiar with the contents thereof, and verifies and affirms the truthfulness thereof.

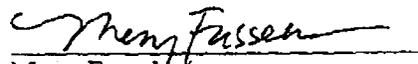
Executed as of the 24th day of March, 2008.

INCORPORATOR:


Merry Fusselman

The undersigned hereby accepts and acknowledges appointment as the initial registered agent of the corporation, and confirms that she is a Utah resident having a business office identical with that of the registered office, and so meets the requirements of Section 501 of the Nonprofit Act.

REGISTERED AGENT:


Merry Fusselman

CHARTER SCHOOL AGREEMENT

Pursuant to Section 53A-1a-505, the State Charter School Board (herein after referred to as the Board), grants the Governing Board of Waelermann School of Discovery charter to operate a public school (hereinafter referred to as the School). U

1. Application/Agreement-Binding

The Board has reviewed the application submitted by the Governing Board and has approved it, subject to adherence to all requirements set forth in this agreement and in state law and board rule. The application is fully incorporated in this agreement, and all representations and conditions contained in the agreement are binding on the Governing Board. The Governing Board shall immediately submit in writing, to the Board and the local board of education in which the School is located, notice of any proposed substantial changes to the application or the representations or conditions contained in the original application or charter. The Board reserves the right to reject any proposed changes to the agreement once the application and agreement have been approved. This agreement begins with the school year that commences immediately following or coincident with the date of this agreement. This agreement shall be automatically renewed at the end of its term, and at the end of each school year beginning thereafter, unless it is terminated by either the Board or the Governing Board pursuant to paragraph 23 or Utah Code Section 53A-1a-510.

2. Operation of School

The School shall at all times be operated by the Governing Board of the School in accordance with Section 53A-1a-501 et. seq., and all other applicable laws and regulations.

3. Compliance with Other Laws

The Governing Board shall comply with all applicable federal laws and regulations, including, but not limited to, such laws and regulations governing employment, environment, disabilities, civil rights, children with special needs, transportation, and student records as applicable. The Governing Board shall also comply with all applicable health and safety laws and regulations, whether federal, state, or local. Neither the State Charter School Board nor the local board of education assumes the duty to oversee the operations of the School except as may otherwise be provided by law or separate contract. The Board shall monitor the School for compliance with applicable laws and regulations consistent with Section 53A-1a-501.6 and R277- 470.

4. Enrollment

- a. Admission and enrollment of students shall be as prescribed by Sections 53A-1a-506 and 53A-1a-506.5, R277-437, R277-470, and federal law. Failure to adhere to the requirements of random selection, under Section 53A-1a-506, and federal requirements for lottery selection, may be grounds for termination of this charter.
- b. The School shall report information on student enrollment as required by the Board through state and federal law. When a student withdraws from the School, the School shall notify the local board of education responsible for the attendance area in which the student resides within 10 days of the withdrawal so that the local board may fulfill its legal obligation to verify the student's compliance with compulsory attendance laws.
- c. Requests for the School to increase its enrollment beyond that set out in its initial agreement shall be submitted to the Board. This provision will be reviewed and is subject to negotiation and amendment by the State Charter School Board, including a review of student assessment data, prior to the 2006-2007 school year.
- d. Failure to enroll the authorized number of students within three years of approval may result in the school being required to remand extra students for reallocation by the State Charter School Board upon request.

5. Financial and Governance Warnings

This charter incorporates by reference, and the Governing Board and School are subject to, Section 53A-1a-501 et. seq., and R277-470, and all other federal and state laws and rules unless specifically waived under Sections 53A-1a-511 and 512. A copy of the Board rules may be obtained at the following locations:

Website: <http://www.rules.utah.gov/publicat/code/r277/r277.htm>
Mail: Utah State Office of Education
250 East 500 South
P.O. Box 144200
Salt Lake City, UT 84114-4200

6. Children with Special Needs

- a. As prescribed by the State Board of Education, and in accordance with state and federal laws, the School shall provide to the Board the total number of children with special needs, identified in accordance with state and federal laws, enrolled in the School.
- b. The Governing Board accepts and understands that, for purposes of federal and state law, including the Americans with Disabilities Act, Section 504 of the Rehabilitation Act of 1973, and the Individuals with Disabilities Education Act, the School is obligated to provide free and appropriate education and related services to children with special needs. The School may not send special needs students back to resident districts because the School lacks services, nor may the School "counsel students" out of the School.

7. Reporting Requirements

The Governing Board shall submit such reports as required by state law and the Board. Failure to submit such reports may be grounds for revocation of the charter.

8. Technical Assistance

The School may request technical assistance from the Board in any area, including curriculum matters and financial concerns. In no event is the Utah State Office of Education, the State Board of Education or the State Charter School Board responsible for any financial or technical support other than the funding and technical assistance as expressly required by law.

