

**BOX ELDER COUNTY, UTAH
FINANCIAL REPORT**

YEAR ENDED
DECEMBER 31, 2008

BOX ELDER COUNTY

FINANCIAL REPORT

DECEMBER 31, 2008

BOX ELDER COUNTY
FINANCIAL REPORT
DECEMBER 31, 2008

TABLE OF CONTENTS

	Page
Independent Auditors' Report	1-2
Management's Discussion and Analysis	3-9
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	10
Statement of Activities	11
Fund Financial Statements:	
Balance Sheet - Governmental Funds	12
Balance Sheet Reconciliation to Statement of Net Assets	13
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	15
Statements of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	16-18
Statement of Net Assets - Proprietary Funds	19
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	20
Statement of Cash Flows - Proprietary Funds	21
Statement of Fiduciary Net Assets - Agency Funds	22
Notes to Financial Statements	23-38
Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual-Other Major Funds	39-40
Combining Financial Statements:	
Combining Balance Sheet - Nonmajor Governmental Funds	41

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds	42
Nonmajor Fund Financial Statements:	
RDA - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	43
Library Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	44
Special Service Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	45
Schedule of Taxes Charged and Collected - Current and Prior Year	46-47
Detail Schedule of Intergovernmental Payable - Treasurer's Agency Fund	48
Schedule of Transient Room Tax Activity	49
Schedule of Tourism, Recreation, Culture and Convention Facilities Tax Activity	50



INDEPENDENT AUDITORS' REPORT

To the County Commissioners
Box Elder County
Brigham City, UT 84302

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Box Elder County, Utah (the "County"), as of and for the year ended December 31, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

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 opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Box Elder County as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund, Justice Court Fund, Municipal Service Fund and RDA and EDA Fund 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 a report dated September 11, 2009, on our consideration of Box Elder County's internal control over financial reporting and 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 read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 3 through 11 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary combining, nonmajor fund statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the same auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Wiggins & Co., PC

Brigham City, Utah
September 11, 2009

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

INTRODUCTION

The following is a discussion and analysis of Box Elder County's financial performance and activities for the year ended December 31, 2008. Please read it in conjunction with the entire Box Elder County Financial Report.

HIGHLIGHTS

Government-wide Level

- Box Elder County's total net assets increased \$3.7 million or 11.3 percent primarily due to property tax revenues and sales tax growth.

Long-term Debt

- The County has reduced its Long-Term Debt (Noncurrent liabilities) by \$742 thousand or 9.1 percent due to following applicable debt schedules and reducing principal balances.

Governmental Fund Balances

- Government Funds saw both increases and decreases in their fund balances, with net increase of 13.7 percent. The Capital Project Fund had the largest increase at 97.4 percent and the Municipal Service Fund saw the largest decrease at 20 percent below the previous year. These swings in fund balances were due to contributions to the Capital Projects Fund from the Municipal Service Fund, and use of Municipal Service Fund balance for capital projects.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the County's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report also contains other supplementary information including combining statements for nonmajor funds.

Government-wide Statements – Reporting the County as a Whole

The Statement of Net Assets and the Statement of Activities beginning on page 10 comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the County's finances as a whole and are prepared using the full-accrual basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level.

The government-wide statements report the County's net assets – the difference between total assets and total liabilities – and how they have changed from the prior year. Over time, increases and decreases in net assets measure whether the County's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered such as the County's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

The government-wide statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). Box Elder County's governmental activities include general government; public safety; highways and streets; public health; planning and economic development; culture and recreation; and debt service costs. The County has one business-type activity, the Municipal Building Authority, which is primarily related to the operation and maintenance of the County's landfill.

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

The fund financial statements beginning on page 12 provide detailed information about individual major funds, not the County as a whole. A fund is a group of related accounts that the County uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. All of the County's funds are divided into three types:

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

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

Proprietary Fund – Box Elder County has one proprietary fund, an *Enterprise Fund*, used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County's one enterprise fund, the Municipal Building Authority Fund, is used to account for the operations of the County's landfill operation and other building functions of the County.

Fiduciary Funds – Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds use full-accrual accounting but are not included in the government-wide statements because the assets in these funds are not available to finance the County's own programs. Agency Funds include Held for Litigants, Treasurer's Tax Collection and Special Deposits.

Reconciliation Between Government-wide and Fund Statements

The financial statements include schedules on pages 13 and 15 that reconcile the amounts reported for governmental activities on the government-wide statements (full-accrual accounting, long-term focus) with amounts reported on the governmental fund statements (modified accrual accounting, short-term focus). Following are some of the major differences between the two statements:

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

Notes to the Financial Statements

The notes beginning on page 23 provide additional information that is essential to a complete understanding of the financial statements, and they apply to both the government-wide and fund financial statements.

Required Supplementary Information

Box Elder County adopts an annual budget for all of its governmental funds. Beginning on page 16 are budgetary comparison schedules for the County's General Fund and major special revenue funds. Budget-to-actual comparisons for the Capital Project Fund and Debt Service Fund and each of the nonmajor special revenue funds are provided in the Supplementary Information section of the report.

Supplementary Information

This section includes combining statements for the County's nonmajor governmental funds. This section also includes the budgetary comparisons mentioned above. Finally, statutorily required schedules related to tourism tax revenue uses and property tax collections and distributions to all taxing entities within the County are provided.

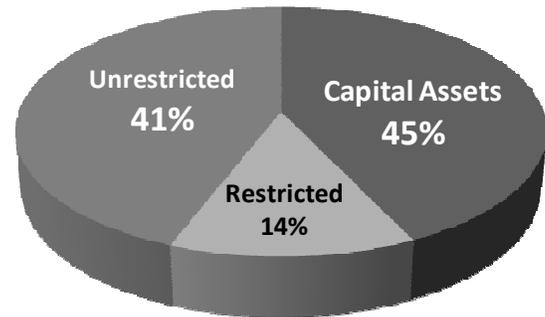
BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Net Assets

The largest component of the County's net assets, 45 percent, is composed of capital assets (land, buildings, equipment, roads, and other infrastructure) less all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they all be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

Box Elder County 2008 Total Net Assets



Restricted net assets comprise 14 percent of total net assets and are subject to external restrictions on how they may be used. The remaining 41 percent 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

The County's total net assets increased by \$3.7 million or 11.3 percent from the prior year. Net assets of governmental activities increased \$3.6 million or 12.1 percent, while net assets of business-type activities increased \$84 thousand or 3.1 percent.

Box Elder County
Net Assets as of December 31

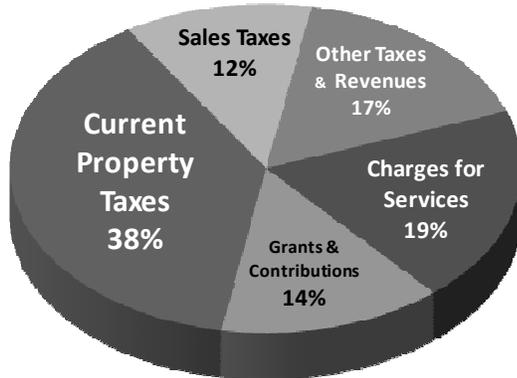
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and Other Assets.....	19,791,695	\$ 17,708,337	\$ 2,693,064	\$ 2,610,435	\$ 22,484,759	\$ 20,039,859
Capital Assets.....	21,546,061	\$ 20,300,063	1,549,708	\$ 1,658,674	23,095,769	\$ 21,971,386
Total Assets.....	41,337,756	\$ 38,008,400	4,242,772	\$ 4,269,109	45,580,528	\$ 42,011,245
Current and Other Liabilities.....	1,343,312	\$ 1,029,102	226,070	\$ 123,943	1,569,382	\$ 1,153,045
Noncurrent Liabilities.....	6,236,460	\$ 6,863,623	1,166,779	\$ 1,379,673	7,403,239	\$ 8,145,035
Total Liabilities.....	7,579,772	\$ 7,892,725	1,392,849	\$ 1,503,616	8,972,621	\$ 9,298,080
Net Assets:						
Invested in Capital Assets,						
Capital Assets Net of Debt.....	15,321,874	\$ 13,595,063	389,708	\$ 383,674	15,711,582	\$ 13,978,737
Restricted.....	4,729,982	\$ 7,626,981	—	\$ 477,175	4,729,982	\$ 8,104,156
Unrestricted.....	13,706,128	\$ 8,893,631	2,460,215	\$ 1,904,645	16,166,343	\$ 10,798,276
Total Net Assets.....	\$ 33,757,984	\$ 30,115,675	\$ 2,849,923	\$ 2,765,494	\$ 36,607,907	\$ 32,881,169
Percent change from prior year	12.1%	12.0%	3.1%	11.1%	11.3%	12.0%

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

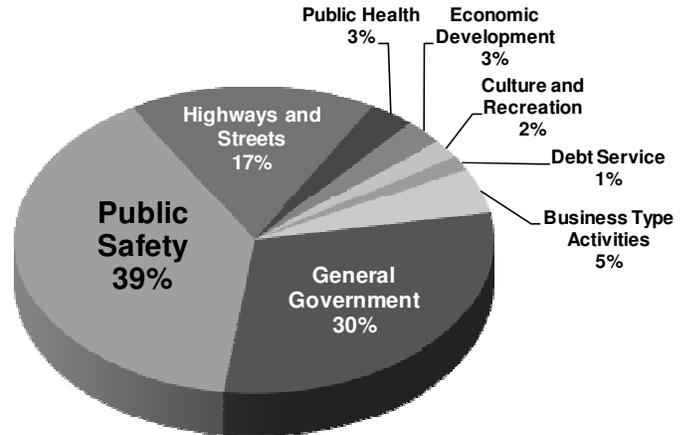
Revenues and Expenses

The following charts and schedules summarize the County's revenues and expenses relative to each other and to the prior year. In total, revenues for all governmental activities increased \$1.4 million or 6.4 percent over 2007. Tax revenues increased \$529 thousand or 4.4 percent.

Box Elder County Total Revenue 2008



Box Elder County Total Expenses - 2008



Box Elder County
Changes in Net Assets
For the Year Ended December 31

	Governmental Activities		Business-type Activities		Total		Total Percent Change 2007 to 2008
	2008	2007	2008	2007	2008	2007	
Revenues							
General Revenues:							
Taxes.....	\$12,658,285	\$12,129,728	\$ —	\$ —	\$12,658,285	\$12,129,728	4.4 %
Other General Revenues.....	3,368,709	2,855,450	—	74,837	3,368,709	2,930,287	15.0
Program Revenues:							
Charges for Services.....	3,533,906	3,971,277	1,108,269	1,086,032	4,642,175	5,057,309	(8.2)
Operating Grants.....	3,025,835	2,036,691	—	—	3,025,835	2,036,691	48.6
Capital Grants.....	373,436	583,001	—	—	373,436	583,001	(35.9)
Total Revenues	22,960,171	21,576,147	1,108,269	1,160,869	24,068,440	22,737,016	5.9
Expenses							
General Government.....	6,071,322	5,436,164	—	—	6,071,322	5,436,164	11.7
Public Safety.....	8,020,315	7,842,873	—	—	8,020,315	7,842,873	2.3
Highways and Streets.....	3,393,518	3,363,026	—	—	3,393,518	3,363,026	0.9
Public Health.....	613,298	607,375	—	—	613,298	607,375	1.0
Planning and Economic Dev.....	544,095	341,557	—	—	544,095	341,557	59.3
Culture and Recreation.....	398,050	402,439	—	—	398,050	402,439	(1.1)
Debt Service.....	313,241	333,955	—	—	313,241	333,955	(6.2)
Landfill.....	—	—	987,863	884,896	987,863	884,896	11.6
Total Expenses	19,353,839	18,327,389	987,863	884,896	20,341,702	19,212,285	5.9
Transfers.....	35,977	—	(35,977)	—	—	—	0.0
Change in Net Assets.....	3,642,309	3,248,758	84,429	275,973	3,726,738	3,524,731	5.7
Net Assets - Beginning (Restated).....	30,115,675	26,866,917	2,765,494	2,489,521	32,881,169	29,356,438	12.0
Net Assets - Ending.....	\$33,757,984	\$30,115,675	\$2,849,923	\$2,765,494	\$36,607,907	\$32,881,169	11.3 %

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

Net Cost of Governmental Activities

The following table shows to what extent the County's governmental activities relied on taxes and other general revenues to cover program costs. For 2008, these activities generated \$6.9 million or 35.8 percent of total expenses through grants and charges for services. Taxes and other general revenues covered the remaining 64.2 percent of expenses. In effect, program revenues covered a little more than one-third of program costs, which ratio is almost identical to 2007. The net cost of governmental activities, not covered by taxes, was \$12.4 million, up 5.8 percent from the previous year.

Net Cost of Business-type Activities

Expenses for business-type activities increased \$201 thousand or 25.6 percent while revenues from business-type activities only increased \$22 thousand or 2 percent. Revenues were more than enough to cover expenses, however, the amount of revenue as percentage of expenses was down 18.8 percent from the previous year.

Box Elder County
Net Cost of Governmental / Business Type Activities
For the Year Ended December 31

	Program Expenses 2008	Less Program Revenues 2008	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2008	2007	2008	2007
Governmental Activities:						
General Government.....	\$ 6,071,322	\$ (1,493,599)	\$ 4,577,723	\$ 2,814,210	24.6 %	48.2 %
Public Safety.....	\$ 8,020,315	\$ (2,841,751)	5,178,564	5,955,625	35.4	24.1
Highways and Streets.....	\$ 3,393,518	\$ (2,197,137)	1,196,381	1,298,649	64.7	61.4
Public Health.....	\$ 613,298	—	613,298	607,375	—	—
Planning and Economic Dev.....	\$ 544,095	\$ (194,292)	349,802	324,166	35.7	5.1
Culture and Recreation.....	\$ 398,050	\$ (165,888)	232,162	402,439	41.7	—
Debt Service.....	\$ 313,241	\$ (40,510)	272,731	333,955	12.9	—
Total Governmental Activities:	<u>\$ 19,353,839</u>	<u>\$ (6,933,177)</u>	<u>\$ 12,420,662</u>	<u>\$ 11,736,420</u>	35.8 %	36.0 %
Business Type Activities:						
General Government.....	\$ 987,863	\$ (1,108,269)	(120,406)	(299,397)	112.2 %	138.1 %

CAPITAL ASSETS AND LONG-TERM DEBT ADMINISTRATION

Capital Assets

Box Elder County's capital assets increased approximately \$1.2 million from 2007 to 2008 largely due to construction in progress. Note 4, pages 29 and 30 provides more information on the County's capital asset activities.

Long-term Debt

The County did not enter into any new long term debt in 2008 and retired \$742 thousand of bonds during the year reducing debt by 9.1 percent. This is consistent with the previous year. Note 7 beginning on page 33 provides more information on the County's long-term and short term obligations. The following table presents changes in Box Elder County's long-term obligations relative to the prior year.

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

Box Elder County
Long-term Liabilities (net)
as of December 31

	Governmental		Business-type		Total		Total Percent Change 2007 to 2008
	Activities		Activities				
	2008	2007	2008	2007	2008	2007	
GO Refunding Bonds (2003).....	\$3,150,000	\$3,540,000	\$ —	\$ —	\$3,150,000	\$3,540,000	(11.0) %
RDA Sales Tax Refunding Bonds (2004).....	1,370,000	1,480,000	—	—	1,370,000	1,480,000	(7.4)
RDA Taxable Sales Tax Revenue Bonds (2003).....	394,000	400,000	—	—	394,000	400,000	(1.5)
Special Assessment (Marble Hills) Bonds (2004)...	160,000	183,000	—	—	160,000	183,000	(12.6)
RDA Tax Increment Revenue Bonds, Series 2005..	986,000	1,102,000	—	—	986,000	1,102,000	(10.5)
MBA Revenue Bonds.....	—	—	1,160,000	1,275,000	1,160,000	1,275,000	(9.0)
Capital Leases.....	—	—	—	—	—	—	—
Compensated Absences.....	176,460	158,623	6,779	6,412	183,239	165,035	11.0
Total.....	\$6,236,460	\$6,863,623	\$1,166,779	\$1,281,412	\$7,403,239	\$8,145,035	(9.1) %

FINANCIAL ANALYSIS OF THE COUNTY'S GOVERNMENTAL FUNDS

Fund Balances

At December 31, Box Elder County's governmental funds reported combined fund balances of \$18.3 million, an increase of 13.7 percent over 2007. Of the total fund balances, \$3.8 million or 20.7 percent is reserved for various purposes such as tourism, Class B Road projects and is therefore unavailable for future spending. Another \$4 million or 22.2 percent (Unreserved Designated) has been designated for capital projects, and the remaining \$10.4 million or 57.1 percent (Unreserved Undesignated) is available for new spending subject to the legal requirements of the funds in which the balances reside. The following chart presents the County's 2008 ending fund balances:

Governmental Fund Balances
December 31, 2008

	General Fund	Justice Court Fund	Municipal Service Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Reserved.....	\$ 598,569	—	\$ 2,539,483	—	—	\$ 639,861	\$ 3,777,913
Unreserved Designated.....	—	—	—	—	4,044,395	—	4,044,395
Unreserved Undesignated.....	5,127,382	265,052	2,434,509	952,069	—	1,653,389	10,432,401
Total.....	<u>\$5,725,951</u>	<u>\$ 265,052</u>	<u>\$ 4,973,992</u>	<u>\$ 952,069</u>	<u>\$4,044,395</u>	<u>\$ 2,293,250</u>	<u>\$ 18,254,709</u>
Percent change from 2007	11.0%	-8.0%	-20.0%	16.9%	97.4%	49.2%	13.7%

General Fund

During 2008, the total fund balance in the General Fund increased \$569 thousand or 11 percent after transfers out to other funds totaling \$5.4 million. The unreserved undesignated fund balance, which ended the year at \$5.1 million, is an increase of \$535 thousand or 11.6 percent over 2007. With an increase in reserved fund balance, there was an overall 11 percent increase in the fund balance from 2007 to 2008.

Revenues. Property tax revenues increased by \$782 thousand or 11.3 percent. Sales tax decreased by \$58 thousand or 3.2 percent. Restaurant, and Transient Room taxes also increased but other revenues such as licenses and permits and charges for services decreased. Investment earnings were down \$53 thousand or 16.2 percent.

BOX ELDER COUNTY, UTAH
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2008

Expenditures. Total General Fund expenditures increased slightly by \$69 thousand or 1.2 percent. The largest portion, 86.8 percent, is for general government. This expenses increase includes costs associated with health care benefits, employee step increases and cost of living adjustments.

General Fund Budgetary Highlights

During the fiscal year, the general fund original budget was amended slightly from an original budgeted expenditure total of \$ 12,936,991 to a final budget of \$12,956,881, an increase from the original budget of .2 percent. Both revenues and expenses changed slightly leaving the overall budget virtually unchanged. The increase in the 2007 original budget to the final budget was 8.2 percent.

The general fund did not over expend the 2008 budget. The actual revenues exceeded the actual expenditures by \$569 thousand. In 2008, the government had budgeted to use \$1.4 million of unreserved fund balance; however, no unreserved fund balance was used.

Justice Court Fund

This fund was previously listed as a non-major fund. This fund's liabilities were previously assigned to the agency fund. Because a large amount of liabilities are now included in the fund, by virtue of ratios it has become a major fund. Justice Court revenues were down \$232 thousand or 24 percent. This resulted in a fund balance decrease of \$23 thousand or 8 percent. The reason the drop in fund balance was not greater was because the amount transferred to public safety in the Municipal Service fund decreased by \$185 thousand or 30.7 percent.

Municipal Service Fund

The Municipal Service fund provides services to the unincorporated areas of the county. Its major programs are public safety, highways and streets, and planning and economic development. Actual fund balance in the Municipal Service Fund decreased \$1.2 million or 20 percent. A large portion of the Municipal Service Fund was transferred out to the Capital Projects Fund. Actual Revenues were greater than originally anticipated, partly due to the inclusion of the Weed Department and subsequent transfer of budget dollars from the General Fund.

Capital Projects Fund

The major change in the Capital Projects Fund was the contributions and transfers in from other funds contributing to an increase in fund balance of \$2 million or 97.4 percent. These funds were reserved for future county projects.

Nonmajor Governmental Funds

Box Elder County's nonmajor funds include the County Library (Bookmobile), Mineral Lease Special Service District, and the Box Elder County Redevelopment Agency Funds. These funds had a combined increase in fund balance of \$1.5 million or 49.2 percent.

FINANCIAL ANALYSIS OF THE COUNTY'S PROPRIETARY FUND

Results of operations for the County's enterprise fund mirror the discussion above under the heading "Business-type Activities" and need not be repeated here.