9. Records

a. *Access.* Subject to state and federal laws, the State Board of Education, its agents, and the State Auditor's Office shall have the right to examine and copy all records, reports, documents, and files relating to any activity, program, or student of the School.

b. *Public Records Law.* The Governing Board and School are subject to the Government Records Access and Management Act, Section 63-2-101 through 63-2-1001. This provision is effective upon the Board's final approval of the Governing Board's Application.

c. *Student Records.* The School is subject to all the provisions of the federal Family Educational Rights and Privacy Act, U.S.C. 20 § 1232g. In the event the School closes, it shall transmit all official student records as prescribed by the State Charter School Board.

10. Financial Management

The Governing Board shall comply with the same financial audits, audit procedures and audit requirements of school districts. The program, financial and compliance audits may be conducted by the charter entity or the Legislative Auditors Office. The Governing Board shall maintain the financial records of the School pursuant of the governing authority and the State Auditors Office.

11. Property Ownership

Following the termination of a charter and after the settlement of outstanding obligation, there is a presumption that the property of a charter school shall revert to the State Board of Education. A charter school may defeat the presumption of State Board ownership with documentation that the charter school purchased the property with private funding, and may be requested to provide documentation that the charter school or its founders or directors were never reimbursed from public funds.

12. Procurement

Charter schools are subject to the Utah Procurement Code, Section 63-56-101 through 63-56-1002, to the same extent as local boards are.

13. Insurance and Bonding

a. The Governing Board shall obtain and maintain insurance at a minimum in the following amounts:

- 1) General liability: two million dollars (\$2,000,000) per occurrence
- 2) Employee dishonesty bond
- 3) Workers' compensation: as specified by federal law
- 4) Comprehensive/collision consistent with cash values of vehicles
- 5) Liability insurance specific to the Governing Board's financial officer or treasurer or business administrator consistent with coverage designated in R628-4-4

b. The provisions of Paragraph 1 shall not preclude any School from obtaining liability insurance coverage in addition to or in excess of the requirements stated in this section.

c. Written proof/copies of required insurance policies shall be provided to the State Charter School Board at least 90 days prior to the opening of school. The policies shall be maintained by the Charter School Board with the agreement. The Governing Board shall provide the Charter School Board with a certificate of insurance annually.

14. Facilities

State Board of Education Administrative Rule R277-471-3, "Oversight of School Inspections," requires a Local Charter School Board Building Officer to be appointed by the charter school board.

Local charter school boards shall appoint a local charter school board building officer who has direct administrative and operational control of all construction, renovation, and inspection of public school district facilities within the school district, and shall provide in writing the name of the local charter school board building officer to the USOE.

The local charter school board building officer is responsible for coordinating with local municipalities and counties and the State Office of Education to ensure that the appropriate documents are filed in a timely manner for all construction projects, as outlined in the School Construction Inspection Resource Manual.

The Board may delay the opening of the School or terminate this charter on any of the following grounds (R277-470-13):

- 1) Failure to provide evidence of groundbreaking before January 1 of the intended opening year of the School (R277-470-7)
- 2) Failure to submit monthly construction/facility progress reports (SP-8) and/or failure to submit required documents in a timely manner to the State Office of Education (R277-471-7)
- 3) Failure to attend orientation/training sessions designated by the State Charter School Board (R277-470-4)

The School shall not be allowed to operate unless and until all health and safety certificates are current. If the Governing Board subsequently makes substantial changes in its facility or desires to relocate to another facility, the State Charter School Board shall receive written notice of the changes or relocation in a timely manner.

15. Licensed Employees

a. All employees who hold professional licenses issued by the Board are subject to the rules applicable to licensed professionals, and their licenses may be revoked based on any of the grounds consistent with state law or R686-103. In addition, School administrators are subject to mandatory child abuse reporting consistent with state law.

b. The Governing Board shall report, as required by the State Board of Education, the total number of teachers and the total number of teachers who hold valid licenses who are employed to teach at the School, as well as information regarding assignments and endorsements. All teachers must hold a valid Utah Professional Educator License or meet the State Board requirements for alternative licensing routes or Board authorization consistent with 53A-1a-512(3).

c. The Governing Board understands and agrees that it shall not employ in any capacity, or accept voluntary services from, any individual whose certificate or license has been suspended or revoked by the Board or any other licensing board or agency on the grounds of unethical or immoral behavior, including improper sexual or physical conduct with children or students. Violation of this provision shall result in immediate revocation of the charter.

d. The Governing Board shall notify the appropriate local board of education and the Utah State Office of Education if a School employee who is on leave from employment with the local board was suspended, terminated, asked to resign, resigns in the face of allegations, or is otherwise subjected to disciplinary action because of poor performance or misconduct. The Governing Board shall cooperate with the local board and the USOE and shall provide any relevant information requested concerning such employees.

16. Transportation

Neither the local board nor the State Board of Education is responsible for student transportation. Parents of a student at the School shall be notified of this provision.