Municipal Building Authority Fund

This fund is used to account for the operations of the County's landfill. The operating revenues decreased \$40 thousand or 3.7 percent. The fund's total net assets increased \$84 thousand or 2.9 percent in 2008 .

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of Box Elder 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 budget and finances should be addressed to the Box Elder County Auditor, One South Main, Brigham City, UT 84302.

**Box Elder County
Statement of Net Assets
December 31, 2008**

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
<i>Current Assets</i>				
Cash and cash equivalents	\$ 11,063,059	\$ 2,001,175	\$ 13,064,234	\$ 139,257
Taxes Receivable	4,740,676	--	4,740,676	67,672
Accounts Receivable	769,237	85,112	854,349	--
Due from other government units	26,726	--	26,726	--
Restricted assets: cash and cash equivalents	2,631,077	582,645	3,213,722	--
Restricted assets: due from other governments	442,860	--	442,860	--
Deferred Charges	118,060	24,132	142,192	--
Total Current Assets	19,791,695	2,693,064	22,484,759	206,929
<i>Noncurrent Assets</i>				
Land	1,921,351	363,490	2,284,841	170,000
Buildings	9,888,464	216,605	10,105,069	--
Improvements other than buildings	4,597,357	981,821	5,579,178	1,919,492
Equipment	11,213,046	1,181,353	12,394,399	--
Vehicles	2,595,108	25,083	2,620,191	--
Construction in progress	1,321,656	--	1,321,656	--
Infrastructure	2,984,556	--	2,984,556	--
Accumulated Depreciation	(12,975,477)	(1,218,644)	(14,194,121)	(1,192,115)
Total Assets	41,337,756	4,242,772	45,580,528	1,104,306
Liabilities				
<i>Current Liabilities</i>				
Accounts payable	521,932	14,036	535,968	--
Accounts payable from restricted assets	138,723	--	138,723	--
Accrued payroll liabilities	287,086	9,082	296,168	--
Accrued interest payable	61,257	2,152	63,409	--
Landfill closure and post closure costs	--	200,800	200,800	--
Deferred revenue	198,918	--	198,918	--
Due to other governments	135,396	--	135,396	390
Total Current Liabilities	1,343,312	226,070	1,569,382	390
<i>Noncurrent Liabilities</i>				
Noncurrent liabilities - due within one year	667,000	120,000	787,000	--
Noncurrent liabilities - due in more than one year	5,569,460	1,046,779	6,616,239	--
Total Liabilities	7,579,772	1,392,849	8,972,621	390
Net Assets				
Invested in capital assets, net of debt	15,321,874	389,708	15,711,582	897,327
<i>Restricted for:</i>				
Highways and streets	2,539,483	--	2,539,483	--
Debt service	952,069	--	952,069	--
Tourism, recreation, culture & facilities	598,569	--	598,569	--
Affordable housing	639,861	--	639,861	--
Landfill post closure costs	--	372,848	372,848	--
<i>Unrestricted</i>	13,706,128	2,087,367	15,793,495	206,589
Total Net Assets	\$ 33,757,984	\$ 2,849,923	\$ 36,607,907	\$ 1,103,916

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

**Box Elder County
Statement of Activities
For the Year Ended December 31, 2008**

Functions/Programs Primary Government	Program Revenues			Net (Expense) Revenue			Component Units	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Total
					Governmental Activities	Business-type Activities		
Governmental Activities:								
General government	\$ 6,071,322	\$ 1,158,125	\$ 335,474	\$ --	\$ (4,577,723)	\$ --	\$ --	
Public health	613,298	--	--	(613,298)	--	--	(613,298)	
Planning and economic development	544,095	64,747	--	129,545	(349,803)	--	(349,803)	
Culture and recreation	398,050	165,888	--	--	(232,162)	--	(232,162)	
Public safety	8,020,315	2,038,428	671,629	131,694	(5,178,564)	--	(5,178,564)	
Highways and streets	3,393,518	66,208	2,018,732	112,197	(1,196,381)	--	(1,196,381)	
Debt service costs	313,241	40,510	--	--	(272,731)	--	(272,731)	
Total Governmental Activities	19,353,839	3,533,906	3,025,835	(12,420,662)	--	--	(12,420,662)	
Business-type Activities:								
Municipal Building Authority-Landfill	987,863	1,045,405	--	--	57,542	--	57,542	
Total Business-type Activities	987,863	1,045,405	--	--	57,542	--	57,542	
Total Primary Government	\$ 20,341,702	\$ 4,579,311	\$ 3,025,835	\$ 373,436	\$ (12,420,662)	\$ 57,542	\$ (12,363,120)	
Component Units								
Total Nonmajor Component Units	\$ 65,773	--	--	--	--	--	(65,773)	
Total Component Units	\$ 65,773	\$ --	\$ --	\$ --	\$ --	\$ --	(65,773)	
General Purpose Revenues and Transfers:								
Revenues								
Property taxes					9,192,279		9,192,279	
Sales taxes					2,861,335		2,861,335	
Restaurant taxes					398,548		398,548	
Transient room taxes					206,123		206,123	
Investment earnings					538,596	62,864	601,460	
Miscellaneous					52,075	--	52,075	
Payments in lieu of taxes					2,836,883	--	2,836,883	
Contributions and donations					1,500	--	1,500	
Loss on disposal of assets					(60,345)	--	(60,345)	
Transfers					35,977	(35,977)	--	
Total General Revenues and Transfers					16,062,971	26,887	16,089,858	
Change in Net Assets					3,642,309	84,429	3,726,738	
<i>Net Assets at Beginning of Period</i>					<i>30,115,675</i>	<i>2,765,494</i>	<i>32,881,169</i>	
Net Assets at End of Period					\$ 33,757,984	\$ 2,849,923	\$ 36,607,907	

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

**Box Elder County
Balance Sheet
Governmental Funds
December 31, 2008**

	Special Revenue			Debt Service		Capital Projects		Other Governmental Funds		Total Governmental Funds
	General	Justice Court	Municipal Service	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds			
Assets										
Cash and cash equivalents	\$ 2,329,756	\$ 438,124	\$ 2,118,110	\$ 734,013	\$ 4,139,280	\$ 1,303,776	\$ 11,063,059			
Taxes Receivable	3,606,127	--	--	218,056	--	916,493	4,740,676			
Accounts Receivable	65,843	12,226	267,451	161,286	5,000	82,928	594,734			
Due from other government units	--	--	26,726	--	--	--	26,726			
Restricted assets: cash and cash equivalents	--	--	2,631,077	--	--	--	2,631,077			
Restricted assets: due from other governments	--	--	442,860	--	--	--	442,860			
Total Assets	\$ 6,001,726	\$ 450,350	\$ 5,486,224	\$ 1,113,355	\$ 4,144,280	\$ 2,303,197	\$ 19,499,132			
Liabilities										
Accounts payable	\$ 87,409	\$ 78,947	\$ 250,258	--	\$ 99,885	\$ 5,433	\$ 521,932			
Accounts payable from restricted assets	--	70,482	68,241	--	--	--	138,723			
Accrued payroll liabilities	80,170	8,669	193,733	--	--	4,514	287,086			
Deferred revenue	--	--	--	161,286	--	--	161,286			
Due to other governments	108,196	27,200	--	--	--	--	135,396			
Total Liabilities	275,775	185,298	512,232	161,286	99,885	9,947	1,244,425			
Fund Balance										
<i>Reserved for:</i>										
Highways and streets	--	--	2,539,483	--	--	--	2,539,483			
Debt service	--	--	--	952,069	--	--	952,069			
Tourism, recreation, culture & facilities	598,569	--	--	--	--	--	598,569			
Affordable housing	--	--	--	--	--	639,861	639,861			
<i>Unreserved reported in:</i>										
General Fund	5,127,382	--	--	--	--	--	5,127,382			
Special Revenue	--	265,052	2,434,509	--	--	1,653,389	4,352,950			
Capital Projects	--	--	--	--	4,044,395	--	4,044,395			
Total Fund Balance	5,725,951	265,052	4,973,992	952,069	4,044,395	2,293,250	18,254,709			
Total Liabilities and Fund Balance	\$ 6,001,726	\$ 450,350	\$ 5,486,224	\$ 1,113,355	\$ 4,144,280	\$ 2,303,197	\$ 19,499,132			

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

BOX ELDER COUNTY
RECONCILIATION OF THE BALANCE SHEET-GOVERNMENTAL FUNDS TO THE STATEMENT
OF NET ASSETS
DECEMBER 31, 2008

Total fund balances-governmental funds \$ 18,254,709

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

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

Land	\$ 1,921,351	
Buildings	9,888,464	
Improvements other than buildings	4,597,357	
Equipment	11,213,046	
Vehicles	2,595,108	
Construction in progress	1,321,656	
Infrastructure	2,984,556	
Accumulated depreciation	<u>(12,975,477)</u>	
Total capital assets		21,546,061

Bond issue costs are reported as expenditures in the governmental funds.
The cost is \$207,553 and the accumulated amortization is \$89,493. 118,060

Receivables that do not provide current financial resources are not assets in governmental funds. 174,503

Bond refinance interest rate swap funds are reported as revenue in the governmental funds. The amount received is \$53,000 and the accumulated amortization is \$15,368. (37,632)

Some liabilities are not due and payable in the current period and not reported in the funds. Those liabilities consist of:

Bonds payable	(6,060,000)	
Compensated absences	(176,460)	
Accrued interest on bonds	<u>(61,257)</u>	
Total liabilities		<u>(6,297,717)</u>

Total net assets-governmental funds \$ 33,757,984

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2008

	Special Revenue			Debt Service		Capital Projects		Other Governmental Funds	Total Governmental Funds
	General	Justice Court	Municipal Service	Debt Service	Capital Projects	Governmental Funds	Total Governmental Funds		
Revenues									
Property taxes	\$ 7,683,495	\$ --	\$ --	\$ 547,625	\$ --	\$ --	\$ 961,159	\$ 9,192,279	\$ 9,192,279
Sales taxes	1,763,035	--	1,098,300	--	--	--	--	2,861,335	2,861,335
Restaurant taxes	398,548	--	--	--	--	--	--	398,548	398,548
Transient room taxes	206,123	--	--	--	--	--	--	206,123	206,123
Licenses and permits	261,292	--	--	--	--	--	--	261,292	261,292
Intergovernmental	348,612	--	2,934,518	--	--	--	474,966	3,758,096	3,758,096
Charges for services	789,867	16,767	1,326,473	40,510	--	--	502	2,174,119	2,174,119
Fines	--	714,499	--	--	--	--	--	714,499	714,499
Investment earnings	277,020	6,208	116,460	25,940	68,377	--	44,591	538,596	538,596
Contributions and donations	19,590	--	--	--	--	--	1,500	21,090	21,090
Miscellaneous	50,932	--	36,137	--	--	--	--	87,069	87,069
Payments in lieu of taxes	--	--	2,740,828	67,836	--	--	28,219	2,836,883	2,836,883
Rents	91,878	--	--	--	--	--	--	91,878	91,878
Sale of capital assets	--	--	52,256	--	--	--	262,072	314,328	314,328
Total Revenues	11,890,392	737,474	8,304,972	681,911	68,377	--	1,773,009	23,456,135	23,456,135
Expenditures									
General government	5,172,063	343,232	320,754	1,624	985,682	--	121,291	6,944,646	6,944,646
Public safety	--	--	8,157,789	--	--	--	--	8,157,789	8,157,789
Highways and streets	--	--	4,231,403	--	--	--	--	4,231,403	4,231,403
Public health	613,298	--	--	--	--	--	--	613,298	613,298
Planning and economic development	--	--	323,173	--	--	--	218,426	541,599	541,599
Culture and recreation	171,047	--	--	--	--	--	279,445	450,492	450,492
Debt service - principal	--	--	--	413,000	--	--	232,000	645,000	645,000
Debt service - interest and fiscal charges	--	--	--	129,851	--	--	166,096	295,947	295,947
Total Expenditures	5,956,408	343,232	13,033,119	544,475	985,682	--	1,017,258	21,880,174	21,880,174
Excess of Revenues Over (Under) Expenditures	5,933,984	394,242	(4,728,147)	137,436	(917,305)	--	755,751	1,575,961	1,575,961
Other Financing Sources (Uses)									
Transfers in	--	--	5,099,655	--	2,913,296	--	--	8,012,951	8,012,951
Transfers out	(5,365,047)	(417,284)	(1,611,719)	--	--	--	--	(7,394,050)	(7,394,050)
Net Other Financing Sources (Uses)	(5,365,047)	(417,284)	3,487,936	--	2,913,296	--	--	618,901	618,901
Net Change in Fund Balance	568,937	(23,042)	(1,240,211)	137,436	1,995,991	--	755,751	2,194,862	2,194,862
<i>Fund Balance at Beginning of Period</i>	5,157,014	288,094	6,214,203	814,633	2,048,404	--	1,537,499	16,059,847	16,059,847
Fund Balance at End of Period	5,725,951	265,052	4,973,992	952,069	4,044,395	--	2,293,250	18,254,709	18,254,709

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

BOX ELDER COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008

Net change in fund balances - total governmental funds \$ 2,194,862

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays \$3,272,573 exceeded depreciation \$(1,361,321) in the current period. 1,911,252

In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sales increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold. (665,253)

Changes in net assets of internal service funds that are treated as proprietary fund changes in net assets in the fund statements are treated as governmental fund changes in net assets in the entity wide statements. (582,924)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 627,706

The liability for compensated absences is not recorded in the governmental funds, but is reported in the statement of assets. This is the current year change in the liability, reported as expense in the statement of activities. (17,837)

Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the governmental funds. 174,503

Change in net assets of governmental activities \$ 3,642,309

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
General
For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Property Tax	\$ 6,825,059	\$ 7,521,875	\$ 7,683,495	\$ 161,620
Sales Tax	1,750,000	1,750,000	1,763,035	13,035
Restaurant (TRCC)	375,000	400,000	398,548	(1,452)
Transient Room (TRT)	120,000	165,000	206,123	41,123
Licenses and Permits	319,500	267,000	261,292	(5,708)
Intergovernmental	233,600	332,545	348,612	16,067
Charges for Services	808,890	737,478	789,867	52,389
Investment Earnings	663,206	301,200	277,020	(24,180)
Contributions and donations	33,350	--	19,590	19,590
Miscellaneous	32,500	55,322	50,932	(4,390)
Rents	88,500	91,000	91,878	878
Total Revenues	11,249,605	11,621,420	11,890,392	268,972
Other Financing Sources				
Total Revenues and Other Financing Sources	11,249,605	11,621,420	11,890,392	268,972
Expenditures				
Commission	255,766	255,766	239,965	15,801
Public Defender	167,720	167,720	162,954	4,766
Law Library	4,500	4,500	2,929	1,571
Personnel	194,776	194,776	182,254	12,522
Info Tech	670,212	670,212	554,494	115,718
Auditor	310,228	303,228	279,505	23,723
Treasurer	304,780	303,780	284,018	19,762
Recorder/Clerk	443,454	443,454	428,288	15,166
Attorney	530,294	733,866	644,383	89,483
Assessor	392,291	391,291	383,223	8,068
Surveyor	350,656	350,656	169,882	180,774
Non-Departmental	437,350	460,595	414,340	46,255
Motor Pool	--	100	1,462	(1,362)
General buildings & grounds	511,384	511,384	392,101	119,283
Fairgrounds	310,960	326,680	330,805	(4,125)
Elections	129,419	129,419	126,058	3,361
Inspections	236,869	236,869	218,754	18,115
Travel and tourism	246,232	191,841	186,572	5,269
Agriculture Extension	167,658	167,658	150,835	16,823
Contributions to other governments	17,470	17,470	16,961	509
Public health	620,572	620,572	613,298	7,274
Culture and recreation	205,438	205,438	173,327	32,111
Total Expenditures	6,508,029	6,687,275	5,956,408	730,867
Other Financing Uses				
Transfers to other funds	6,109,638	6,256,606	5,365,047	891,559
Total Expenditures and Other Financing Uses	12,617,667	12,943,881	11,321,455	1,622,426
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,368,062)	(1,322,461)	568,937	1,891,398
Fund Balance at Beginning of Period	5,157,014	5,157,014	5,157,014	--
Fund Balance at End of Period	\$ 3,788,952	\$ 3,834,553	\$ 5,725,951	\$ 1,891,398

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Justice Court
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Charges for Services	\$ 20,500	\$ 20,500	\$ 16,767	\$ (3,733)
Fines	1,061,000	744,332	714,499	(29,533)
Investment Earnings	--	--	6,208	6,208
Total Revenues	<u>1,081,500</u>	<u>764,832</u>	<u>737,474</u>	<u>(27,058)</u>
Other Financing Sources				
Total Revenues and Other Financing Sources	<u>1,081,500</u>	<u>764,832</u>	<u>737,474</u>	<u>(27,058)</u>
Expenditures				
Justice court management	347,548	347,548	343,232	4,316
Total Expenditures	<u>347,548</u>	<u>347,548</u>	<u>343,232</u>	<u>4,316</u>
Other Financing Uses				
Transfers to other funds	564,252	417,284	417,284	--
Total Expenditures and Other Financing Uses	<u>911,800</u>	<u>764,832</u>	<u>760,516</u>	<u>4,316</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	169,700	--	(23,042)	(22,742)
Fund Balance at Beginning of Period	<u>288,094</u>	<u>288,094</u>	<u>288,094</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ 457,794</u>	<u>\$ 288,094</u>	<u>\$ 265,052</u>	<u>\$ (22,742)</u>

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Municipal Service
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Sales Tax	\$ 1,058,570	\$ 950,000	\$ 1,098,300	\$ 148,300
Intergovernmental	2,639,050	3,056,483	2,934,518	(121,965)
Charges for Services	919,000	1,199,401	1,326,473	127,072
Investment Earnings	--	--	116,460	116,460
Miscellaneous	62,000	23,500	36,137	12,637
Payments in lieu of taxes	1,750,000	2,740,828	2,740,828	--
Sale of capital assets	100,000	52,256	52,256	--
Total Revenues	<u>6,528,620</u>	<u>8,022,468</u>	<u>8,304,972</u>	<u>282,504</u>
Other Financing Sources				
Transfers in	5,673,890	5,991,214	5,099,655	(891,559)
Total Revenues and Other Financing Sources	<u>12,202,510</u>	<u>14,013,682</u>	<u>13,404,627</u>	<u>(609,055)</u>
Expenditures				
Administration and volunteer support	1,223,341	1,366,926	1,257,798	109,128
Patrol	1,614,115	1,628,208	1,594,834	33,374
Detectives	495,618	498,618	429,308	69,310
Civil	123,219	178,047	163,204	14,843
Communications & ITS	630,641	706,236	675,855	30,381
Corrections	2,238,509	2,238,509	1,989,714	248,795
Support Staff	557,742	557,742	477,530	80,212
Inmate Services	495,422	495,422	407,920	87,502
Court Security	426,207	426,207	417,252	8,955
Emergency Services	134,276	134,276	105,979	28,297
Fire	1,111,482	830,460	638,395	192,065
Highways and streets	4,288,019	4,360,843	4,231,403	129,440
Planning and economic development	318,586	361,608	323,173	38,435
Noxious Weeds	--	317,324	320,754	(3,430)
Total Expenditures	<u>13,657,177</u>	<u>14,100,426</u>	<u>13,033,119</u>	<u>1,067,307</u>
Other Financing Uses				
Transfers to other funds	--	1,611,719	1,611,719	--
Total Expenditures and Other Financing Uses	<u>13,657,177</u>	<u>15,712,145</u>	<u>14,644,838</u>	<u>1,067,307</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,454,667)	(1,698,463)	(1,240,211)	458,252
Fund Balance at Beginning of Period	<u>6,214,203</u>	<u>6,214,203</u>	<u>6,214,203</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ 4,759,536</u>	<u>\$ 4,515,740</u>	<u>\$ 4,973,992</u>	<u>\$ 458,252</u>