17. Indemnity

The Governing Board agrees to indemnify and hold harmless the USOE, State Board of Education, State Charter School Board and local boards of education, their officers, agents, employees, successors and assigns from all claims, damages, losses and expenses, including attorney's fees, arising out of or resulting from any action of the School caused by any intentional or negligent act or omission of the School, its officers, agents, employees, and contractors.

18. Student Discipline

- a. The School agrees to and shall comply with Section 53A-11-901, except as otherwise provided by law.
- b. The School shall comply with all applicable federal and state laws and regulations governing discipline of children with disabilities, including compliance with 20 U.S.C. Sec. 1400 et. seq. and Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Sec. 706(8).
- c. The School shall comply with state and federal due process requirements both in notifying parents and students of conduct for which they may be suspended or expelled and in providing notice and hearing opportunities to students being recommended for exclusion from the School. If the School suspends a student with special needs, it shall continue to provide to the student with all continuing education services to the extent mandated by federal and state laws and regulations.

19. Instruction

As prescribed by R277-419, the School shall provide a minimum of 180 days and 990 hours of instruction (grades two through 12), a minimum of 180 days and 810 hours of instruction (grade one), and a minimum of 180 days and 450 hours of instruction (grade K).

20. Criminal Background Checks

The Governing Board agrees to conduct thorough background checks on all of its employees and volunteers who shall have significant unsupervised contact with students, consistent with Section 53A-3- 410. In addition, the State Charter School Board or the State Board of Education may conduct criminal history checks on any School personnel or director or Governing Board member when it is deemed necessary to protect the financial integrity of the School or the health and safety of students or employees. Refusal by any individual to submit to a fingerprint check is grounds for termination of employment and/or revocation of the charter. The Board may consider the refusal of an individual to submit to a fingerprint check in determining whether:

- a. To grant final approval of the charter agreement.
- b. To recommend to the governing board that the individual be denied employment.
- c. To revoke the charter of the governing board.

21. Open Meetings: Public Records

The Governing Board agrees to be subject to the Open and Public Meetings law, Section 52-4-1 et. seq. This provision is effective upon the Board's final approval of the Governing Board's/School's agreement.

22. Assignment

Assignment of the School to another entity is deemed an amendment to the charter and shall have prior written approval of the Board.

23. Amendment

This agreement may be amended by the mutual agreement of the Board and the Governing Board, pursuant to Section 53A-1a-508(4). Any such amendment must be made in writing and signed by the appropriate representatives of the Board and the Governing Board.

24. Termination of Charter

a. *Grounds:* The Board may terminate this charter on any of the following grounds (53A-1a-510):

- 1) Failure of the Governing Board or School to meet the requirements stated in the charter.
- 2) Failure of the Governing Board to meet generally accepted standards of fiscal management.
- 3) Violation of law.
- 4) Material violation of any of the conditions, standards, or procedures set forth in this agreement.
- 5) Failure to meet the requirements for student performance under state or federal law.
- 6) Other good causes shown.

The Governing Board may terminate this charter after the end of the spring semester and prior to the beginning of the fall semester with or without cause.

b. *Procedures:* A charter that is terminated by the Governing Board shall be terminated consistent with Section 53A-1a-510 and R277-470. A charter that is terminated by the Governing Board shall be terminated in a manner consistent with the provisions of this agreement upon the effective date communicated in a written notice provided by the Governing Board to the Board regarding its intention to terminate the charter. The Board must receive such notice at least 60 days prior to the beginning of the fall semester.

25. Status of Parties to Charter

This charter is not intended to create and shall not be interpreted to create employer-employee, contractor-subcontractor, or principal-agent relationships between or among any party or parties to this charter. "Parties," for purposes of this paragraph only, include the parties to this agreement as well as the local board of education. No officers, employees, agents, or subcontractors of the School shall be considered officers, employees, agents, or subcontractors of the local board of education.

26. Agreements with Local Boards of Education

This charter shall not preclude the Governing Board from entering into any agreement with a local board of education, provided that such agreements do not supersede or override any provision of this agreement.

27. Notice

Any notice the Governing Board or School is required or permitted to submit under this agreement shall be delivered to:

Utah State Office of Education
250 East 500 South
P.O. Box 144200
Salt Lake City, Utah 84114-4200

All faxes sent by the Governing Board or School shall be followed by hard copies postmarked within the next business day of the fax transmittal.

28. Severability

If any provision of this agreement is determined to be unenforceable or invalid for any reason, the remainder of this agreement shall remain in effect, unless the charter is revoked or terminated.

29. Non-Endorsement

The Governing Board acknowledges that the granting of a charter in no way represents or implies endorsement by the State Charter School Board of any method of instruction, philosophy, practices, curriculum, or pedagogy used by the School or its agents; nor does this agreement constitute a guarantee by the State Charter School Board of the success of the School in providing a learning environment that shall improve student achievement.