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

Box Elder County
Statement of Net Assets
Proprietary Funds
December 31, 2008

	<u>Business-type Activities - Enterprise Funds</u>		<u>Governmental Activities Internal Service Funds</u>
	<u>Municipal Building Authority-Landfill</u>	<u>Total Enterprise Funds</u>	
Assets			
<i>Current Assets</i>			
Cash and cash equivalents	\$ 2,001,175	\$ 2,001,175	\$ --
Accounts Receivable	85,112	85,112	--
Restricted assets: cash and cash equivalents	582,645	582,645	--
Deferred Charges	24,132	24,132	--
Total Current Assets	<u>2,693,064</u>	<u>2,693,064</u>	--
<i>Noncurrent Assets</i>			
Land	363,490	363,490	--
Buildings	216,605	216,605	--
Improvements other than buildings	981,821	981,821	--
Equipment	1,181,353	1,181,353	--
Vehicles	25,083	25,083	--
Accumulated Depreciation	(1,218,644)	(1,218,644)	--
Total Assets	<u>4,242,772</u>	<u>4,242,772</u>	--
Liabilities			
<i>Current Liabilities</i>			
Accounts payable	14,036	14,036	--
Accrued payroll liabilities	9,082	9,082	--
Accrued interest payable	2,152	2,152	--
Landfill closure and post closure costs	200,800	200,800	--
Total Current Liabilities	<u>226,070</u>	<u>226,070</u>	--
<i>Noncurrent Liabilities</i>			
Noncurrent liabilities - due within one year	120,000	120,000	--
Noncurrent liabilities - due in more than one year	1,046,779	1,046,779	--
Total Liabilities	<u>1,392,849</u>	<u>1,392,849</u>	--
Net Assets			
Invested in capital assets, net of debt	389,708	389,708	
<i>Unrestricted</i>	2,460,215	2,460,215	--
Total Net Assets	<u>\$ 2,849,923</u>	<u>\$ 2,849,923</u>	<u>\$ --</u>

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

Box Elder County
Statement of Revenues, Expenses, and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Municipal Building Authority-Landfill</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities Internal Service Funds</u>
Operating Revenues			
Charges for services	\$ 1,045,405	\$ 1,045,405	\$ --
Total Operating Revenues	<u>1,045,405</u>	<u>1,045,405</u>	<u>--</u>
Operating Expenses			
Solid Waste Management	930,688	930,688	--
Total Operating Expenses	<u>930,688</u>	<u>930,688</u>	<u>--</u>
Operating Income	<u>114,717</u>	<u>114,717</u>	<u>--</u>
Non-Operating Revenues (Expenses)			
Interest revenue	62,864	62,864	--
Debt service interest	(54,158)	(54,158)	--
Bond issuance cost amortization	(3,017)	(3,017)	--
Net Non-Operating Revenues (Expenses)	<u>5,689</u>	<u>5,689</u>	<u>--</u>
Income Before Contributions and Transfers	120,406	120,406	--
Transfers in	--	--	--
Transfers out	(35,977)	(35,977)	(582,924)
Change In Net Assets	84,429	84,429	(582,924)
<i>Net Assets at Beginning of Period</i>	<u>2,765,494</u>	<u>2,765,494</u>	<u>582,924</u>
Net Assets at End of Period	\$ 2,849,923	\$ 2,849,923	\$ --

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

BOX ELDER COUNTY
STATEMENT OF CASH FLOWS-PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-type Enterprise Fund- Municipal Building Authority	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipt from customers and users	\$ 1,117,710	\$ -
Payments to suppliers	(464,278)	-
Payments to employees	(353,211)	-
Net cash provided by operating activities	300,221	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer out to other funds	(35,977)	(582,924)
Net cash used by noncapital financing activities	(35,977)	(582,924)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	-	-
Payment on lease revenue bonds	(115,000)	-
Interest paid on lease revenue bonds	(54,158)	-
Net cash provided (used) from capital and related financing activities	(169,158)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	62,864	-
Net cash provided from investing activities	62,864	-
Net increase (decrease) in cash and cash equivalents	157,950	(582,924)
Cash and cash equivalents beginning of year	2,425,870	582,924
Cash and cash equivalents end of year	\$ 2,583,820	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
Operating income	\$ 114,717	\$ -
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense	108,966	-
Change in assets and liabilities:		
Accounts receivable	72,305	-
Accounts Payable	(11,888)	-
Accrued payroll liabilities	2,380	-
Obligation for compensated absences	367	-
Landfill closure and post closure costs payable	13,374	-
Net cash provided by (used in) operating activities	\$ 300,221	\$ -

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

Box Elder County
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

	Agency
Assets	
Cash and cash equivalents	\$ 18,388,027
<i>Total Assets</i>	18,388,027
Liabilities	
Due to other governments	17,739,417
Funds held for others	648,610
<i>Total Liabilities</i>	18,388,027
Net Assets	
Held in Trust	\$ --

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

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Box Elder County is located in the northwest portion of the State of Utah. It was organized by State Statute and serves the citizens of Northern Utah. The County provides services that include general government, public safety, public health and welfare, streets and public improvements, parks, recreation, solid waste management, library services, and conservation and development programs.

The financial statements of Box Elder County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The accompanying financial statements include the County, which is a political subdivision with corporate powers created under Utah State law, and all of its blended component units, collectively referred to as the financial reporting entity. As required by generally accepted accounting principles (GAAP), these financial statements present Box Elder County (referred to as the "primary government" for reporting purposes) and its "component units" (separate legal entities for which the County is considered to be financially accountable).

Blended component units. The Municipal Building Authority of Box Elder County is governed by a three-member board who are the County Commissioners. Its sole purpose is to finance and construct the County's public facilities. The financial statements of the Municipal Building Authority are included in the accompanying financial statements as a blended component unit. Box Elder Special Service District is governed by a three-member board appointed by the County Commissioners. The majority of the District's expenditures during 2008 were for the benefit of the County. The financial statements of the District are included in the accompanying financial statements as a blended component unit. The Redevelopment Agency of Box Elder County is governed by a three-member board who are the County Commissioners. The Agency provides for redevelopment projects within the County. The Agency is financially dependent upon the County and, as a result, is included in the accompanying financial statements as a blended component unit.

Discretely presented component units. Box Elder County-Perry City Flood Control District provides special services to the County. The District is directed by a Board which is appointed by the County Commissioners. Presently, the County Commissioners are serving as the board members. The District does not issue financial statements of their own and as such, no other financial accountability to other entities is made by the District. County personnel also provide most of the administrative functions of the District. The financial information for the District has been obtained and the District is included as a discretely presented component unit of Box Elder County.

No other entities are considered to be component units of Box Elder County.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

Government-wide Financial statements. The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary 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 charged to external parties for goods or services.

Fund Financial Statements. 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 in separate columns in the fund financial statements. The remaining governmental and enterprise funds are combined into a single column and reported as other (nonmajor) funds. Internal service funds, even though primarily benefiting governmental activities, are reported on the proprietary fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-wide Financial Statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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.

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

Governmental Fund Financial Statements. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes are recorded when levied. Property taxes which have not been collected within 60 days, and therefore do not meet the "available" criterion, are not reported. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

Sales and excise taxes, restaurant taxes, and transient room taxes are considered "measurable" and recognized as revenue when received by merchants and will be remitted to the County in time to be used to pay current obligations. Grant revenue is recognized when qualified expenditures are incurred and a contractual claim exists with the grantor agency. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on long-term debt as well as expenditures related to compensated absences, which are recognized when payment is due.

The County reports the following major governmental funds:

General Fund---The General Fund accounts for all activities not accounted for by other funds of the County. The principal source of revenue for this fund is property taxes.

Justice Court Fund---The Justice Court Fund accounts for fines and related revenues and expenditures of the courts.

Municipal Services Fund---The Municipal Services Fund accounts for monies received by the County for the purpose of providing municipal type services, including public safety services, for the unincorporated areas of the County.

Debt Service Fund---The Debt Service Fund accounts for resources used for the payment of principal and interest on long-term debt obligations of governmental funds.

Capital Project Fund---The Capital Project Fund accounts for financial resources used for the acquisition or construction of capital projects for governmental funds.

The County's nonmajor governmental funds include other special revenue funds. The nonmajor special revenue funds account for specific revenue sources that are legally restricted to expenditures for specified purposes. The nonmajor governmental funds include the Library, RDA, and Special Service Funds.

Proprietary Fund Financial Statements. Proprietary funds include enterprise funds and internal service funds. Enterprise funds report the activities for which a fee is charged to external users for goods or services. Internal service funds are used to account for the goods and services provided by one fund to other funds of the County, rather than to the general public. The financial statements of the proprietary funds are reported similar to the government-wide financial statements in that they both use the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses result from providing goods and services relating to the primary operations of the proprietary fund. Other revenues and expenses are reported as nonoperating.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County reports the following major proprietary funds:

Municipal Building Authority Fund--The Municipal Building Authority Fund is used to account for the operations of the County's landfill operation and other building functions of the County.

Fleet Lease Internal Service Fund--The Fleet Lease Fund was used to account for charges to the other funds for the use of the County fleet. In the government-wide financial statements, the Fleet Lease Internal Service Fund is included with the governmental activities. This fund is currently inactive.

Fiduciary Fund Financial Statements. The County has only one type of fiduciary fund--Agency Funds. Agency Funds are used to account for assets held by the County as an agent for other governments, private organizations, or individuals. Agency Funds are accounted for using the accrual basis of accounting, but due to their custodial nature (assets equal liabilities) do not present results of operations or have a measurement focus. Agency Funds include Held for Litigants, Treasurer's Tax Collection, and Special Deposits.

D. Budgets

Budgets are legally adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for funds. All annual appropriations lapse at fiscal year end.

The County operates within the budget requirements for Counties as specified by State law. The financial reports reflect the following budgetary standards.

1. By November 1, the County Auditor prepares and files a tentative budget with the County Commission. This tentative budget is reviewed and tentatively adopted by the County Commission.
2. The tentative budget is made available for public inspection at least ten days prior to a public hearing on adoption of the final budget.
3. By resolution, the County Commission legally adopts the final budget by December 31, after a public hearing has been held. A certified copy of the budget is kept available for public inspection.
4. Once adopted, the budget can be amended by subsequent action. Reductions in appropriations can be approved by the County commission, but increased appropriations in the governmental funds require a public hearing prior to amending the budget. Budgets may be increased provided that notice of such action is published five days before the meeting. The budgetary information presented is the final amended budget.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. All appropriations lapse following the close of the budget year to the extent that they have not been expended.
7. As determined by State law, the level for which expenditures may not legally exceed appropriations is the total budget of a given department for the General Fund and the total budget for all other funds.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Cash Equivalents and Temporary Investments

Unrestricted cash balances of all funds are combined to form a pool of cash and investments which is managed by the County Treasurer in accordance with the Utah Money Management Act. Income from the investment of pooled cash is allocated based upon each fund's portion of the pool. Restricted cash consists of that portion of pooled cash that is restricted for a specific use due to constraints imposed by external parties or enabling legislation, or is cash held in trust in compliance with bond covenant terms and conditions. When both restricted and unrestricted sources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Investments are recorded at fair value based upon quoted market prices as of December 31, 2008, except where there is no material difference between cost and fair value. The difference between the purchase price and market price when material is recorded as interest income.