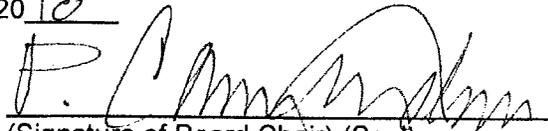
30. Legislative Action

This agreement and any amendments to it and renewals of it are subject to applicable state and federal laws, and shall be deemed amended to reflect applicable changes to those laws. Upon repeal of the statutes authorizing the school charter, the charter is null and void.

FOR THE CHARTER SCHOOL GOVERNING BOARD:

This 8th day April of 2010

P. Christian Anderson
(Type or Print Name of Board Chair)


(Signature of Board Chair) (Seal)

FOR THE STATE CHARTER SCHOOL BOARD:

This 13 day May of 2010

Brian Allen
(Type or Print Name of SCSB Chair)


(Signature of SCSB Chair)

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: NOV 15 2010

WEILENMANN SCHOOL OF DISCOVERY
PO BOX 684117
PARK CITY, UT 84068

Employer Identification Number:
26-4710117
DLN:
17053055315000
Contact Person:
JOYCE DARBY ID# 95011
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
June 30
Public Charity Status:
170(b)(1)(A)(ii)
Form 990 Required:
Yes
Effective Date of Exemption:
March 24, 2008
Contribution Deductibility:
Yes
Addendum Applies:
Yes

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

WEILENMANN SCHOOL OF DISCOVERY

Sincerely,

Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-PC

Letter 947 (DO/CG)

Application for Exemption – Real Property Schedule A

UCA §59-2-1101 and 1102
Form PT-020A
PT-020a.ai Rev. 10/99

Complete a separate Schedule A for each parcel of real property under consideration

Property Owner

<small>Full name of the owner of record</small> Weilenmann School of Discovery	<small>EIN, SSN, or other tax ID number</small> 06-4710117	
<small>Address</small> 499 Kilby Rd.	<small>Telephone</small> (435) 575-5411	
<small>City</small> Park City, UT	<small>State</small> UT	<small>Zip</small> 84098

Property Information and Description

<small>Property Location</small> same	<small>Property parcel number</small> PP-38-C-1
<small>Brief description of parcel</small>	<small>Date the property was acquired</small> 6/6/12
	<small>Acreage:</small> 11 <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Approximate

List separately and describe each building or physical structure on the property

School Building

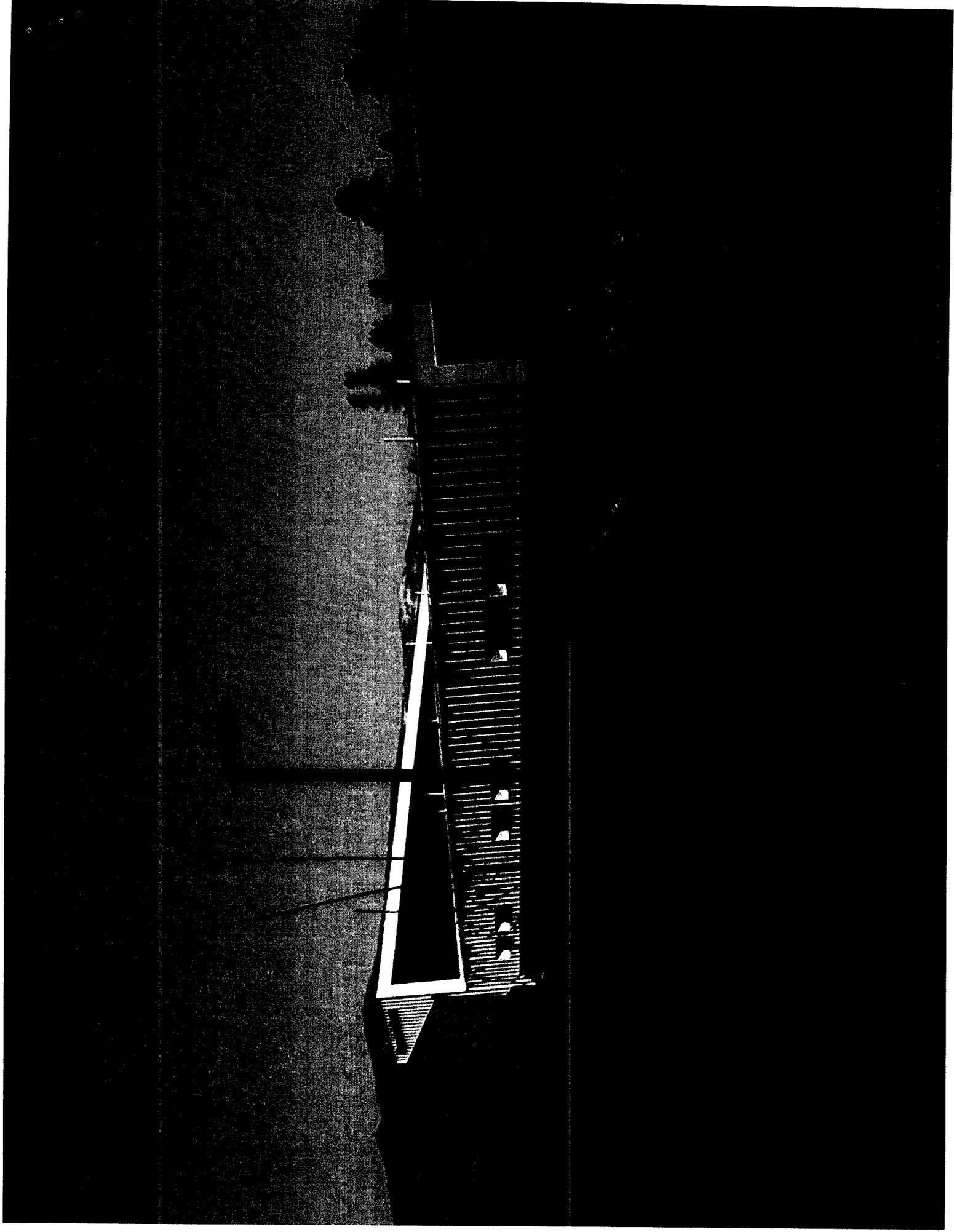
Use of Property

1. Complete this first question separately for each building or structure, use additional sheets as necessary.
 - a. Building or structure **School building**
 - b. Activities or functions this building or structure is used for **education**
 - c. Percentage of building or structure used for this purpose **100%**
 - d. Approximate hours per month building or structure is used for this purpose **160**
 - e. Date use for this purpose began **9/1/2010**
2. Have all activities/functions listed in 1 continued without interruption since first starting? Yes No
If no, explain any interim or non-use: _____
3. Is there any use of the property, buildings or structures other than described in 1 above? Yes No
If yes, describe: _____
4. Is all or part of the property, buildings or structures rented or leased? Yes No
If yes, answer the following.
 - a. Name of person or entity renting or leasing the property _____
 - b. Describe the portion that is rented or leased
 - c. Amount of rent or other compensation received
 - d. How is the rent or compensation determined?

Attachments Attach the following items

1. A copy of the legal description of the real property under consideration.
2. A current photograph of the real property under consideration.





**Application for Exemption – Personal Property
Schedule B**

UCA §59-2-1101 and 1102
Form PT-020B
PT-020b1.ai Rev. 10/99

Property Owner

Property owner <i>Weilenmann School of Discovery</i>	EIN, SSN, or other tax ID number <i>20-4710117</i>	
Address <i>4199 Kilby Rd.</i>	Telephone <i>(435) 575-5411</i>	
City <i>Park City</i>	State <i>UT</i>	Zip <i>84098</i>

Property Information and Description

Property Location <i>same as above</i>	Personal property account number (if any)
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Briefly describe the personal property under consideration for exemption

School equipment, desks, chairs, etc

List the original acquisition cost and year acquired.

	Year Acquired	Acquisition Cost
Furniture and fixtures	<i>2010</i>	<i>\$ 200,000</i>
Commercial and industrial equipment	<i>2010</i>	<i>\$ 51,000</i>
Mobile homes		<i>\$</i>
Other personal property	<i>2010</i>	<i>\$ 32,000</i>
Estimated current value for items with unknown acquisition cost		<i>\$</i>

List all motor vehicles under consideration for exemption, including passenger cars, trucks and vans; motorcycles; campers, motor homes, travel trailers and other RVs; boats and watercraft; aircraft; and medium or heavy duty trucks.

License Plate No.	Type of Vehicle	Year	Make	Model	VIN/HIN	Location
<i>C144DU</i>	<i>BUS</i>	<i>1997</i>	<i>Thomas</i>		<i>1T75U4B2XV1142988</i>	<i>same as above</i>

Use of Property

- Is the personal property used at a given parcel of real property? Yes No
If yes, indicate the property parcel number or address: *same as above*
If no, where is the property usually located?
- Describe in detail all activities and functions that the property is used for, and the date the use began.
Education - K-8th grade
- Have all activities and functions in 2 continued without interruption since the use began? Yes No
If no, explain any interim or non use:

(continued on reverse)

**Application for Exemption – Benefactors
Schedule C**

UCA §59-2-1101 and 1102
Form PT-20C
PT-020c1.ai Rev. 9/00

Property Owner

Name of organization applying

Weitenmann School of Discovery

Contact person

Property parcel or account number

PP-38-C-1

Telephone

(435) 575-5411

Property location

499 Kilby Rd

Financial Information

1. Does the use of the property in any way create funds, revenue, products or services that are sold or given away? ___ Yes No

If yes, state the amount and describe in detail: \$ _____

2. If you answered Yes in question 1, what portion of funds, revenue, products or services:

a. Are used directly for the purposes for which exemption is claimed? _____ %

Describe the individuals or organizations receiving benefits, and how they are selected: _____

b. Are used indirectly for the purposes for which exemption is claimed? _____ %

Describe the individuals or organizations receiving benefits, and how they are selected: _____

c. Are given to any shareholder or individuals or are distributed from the use of the property _____ %

Explain in detail: _____

3. Does anyone receive compensation in wages, goods, services or other benefits, for services rendered with respect to the property? Yes ___ No

If yes, attach the following information for each individual:

a. Total compensation received in detail, e.g., money, goods, living quarters, services or other benefits.

b. How the compensation is determined.

c. Explanation of the services performed, including duties and working hours.

d. Relationship of the individual to the owner, user or operator of the property, and whether the individual is a trustee, director, shareholder, lessor, member, employee or contributor of the owner.