Statements of cash flows are presented for proprietary funds under the direct method. For purposes of the statements of cash flows, each fund's allocated portion of pooled cash and investments is considered to be cash and cash equivalents, since this amount is immediately available for use by the fund.

F. Interfund transactions

Interfund transactions represent transactions between different funds within the County. In general, interfund activity, including internal service fund transactions, has been eliminated from the government-wide financial statements in an effort to minimize the doubling-up of revenues and expenses that may result from such transactions.

G. Private-sector Standards of Accounting and Financial Reporting

The County generally applies to both the government-wide and proprietary fund statements all *Financial Accounting Standards Board (FASB)* Statements and Interpretations, APB Opinions, and Accounting Research bulletins issued on or before November 30, 1989, to the extent that those standards do not conflict with or contradict guidance of the *Governmental Accounting Standards Board (GASB)*. The County has elected not to follow private-sector guidance subsequent to that date.

H. Capital Assets

Capital assets include land, buildings, improvements other than buildings, leasehold improvements, furniture, fixtures and equipment, vehicles, infrastructure (roads, bridges, lighting and flood control) and construction in progress. These assets are reported in the government-wide financial statements in the relevant column on the Statement of Net Assets under governmental or business-type activities. Proprietary fund capital assets are also reported in the appropriate fund statements. Capital assets acquired by governmental funds are recorded as expenditures in the governmental fund financial statements. The capitalization threshold for personal property is defined to be assets with a useful life of at least one year and costing at least \$5,000; real property thresholds vary by type of asset, but are generally established at the same amount. Assets purchased or constructed are generally recorded at cost. If precise cost is not available (as was the case with certain infrastructure), the asset is recorded at estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When constructing capital assets, interest expense incurred relating to governmental activities is not capitalized. Interest on assets being readied for service in proprietary funds is capitalized. During 2008 no interest was capitalized because no significant construction occurred in proprietary funds.

Depreciation of all exhaustible capital assets is charged as an expense against operations for proprietary funds and is charged to the various functional expenses or business-type activities in the government-wide Statement of Activities. Accumulated depreciation is reported on proprietary fund and government-wide Statements of Net Assets. Depreciation is provided over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Buildings	10-40 years
Improvements	5-40 years
Equipment	5-20 years
Vehicles	5-10 years
Infrastructure	20-80 years

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but not used vacation benefits. An estimate of vacation pay is accrued when incurred in government-wide financial statements and proprietary funds and reported as a liability. A liability for these amounts is reported in the governmental funds only if benefits have matured as a result of employee resignations and retirements.

J. Long-term liabilities

In the government-wide financial statements and proprietary fund statements, long-term debt is reported as a liability. Bond premiums and discounts, defeasance costs, (the difference between the carrying amount of the defeased debt and its reacquisition price in bond refundings), as well as issuance costs, are deferred and amortized over the life of the bonds.

In the fund financial statements, governmental funds 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.

K. Net Assets/Fund Balances

The difference between assets and liabilities is "Net Assets" on the government-wide and proprietary fund financial statements and "Fund Balance" on the governmental fund financial statements. Net assets are divided into invested in capital assets (net of related debt), restricted, and unrestricted. Net assets are reported as restricted when constraints are placed upon them by external parties or are imposed by constitutional provisions or enabling legislation.

In the governmental fund financial statements, fund balances are classified as reserved, unreserved designated, or unreserved undesignated. Reserves represent those portions of fund balance not appropriate for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 2. PROPERTY TAX

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on June 15 and are due November 30. County property tax revenues are not recognized when levied because they are not expected to be collected within 60 days after the end of the current year. This policy meets the criteria of GASB.

The County collects all property taxes levied by the taxing districts within the County. The tax collections and remittances to the various taxing districts are included in the Treasurer's Trust Fund.

NOTE 3. RECEIVABLES

Receivables at December 31, 2008, consist of the following:

	Taxes	Due from other Governments	Accounts	Total
Governmental activities:				
General Fund	\$ 3,606,127	\$ -	\$ 65,843	\$ 3,671,970
Justice Court Fund	\$ -	-	12,226	12,226
Municipal Service Fund	-	26,726	267,451	294,177
Debt Service Fund	218,056	-	161,286	379,342
Capital Projects	-	-	5,000	5,000
Nonmajor Funds	916,493	-	82,928	999,421
Total receivables	<u>\$ 4,740,676</u>	<u>\$ 26,726</u>	<u>\$ 594,734</u>	<u>\$ 5,362,136</u>
Business-type activities:				
Municipal Building Authority	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 85,112</u>	<u>\$ 85,112</u>
Component Unit	<u>\$ 67,672</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,672</u>

No allowance for uncollectible accounts has been provided for because the County believes that all accounts receivable are collectible.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2008, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 2,081,534	\$ 37,886	\$ (198,069)	\$ 1,921,351
Construction in progress	116,076	1,321,657	(116,077)	\$ 1,321,656
Total capital assets not being depreciated	<u>2,197,610</u>	<u>1,359,543</u>	<u>(314,146)</u>	<u>3,243,007</u>
Capital assets being depreciated:				
Buildings	10,248,266	264,255	(624,057)	9,888,464
Improvements other than buildings	4,870,833	36,249	(309,725)	4,597,357
Furniture, machinery and equipment	10,816,944	1,258,643	(862,541)	11,213,046
Vehicles	2,443,134	353,883	(201,909)	2,595,108
Infrastructure	2,984,556	-	-	2,984,556
Total capital assets being depreciated	<u>31,363,733</u>	<u>1,913,030</u>	<u>(1,998,232)</u>	<u>31,278,531</u>
Less accumulated depreciation				
Buildings	(3,632,219)	(348,249)	495,252	(3,485,216)
Improvements other than buildings	(567,402)	(34,124)	254,033	(347,493)
Furniture, machinery and equipment	(7,167,590)	(654,614)	784,162	(7,038,042)
Vehicles	(1,311,794)	(257,194)	113,678	(1,455,310)
Infrastructure	(582,276)	(67,140)	-	(649,416)
Total accumulated depreciation	<u>(13,261,281)</u>	<u>(1,361,321)</u>	<u>1,647,125</u>	<u>(12,975,477)</u>
Total capital assets being depreciated, net	<u>18,102,452</u>	<u>551,709</u>	<u>(351,107)</u>	<u>18,303,054</u>
Governmental activity capital assets, net	<u>\$ 20,300,062</u>	<u>\$ 1,911,252</u>	<u>\$ (665,253)</u>	<u>\$ 21,546,061</u>

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 4. CAPITAL ASSETS (Continued)

Business-type activities:

Capital assets not being depreciated:				
Land	\$ 363,490	\$ -	\$ -	\$ 363,490
Total assets not being depreciated	<u>363,490</u>	<u>-</u>	<u>-</u>	<u>363,490</u>
Capital assets being depreciated:				
Buildings	216,605	-	-	216,605
Improvements other than buildings	981,821	-	-	981,821
Furniture, machinery and equipment	1,181,353	-	-	1,181,353
Vehicles	25,083	-	-	25,083
Total capital assets being depreciated	<u>2,404,862</u>	<u>-</u>	<u>-</u>	<u>2,404,862</u>
Less accumulated depreciation				
Buildings	(62,055)	(7,660)	-	(69,715)
Improvements other than buildings	(326,924)	(28,244)	-	(355,168)
Furniture, machinery and equipment	(718,191)	(63,992)	-	(782,183)
Vehicles	(2,508)	(9,070)	-	(11,578)
Total accumulated depreciation	<u>(1,109,678)</u>	<u>(108,966)</u>	<u>-</u>	<u>(1,218,644)</u>
Total capital assets being depreciated, net	<u>1,295,184</u>	<u>(108,966)</u>	<u>-</u>	<u>1,186,218</u>
Business-type capital assets, net	<u>\$ 1,658,674</u>	<u>\$ (108,966)</u>	<u>\$ -</u>	<u>\$ 1,549,708</u>

Component Unit:

Capital assets not being depreciated:				
Land	\$ 170,000	\$ -	\$ -	\$ 170,000
Total capital assets not being depreciated	<u>170,000</u>	<u>-</u>	<u>-</u>	<u>170,000</u>
Capital assets being depreciated:				
Infrastructure (flood control)	1,919,492	-	-	1,919,492
Total capital assets being depreciated	<u>1,919,492</u>	<u>-</u>	<u>-</u>	<u>1,919,492</u>
Less accumulated depreciation:				
Infrastructure	(1,126,732)	(65,383)	-	(1,192,115)
Total accumulated depreciation	<u>(1,126,732)</u>	<u>(65,383)</u>	<u>-</u>	<u>(1,192,115)</u>
Total capital assets being depreciated, net	<u>792,760</u>	<u>(65,383)</u>	<u>-</u>	<u>727,377</u>
Component unit capital assets, net	<u>\$ 962,760</u>	<u>\$ (65,383)</u>	<u>\$ -</u>	<u>\$ 897,377</u>

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	\$ 273,473
Public safety	574,556
Highways and streets	510,796
Planning and economic development	2,496
Total depreciation expense - governmental activities	<u>\$ 1,361,321</u>
Business-type activities:	
Municipal Building Authority	<u>\$ 108,966</u>
Total depreciation expense - business-type activities	<u>\$ 108,966</u>
Component Unit:	
Flood control	<u>\$ 65,383</u>
Total depreciation expense - component unit	<u>\$ 65,383</u>

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 5. RETIREMENT PLANS

Plan Description. Box Elder County contributes to the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System and Public Safety Retirement System for employers with Social Security coverage cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (Systems). Utah Retirement Systems provide refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953 as amended. The Utah State Retirement Office Act in Chapter 49 provides for the administration of the Utah Retirement Systems and Plans under the direction of the Utah State Retirement Board (Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Local Governmental Contributory Retirement System, Local Governmental Noncontributory Retirement System, and Public Safety Retirement System for employers with Social Security coverage. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Funding Policy. Plan members in the Local Governmental Contributory Retirement System are required to contribute 6% of their annual covered salary (all paid by the employer for the employee) and Box Elder County is required to contribute 7.61% of their annual covered salary. In the Local Governmental Noncontributory Retirement System, Box Elder County is required to contribute 11.62% of their annual covered salary. In the Public Safety Retirement System for employers with Social Security coverage Box Elder County is required to contribute 22.61% of their annual covered salary for members in the noncontributory division. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Board.