WSD currently employs 65 people, all of whom receive salaries or hourly wages based on their contributions toward educating or administrating our students.

(continued on reverse)

Attachments Attach the following documentation

1. Copies of any financial statements, income statements, profit and loss statements or other records that accurately reflect the use of the described property, including the source of all funds, the amount received from each source, and the use of such funds for the most recent fiscal year available.
2. All information requested in question 3, above.
3. If the use of the property did not create any funds, revenue, products or services that are sold or given away, but did result in a benefit to any individual or organization, attach detailed documentation indicating the following:
 - a. All individuals or organizations benefited.
 - b. The amount of benefit received by each.
 - c. How such individuals or organizations were selected.

Certification

I certify that all statements and information on this sheet are true and correct to the best of my knowledge, and that I will notify the Board of Equalization if any of the information should change. I further certify that I have authority to sign this document.

Name (printed) Kevin Wells	Position or capacity Business Manager
Signature x <i>Kevin Wells</i>	Date signed 7/3/12

Weilenmann School of Discovery
Profit & Loss
 July 2011 through June 2012

Jul '11 - Jun 12

Income		Jul '11 - Jun 12
1000 · Local Revenues		
1600 · Food Services		
1610 · Lunch- Lunch Fee Student	17,604.34	
1620 · Lunch- Lunch Fee Non-Student	42.00	
Total 1600 · Food Services		17,646.34
1700 · Student Activities		
1700.A · Student Activities- Sch Program	20,976.58	
1700.B · Student Activities- Parent Org	63,024.69	
1700.C · Student Activities- Field Trips	2,743.99	
1700.D · Student Fees 7-12	38,090.42	
Total 1700 · Student Activities		124,835.68
1910 · Rental Revenue		
		97,233.33
1920 · Private Contrib. & Donations		
1920.A · Corporate Donations	14,554.08	
1920.B · Cash Donations	35,489.12	
1920.C · Fundraising Revenue	198,955.89	
1920.D · Grant Revenue	6,628.00	
Total 1920 · Private Contrib. & Donations		255,627.09
1950 · Transportation Local Income		
		55,082.15
Total 1000 · Local Revenues		550,424.59
3000 · State Revenue		
3005 · Regular Basic School Programs		
3010.00 · Regular School Programs K-12	1,360,907.00	
3020.00 · Professional Staff	40,846.00	
Total 3005 · Regular Basic School Programs		1,401,753.00
3100 · Special Education		
3105.00 · Special Ed- Add-On	115,965.00	
3110.00 · Special Ed- Self Contained	59,136.00	
3120.00 · Special Ed- Extended Year	2,343.00	
3155.00 · CTE Add-On	0.00	
Total 3100 · Special Education		177,444.00
3200 · Other State Programs		
3211.00 · Accelerated Learning	2,142.00	
3215.00 · Enhancement for At-Risk Student	7,445.00	
3230.00 · Class Size Reduction K-8	125,867.00	
Total 3200 · Other State Programs		135,454.00
3410 · Flexible Allocation		
		18,104.00
3468 · School Nurses		
		1,435.00
3520 · School LAND Trust Program		
		23,035.00
3641 · Early Interventions		
		663.00
3700 · Miscellaneous State Revenues		
3719.00 · Charter- Local Replacement	902,545.00	
3725.00 · Charter School Admin	53,500.00	
3799.00 · UPASS - Evaluation & Assessment	1,422.00	
Total 3700 · Miscellaneous State Revenues		957,467.00
3800 · Supplemental / Other Bills		
3805.00 · Reading Achievement Program	14,689.00	
3810.00 · Library Books & Supplies	469.00	
3876.00 · Educator Salary Adjustment	133,558.00	
3878.00 · Extended Year Special Ed	1,800.00	
3882.00 · Teachers Materials & Supplies	4,346.00	
Total 3800 · Supplemental / Other Bills		154,862.00
Total 3000 · State Revenue		2,870,217.00

Weilenmann School of Discovery
Profit & Loss
 July 2011 through June 2012

	Jul '11 - Jun 12
4000 · Federal Revenue	
4500 · Restricted Fed. Revenue - State	
4524.00 · IDEA - B - Disabled	44,471.00
Total 4500 · Restricted Fed. Revenue - State	44,471.00
4600 · Other Fed / State Restr. Source	
4625.00 · Federal PCSP Grants	77,681.00
Total 4600 · Other Fed / State Restr. Source	77,681.00
4800 · No Child Left Behind	
4860.00 · Fed Title II - Teacher Quality	3,739.00
Total 4800 · No Child Left Behind	3,739.00
4900 · Other Federal Revenues	
4960.00 · Federal REAP-SRSA	55,444.00
Total 4900 · Other Federal Revenues	55,444.00
Total 4000 · Federal Revenue	181,335.00
Total Income	3,601,976.59
Gross Profit	3,601,976.59
Expense	
100 · Salaries & Wages	
100.29 · Wages- Emp Leased to Others	19,242.59
100.31 · Wages- Food Services	6,795.93
121.24 · Wages- Principals & Directors	84,640.00
131.10 · Wages- Teachers	
131.10a · Wages- Teachers- Special Ed	41,000.00
131.10 · Wages- Teachers - Other	1,118,748.98
Total 131.10 · Wages- Teachers	1,159,748.98
132.10 · Wages- Substitute Teacher	14,051.78
145.22 · Wages- Licensed Library- Media	17,559.75
152.24 · Wages- Admin Support Staff	110,319.72
161.10 · Wages- Aide & Paraprofessionals	
161.10a · Wages- SpEd Aide & Paraprofess.	31,842.98
161.10 · Wages- Aide & Paraprofessionals - Other	55,119.34
Total 161.10 · Wages- Aide & Paraprofessionals	86,962.32
180.26 · Wages- Maintenance & Custodial	39,333.26
184.25 · Wages- IT Services	72,416.74
Total 100 · Salaries & Wages	1,611,071.07
200 · Employee Benefits	
200.280 · Unemployment Insurance	8,308.95
200.291 · Workers Compensation	2,949.25
210 · Retirement Programs	17,478.39
220 · Social Security & Medicare Tax	116,272.73
240 · Health Benefits	143,107.88
Total 200 · Employee Benefits	288,117.20
300 · Purchased Prof. & Tech. Service	
300.10 · Outside Instructional Services	
300.10a · Special Ed Services	58,977.50
300.10b · Outside Instr - Adventure PE	43,500.00
300.10 · Outside Instructional Services - Other	5,231.00
Total 300.10 · Outside Instructional Services	107,708.50
300.24 · Other Professional Services	
300.24a · Accounting and Auditing	10,135.93
300.24b · Bank Fees	7,527.99
300.24c · Legal Fees	960.00
Total 300.24 · Other Professional Services	18,623.92

Weilenmann School of Discovery
Profit & Loss
 July 2011 through June 2012

	Jul '11 - Jun 12
300.25a · Business Admin Services	80,041.65
300.25b · Payroll Processing Fees	5,565.20
300.25c · Information Technology Services	913.32
300.330 · Professional Development	
330.10 · Prof Development - Instruction	1,604.00
330.24 · Prof Development - School Admin	325.00
Total 300.330 · Professional Development	1,929.00
Total 300 · Purchased Prof. & Tech. Service	214,781.59
400 · Purchased Property Services	
400.26a · Security Expense	720.00
400.26b · Property Repairs & Maint Serv	22,349.92
400.26c · Equipment Repairs & Maint Serv	3,608.85
400.26d · Custodial Services	20,410.39
400.26e · Lease- Rent Expense	506,254.84
400.26f · Equipment & Storage Rentals	84.06
400.410 · Utilities Expenses	
410.26a · Utilities Expense- Power	26,537.51
410.26b · Utilities Expense- Gas	15,933.86
410.26c · Utilities Expense- Disposal	2,471.43
410.26d · Utilities Expense- Water & Sew	11,233.67
Total 400.410 · Utilities Expenses	56,176.47
Total 400 · Purchased Property Services	609,604.53
500 · Other Purchased Services	
500.10a · Travel- Field Trips Expense	4,022.00
500.10b · Travel & Lodging- Instructional	200.00
500.24a · Travel & Lodging- Admin	731.38
500.24b · Copier Maintenance Expense	150.00
500.24c · Insurance Expense	18,475.00
500.530 · Communications Expense	
530.24a · Postage & Mailing Expense	1,683.30
530.24b · Telephone- Voice	366.77
530.24c · Internet & Data Services	4,245.14
Total 500.530 · Communications Expense	6,295.21
500.540 · Advertising & Promotions	
540.24a · Advertising- General	5,633.84
540.24b · Advertising- HR & Background Ck	1,452.00
Total 500.540 · Advertising & Promotions	7,085.84
513.27 · School Bus & Bus Driver Rental	106,862.28
Total 500 · Other Purchased Services	143,821.71
600 · Supplies & Materials	
600.10 · Supplies- Instruction	
600.10a · Supplies - Workroom	1,863.46
600.10b · Supplies- Classroom	5,970.94
600.10c · Supplies - Special Ed	1,195.92
600.10e · Supplies-Physical Education	2,091.41
Total 600.10 · Supplies- Instruction	11,121.73
600.21 · Supplies- Medical/First Aid	114.66
600.24a · Supplies- Administration	3,662.78
600.24b · Supplies- Copier & Printer	9,713.29
600.26a · Supplies- Bldg & Prop Maintenanc	2,196.52
600.26b · Supplies- Custodial Supplies	13,664.50
600.31 · Lunch Program- Non Food	248.55
624.27 · Fuel-School Buses	690.56
630.31 · Lunch Program- Food	22,770.00