The Box Elder County contributions to the Local Governmental Contributory Retirement System for the years ending December 31, 2008, 2007 and 2006 were \$25,852, \$25,120 and \$23,115, respectively; and for the Noncontributory Retirement System the contributions for December 31, 2008, 2007 and 2006 were \$433,555, \$383,713 and \$359,662, respectively; and for the Public Safety Retirement System, the contributions for December 31, 2008, 2007 and 2006 were \$570,978, \$540,975 and \$495,641 respectively. The contributions were equal to the required contributions for each year.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 5. RETIREMENT PLANS (Continued)

The County participates in the Utah Retirement System 401(k) plan. Elected officials who have elected to be exempt from the Noncontributory Retirement System are eligible to participate. The County contributes 10.51% of eligible salary. Vesting is immediate. The County contributed \$149,326 in 2008 and employee contributions were \$159,267.

NOTE 6. SOLID WASTE CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County is required to report a portion of these closure and postclosure care costs as an expense in each period based on landfill capacity used as of each balance sheet date. The County opened this landfill on August 4, 1998. The landfill has a capacity of 5,543,773 cubic yards with 1,113,615 cubic yards being used as of December 31, 2008. This results in a current period cost of \$13,374 and a liability of \$200,800 as of December 31, 2008.

The County is required by state and federal laws and regulations to make annual contributions to an escrow fund set up to finance closure and postclosure care. At December 31, 2008, deposits of \$372,848 are held for these purposes. These funds are invested in the Utah State Treasurer's Public Treasurer's Investment Fund and reported as restricted cash and cash equivalents on the statement of net assets. The amount required to be set aside and accumulated at December 31, 2008, was \$360,000. The County is in compliance with the above requirement and plans to deposit additional funds each year into the escrow fund to ensure continued compliance. The County expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined, these costs may need to be covered by charges to future landfill users or from future tax revenue.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 7. LONG-TERM AND SHORT-TERM OBLIGATIONS

The County has the following long-term obligations at December 31, 2008.

The County issued \$6,500,000 general obligation bonds dated November 1, 1995, for the purpose of constructing a new public safety facility. The bonds mature over a period of 20 years with final payment occurring December 15, 2015. The bonds expiring after December 31, 2005, were refunded in 2003. The County issued \$4,385,000 general obligation refunding bonds in 2003 and placed \$4,333,951 in a refunding escrow to defease \$4,075,000 of the original general obligation bonds. The amount outstanding on the original bonds was redeemed on December 15, 2005. The following is the debt service schedule for the remaining period of the refunding bond issue:

2003 G.O. Refunding Bonds:

Year	Principal	Interest	Total	Interest Rate
2009	\$ 400,000	\$ 112,335	\$ 512,335	3.25%
2010	415,000	99,335	514,335	3.25%
2011	435,000	85,847	520,847	3.50%
2012	445,000	70,623	515,623	3.60%
2013	465,000	54,602	519,602	3.65%
2014	485,000	37,630	522,630	3.75%
2015	505,000	19,443	524,443	3.85%
	<u>\$ 3,150,000</u>	<u>\$ 479,815</u>	<u>\$ 3,629,815</u>	

During 1996, the Municipal Building Authority of Box Elder County, a blended component unit of Box Elder County, entered into provisions to issue revenue bonds payable for the construction of a solid waste collection facility.

The solid waste facility bonds closed on November 12, 1996, and are payable over a period of 20 years, maturing December 15, 2016. The following is a debt schedule over the entire period of the bonds:

Year	Principal	Interest	Total	Interest Rate
2009	\$ 120,000	\$ 46,980	\$ 166,980	4.05%
2010	125,000	42,120	167,120	4.05%
2011	135,000	37,057	172,057	4.05%
2012	140,000	31,590	171,590	4.05%
2013	145,000	25,920	170,920	4.05%
2014	155,000	20,047	175,047	4.05%
2015	165,000	13,770	178,770	4.05%
2016	175,000	7,088	182,088	4.05%
	<u>\$ 1,160,000</u>	<u>\$ 224,572</u>	<u>\$ 1,384,572</u>	

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 7. LONG-TERM AND SHORT TERM OBLIGATIONS (Continued)

In 2002, the County issued \$2,070,000 in Taxable Sales Tax Revenue Bonds to refinance other debt incurred in conjunction with the acquisition of land and other facilities for the Redevelopment Agency. The bonds are to be repaid from sales tax generated by development located in the RDA Agri-Business Park. The bonds were dated February 22, 2002, mature on August 1, 2017, and bear interest at a rate of 6.90%. In 2004, the County issued \$1,765,000 in Sales Tax Refunding Bonds and entered into a floating to fixed-rate structure interest rate swap. The terms of the refunding and interest rate swap require the County to pay variable interest based on the 1 month libor rate plus 1.25% to Chase Bank and then for the County to pay the original debt service contract on the 2002 bonds. The County received \$53,000 in up front savings on this bond issue and also receives back the 1 month libor rate plus 1.25%. The 2002 bonds were called and repaid in August 2004 along with any accrued interest. The following is a debt schedule over the period of the refunding bonds:

Year	Principal	Interest	Total
2009	\$ 115,000	\$ 94,530	\$ 209,530
2010	125,000	86,595	211,595
2011	130,000	77,970	207,970
2012	140,000	69,000	209,000
2013	150,000	59,340	209,340
2014	160,000	48,990	208,990
2015	170,000	37,950	207,950
2016	185,000	26,220	211,220
2017	195,000	13,455	208,455
	<u>\$ 1,370,000</u>	<u>\$ 514,050</u>	<u>\$ 1,884,050</u>

In 2003, the County issued \$400,000 in Taxable Sales Tax Revenue Bonds to finance additional construction of infrastructure and facilities for the Redevelopment Agency. The bonds are to repaid from sales tax generated by development located in the RDA Agri-Business Park. The bonds were dated December 22, 2003, mature on August 1, 2013, and bear interest at a rate of 4.60%. The following is a debt schedule over the period of the bonds:

Year	Principal	Interest	Total
2009	\$ 72,000	\$ 18,124	\$ 90,124
2010	75,000	14,812	89,812
2011	79,000	11,362	90,362
2012	82,000	7,728	89,728
2013	86,000	3,956	89,956
	<u>\$ 394,000</u>	<u>\$ 55,982</u>	<u>\$ 449,982</u>

BOX ELDER COUNTY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 7. LONG-TERM AND SHORT TERM OBLIGATIONS (Continued)

In 2004, the County issued \$333,000 Special Assessment Bonds, Series 2004 and created Special Improvement District #2003-1: Marble Hills Road Project. The bonds mature over a period of ten years with final payment on September 1, 2014. At the time the bonds were issued, assessments for the same amount of funding as the bonds plus interest were filed on land owners in Special Improvement District #2003-1. These assessments are expected to cover the payment of bond principal and interest. The following is a debt service schedule over the period of the bonds:

Year	Principal	Interest	Total	Interest Rate
2009	\$ 24,000	\$ 8,678	\$ 32,678	3.50%
2010	25,000	7,557	32,557	3.75%
2011	26,000	6,320	32,320	4.00%
2012	27,000	4,920	31,920	4.20%
2013	29,000	3,408	32,408	4.35%
2014	29,000	1,755	30,755	4.50%
	<u>\$ 160,000</u>	<u>\$ 32,638</u>	<u>\$ 192,638</u>	

In 2005, the County issued \$1,338,000 Tax Increment Revenue Bonds, Series 2005 to pay additional construction and infrastructure costs at the agri-business park.. The bonds mature over a period of twelve years with final payment on June 1, 2017, and bear interest at rates from 3.28% to 4.69%. The following is a debt service schedule over the period of the bonds:

Year	Principal	Interest	Total	Interest Rate
2009	\$ 56,000	\$ 42,458	\$ 98,458	3.72%
2010	56,000	40,333	96,333	3.87%
2011	61,000	38,021	99,021	4.03%
2012	64,000	35,460	99,460	4.16%
2013	66,000	32,686	98,686	4.37%
2014	159,000	27,707	186,707	4.45%
2015	167,000	20,387	187,387	4.53%
2016	174,000	12,593	186,593	4.61%
2017	183,000	4,291	187,291	4.69%
	<u>\$ 986,000</u>	<u>\$ 253,936</u>	<u>\$ 1,239,936</u>	

The remaining long-term debt consists of compensated absences in the amount of \$183,239.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 7. LONG-TERM AND SHORT TERM OBLIGATIONS (Continued)

Transactions affecting long-term obligations are as follows:

	Bonds Payable	Compensated Absences
Governmental activities:		
Balance, Jan. 1	\$ 6,705,000	\$ 158,623
Additions	-	380,100
Retirements	(645,000)	(362,263)
Balance, Dec. 31	<u>\$ 6,060,000</u>	<u>\$ 176,460</u>
Due within 1 year	<u>\$ 667,000</u>	<u>\$ -</u>
Business-type activities:		
Balance, Jan. 1	\$ 1,275,000	\$ 6,405
Additions	-	374
Retirements	(115,000)	-
Balance, Dec. 31	<u>\$ 1,160,000</u>	<u>\$ 6,779</u>
Due within 1 year	<u>\$ 120,000</u>	<u>\$ -</u>

Short-term Debt

The County did not enter into any short-term debt obligations during 2008.

NOTE 8. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

In 2008, the following departments and funds have expenditures in excess of budgets:

General Fund:		
<u>Department:</u>	<u>Amount over budget</u>	
Motor pool	\$	1,362
Fairgrounds	\$	4,125
Municipal Service:		
<u>Department</u>		
Noxious weeds	\$	3,430
Library	\$	15,391

NOTE 9. CASH AND INVESTMENTS

The County maintains a Deposit and Investment Pool that is available for use by all funds.

A. Custodial Risk

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be recovered. The County's policy for managing custodial credit risk is to adhere to the requirements of the Utah Money Management Act (Utah Code Annotated 1953 Section 51, Chapter 7) in handling its depository and temporary investment transactions. This law requires the deposit of County funds in a "qualified depository". The act defined a "qualified depository" as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

BOX ELDER COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 9. CASH AND INVESTMENTS (Continued)

At December 31, 2008, the carrying amount of the County's deposits was \$2,029,838 and the bank balance was \$2,259,431. Of the bank balance, \$559,184 was covered by federal depository insurance. The Box Elder County-Perry City Flood Control District has deposits of \$132,811 with a bank balance of \$132,811, all of which was insured. None of the deposits are collateralized nor are they required to be by state statutes.