Weilenmann School of Discovery
Profit & Loss
July 2011 through June 2012

	Jul '11 - Jun 12
641.10 · Curriculum & Materials	
641.10a · Curriculum & Materials- SpEd	3,355.65
641.10 · Curriculum & Materials - Other	50,270.59
Total 641.10 · Curriculum & Materials	53,626.24
644.22 · Library Books & Supplies	7,822.63
Total 600 · Supplies & Materials	125,631.46
700 · Property	
700.25 · Computer Software	92,378.07
700.45 · Property Tax	67,090.64
700.730 · Equipment	
730.10 · Equipment- Instruction	13,635.21
730.24 · Equipment- Admin	8,701.98
730.25 · Equipment- Technology Hardware	546.13
730.26 · Equipment- Facilities	3,372.73
730.27 · Equipment- Transportation	9,000.00
700.730 · Equipment - Other	968.16
Total 700.730 · Equipment	36,224.21
710.45 · Land and Improvements	118,852.10
Total 700 · Property	314,545.02
800 · Debt Service & Miscellaneous	
800.890 · Other Expense	
890.10a · Employee Motivation Expense	2,822.83
890.10b · Student Motivation Expense	2,106.14
890.22 · Parent Organization Expenses	45,706.48
890.24a · Meals- School Administration	1,258.78
890.24b · License & Tax Expense	345.25
890.24c · Fundraiser Expenses	26,301.35
800.890 · Other Expense - Other	-430.95
Total 800.890 · Other Expense	78,109.88
810.24 · Dues & Subscriptions	3,953.50
830 · Long Term Interest Expenses	
830.50a · Interest- USOE Loan	1,947.84
Total 830 · Long Term Interest Expenses	1,947.84
840 · Redemption of Principal	
840.50a · Principal- USOE Loan	74,593.44
Total 840 · Redemption of Principal	74,593.44
Total 800 · Debt Service & Miscellaneous	158,604.66
Total Expense	3,466,177.24
Net Income	135,799.35

EXHIBIT A

to Special Warranty Deed

(Legal Description of the Property)

That certain real property located in Summit County, Utah, specifically described as follows:

Beginning at the East quarter corner of Section 10, Township 1 South, Range 3 East, Salt Lake Base and Meridian; thence North 00°04'11" West along the East line of Lot 2 a distance of 1134.85 feet; thence South 61°16'46" West 625.69 feet; thence North 00°04'11" West 15.4 feet; thence South 46°43'36" West 181.53 feet; thence North 18°21'11" West 157.78 feet to the True Point of Beginning; thence South 56°37'40" West 386.86 feet; thence South 02°12'48" East 305.16 feet; thence South 42°54'58" West 248.60 feet; thence North 42°19'31" West 410.84 feet; thence North 10°00'00" East 142.17 feet; thence North 70°00'00" West 394.47 feet; thence North 48°26'49" East 79.94 feet to the intersection with the Southeasterly right of way line of the Interstate 80 Frontage Road, said right of way line also being the Southeasterly line of that tract of land as described in Warranty Deed to the State Road Commission of Utah, recorded July 25, 1972 as Entry No. 116412 in Book M39, Pages 586 and 587, in the office of the recorder of Summit County, Utah, the following five courses being along said right of way line: (1) thence North 61°36'00" East 96.33 feet to a point on a tangent 3779.72 foot radius curve concave Southeasterly (the radius point bears South 28°24'00" East 3779.72 feet of which the central angle is 05°00'00"); (2) thence Northeasterly along the arc of said curve a distance of 329.84 feet; (3) thence North 66°36'00" East 10.66 feet to a point on a tangent 3859.72 foot radius curve concave Northwesterly (the center bears North 23°24'00" West 3859.72 feet of which the central angle is 05°00'00"); (4) thence Northeasterly along the arc of said curve a distance of 336.82 feet; (5) thence North 61°36'00" East 231.76 feet to the intersection with the Westerly line of a tract of land as described in a Quit Claim Deed to Judith L. Maedel, recorded May 18, 1981 as Entry No. 179621 in Book M187, Page 501, in said Recorder's office, the following course being along the Westerly line of said tract; thence South 18°21'11" East 414.26 feet to the place of beginning.

The following is shown for informational purposes only: Tax Parcel No. PP-38-C-1.