Investments - Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments that are in the possession of an outside party. The County does not have a formal policy for custodial credit risk for investments. The entire \$16,309,929 of the County's investments in repurchase agreements are uninsured, unregistered, and held by the counterparty's trust department but not in the County's name and are therefore exposed to custodial credit risk.

B. Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The County's policy for limiting credit risk of investments is to comply with the Money Management Act. The Act requires investment transactions to be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Permitted investments include deposits of 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 County 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 participant's average daily balances.

Following are the County's investments at December 31, 2008:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Quality Rating</u>
PTIF	\$ 16,369,500	less than 1 year	not rated
Repurchase agreements	\$ 16,309,929	one day	not available
U.S. Treasury obligations	\$ 133,854	less than 1 year	not rated
Component Unit:			
Certificate of deposit	\$ 6,446	12 months	not available

The fiduciary funds include \$16,309,929 and \$951,443 of the above repurchase agreement and PTIF funds respectively. The remaining balance of fiduciary funds is held in cash.

C. 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 County manages its exposure to declines in fair value by investing 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. Maturities of the County's investments are noted above.

D. Concentration of Credit Risk

Concentrations of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's policy to limit risk is to adhere to the rules of the Money Management Council. The Council's rule 17 limits investments in a single issuer of commercial paper and corporate obligations to between 5 and 10 percent depending upon the total dollar amount held in the County's portfolio at the time of purchase. At December 31, 2008, the County had no such investments.

BOX ELDER COUNTY
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2008

NOTE 10. INTERFUND TRANSFERS AND BALANCES

The following table provides a reconciliation of all interfund transfers:

Fund	Transfers in	Fund	Transfers out
Municipal Service Fund	\$ 3,487,936	General Fund	\$ 5,365,047
Capital Project Fund	2,913,296	Justice Court Fund	417,284
	<u>\$ 6,401,232</u>	Internal Service Fund	582,924
		Municipal Building Authority	35,977
			<u>\$ 6,401,232</u>

\$4,782,331 of the transfers out of the General Fund and the Justice Court Fund were used in the Municipal Service Fund to fund public safety operations. The remaining transfer of \$1,000,000 from the General Fund was to transfer funds to the Capital Project Fund and Municipal Service Fund for future capital projects and road project, respectively.

At December 31, 2008, there were no interfund loans.

NOTE 11. CONTINGENCIES

In November 2008, a voter referendum vote failed to approve the sale of the MBA landfill facility and equipment to Northern Utah Regional Landfill Authority. The County Commissioners had previously approved the sale in 2007.

NOTE 12. RESTATEMENT

Beginning fund balances in the General Fund and Municipal Service Funds and beginning net assets in the entity-wide Statement of Net Assets were restated to include prior year property and sales tax amounts that were understated. Fund balance was increased by \$164,367 and \$114,546 in the General and Municipal Service Funds, respectively.

In the Municipal Building Authority proprietary fund, the beginning fund balance decreased \$98,260 to reflect closure and post closure costs that were understated in previous years.

**SUPPLEMENTAL
INFORMATION**

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Debt Service
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Property Tax	\$ 514,585	\$ 535,810	\$ 547,625	\$ 11,815
Charges for Services	41,585	48,986	40,510	(8,476)
Investment Earnings	--	7,000	25,940	18,940
Payments in lieu of taxes	--	76,646	67,836	(8,810)
Total Revenues	<u>556,170</u>	<u>668,442</u>	<u>681,911</u>	<u>13,469</u>
Other Financing Sources				
Total Revenues and Other Financing Sources	<u>556,170</u>	<u>668,442</u>	<u>681,911</u>	<u>13,469</u>
Expenditures				
Highways and streets	1,000	1,624	1,624	--
Debt service	555,170	651,346	542,851	108,495
Total Expenditures	<u>556,170</u>	<u>652,970</u>	<u>544,475</u>	<u>108,495</u>
Other Financing Uses				
Total Expenditures and Other Financing Uses	<u>556,170</u>	<u>652,970</u>	<u>544,475</u>	<u>108,495</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	--	15,472	137,436	121,964
Fund Balance at Beginning of Period	814,633	814,633	814,633	--
Fund Balance at End of Period	<u>\$ 814,633</u>	<u>\$ 830,105</u>	<u>\$ 952,069</u>	<u>\$ 121,964</u>

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Capital Projects
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Investment Earnings	\$ 100,000	\$ 100,000	\$ 68,377	\$ (31,623)
<i>Total Revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>68,377</u>	<u>(31,623)</u>
Other Financing Sources				
Transfers from other funds	<u>1,000,000</u>	<u>2,294,395</u>	<u>2,913,296</u>	<u>618,901</u>
<i>Total Revenues and Other Financing Sources</i>	<u>1,100,000</u>	<u>2,394,395</u>	<u>2,981,673</u>	<u>587,278</u>
Expenditures				
General government	<u>1,100,000</u>	<u>2,394,395</u>	<u>985,682</u>	<u>1,408,713</u>
<i>Total Expenditures</i>	<u>1,100,000</u>	<u>2,394,395</u>	<u>985,682</u>	<u>1,408,713</u>
Other Financing Uses				
<i>Total Expenditures and Other Financing Uses</i>	<u>1,100,000</u>	<u>2,394,395</u>	<u>985,682</u>	<u>1,408,713</u>
<i>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</i>	--	--	1,995,991	1,995,991
<i>Fund Balance at Beginning of Period</i>	<u>2,048,404</u>	<u>2,048,404</u>	<u>2,048,404</u>	<u>--</u>
<i>Fund Balance at End of Period</i>	<u>\$ 2,048,404</u>	<u>\$ 2,048,404</u>	<u>\$ 4,044,395</u>	<u>\$ 1,995,991</u>

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

**Box Elder County
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2008**

	<u>Special Revenue</u>			Total Nonmajor Governmental Funds
	Library	Mineral Lease SSD	Box Elder County RDA	
Assets				
Cash and cash equivalents	\$ 398,487	\$ 176,374	\$ 728,915	\$ 1,303,776
Taxes Receivable	198,928	--	717,565	916,493
Accounts Receivable	--	82,928	--	82,928
Total Assets	\$ 597,415	\$ 259,302	\$ 1,446,480	\$ 2,303,197
Liabilities				
Accounts payable	\$ 900	\$ --	\$ 4,533	\$ 5,433
Accrued payroll liabilities	4,514	--	--	4,514
Total Liabilities	5,414	--	4,533	9,947
Fund Balance				
<i>Reserved for:</i>				
Affordable housing	--	--	639,861	639,861
<i>Unreserved</i>	592,001	259,302	802,086	1,653,389
Total Fund Balance	592,001	259,302	1,441,947	2,293,250
Total Liabilities and Fund Balance	\$ 597,415	\$ 259,302	\$ 1,446,480	\$ 2,303,197

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

Box Elder County
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2008

	Special Revenue			Total Nonmajor Governmental Funds
	Library	Mineral Lease SSD	Box Elder County RDA	
Revenues				
Property taxes	\$ 243,594	\$ --	\$ 717,565	\$ 961,159
Intergovernmental	130,799	214,622	129,545	474,966
Charges for services	502	--	--	502
Investment earnings	12,518	5,729	26,344	44,591
Contributions and donations	1,500	--	--	1,500
Payments in lieu of taxes	28,219	--	--	28,219
Sale of capital assets	--	--	262,072	262,072
Total Revenues	417,132	220,351	1,135,526	1,773,009
Expenditures				
General government	--	121,291	--	121,291
Planning and economic development	--	--	218,426	218,426
Culture and recreation	279,445	--	--	279,445
Debt service - principal	--	--	232,000	232,000
Debt service - interest and fiscal charges	--	--	166,096	166,096
Total Expenditures	279,445	121,291	616,522	1,017,258
Excess of Revenues Over (Under) Expenditures	137,687	99,060	519,004	755,751
Other Financing Sources (Uses)				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Net Other Financing Sources (Uses)	--	--	--	--
Net Change in Fund Balance	137,687	99,060	519,004	755,751
<i>Fund Balance at Beginning of Period</i>	454,314	160,242	922,943	1,537,499
Fund Balance at End of Period	\$ 592,001	\$ 259,302	\$ 1,441,947	\$ 2,293,250

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Box Elder County RDA
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable) Final to Actual</u>
Revenues				
Property Tax	\$ 700,000	\$ 700,000	\$ 717,565	\$ 17,565
Intergovernmental	--	--	129,545	129,545
Investment Earnings	--	--	26,344	26,344
Sale of capital assets	150,000	262,072	262,072	--
Total Revenues	<u>850,000</u>	<u>962,072</u>	<u>1,135,526</u>	<u>173,454</u>
Other Financing Sources				
Total Revenues and Other Financing Sources	<u>850,000</u>	<u>962,072</u>	<u>1,135,526</u>	<u>173,454</u>
Expenditures				
Planning and economic development	204,926	303,976	218,426	85,550
Debt service - principal	232,000	232,000	232,000	--
Debt service - interest and fiscal charges	166,096	166,096	166,096	--
Total Expenditures	<u>603,022</u>	<u>702,072</u>	<u>616,522</u>	<u>85,550</u>
Other Financing Uses				
Total Expenditures and Other Financing Uses	<u>603,022</u>	<u>702,072</u>	<u>616,522</u>	<u>85,550</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	246,978	260,000	519,004	259,004
Fund Balance at Beginning of Period	922,943	922,943	922,943	--
Fund Balance at End of Period	<u>\$ 1,169,921</u>	<u>\$ 1,182,943</u>	<u>\$ 1,441,947</u>	<u>\$ 259,004</u>

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Library
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Property Tax	\$ 222,000	\$ 237,829	\$ 243,594	\$ 5,765
Intergovernmental	--	121,517	130,799	9,282
Charges for Services	--	--	502	502
Investment Earnings	3,120	3,120	12,518	9,398
Contributions and donations	--	1,500	1,500	--
Payments in lieu of taxes	28,000	28,000	28,219	219
Total Revenues	<u>253,120</u>	<u>391,966</u>	<u>417,132</u>	<u>25,166</u>
Other Financing Sources				
<i>Total Revenues and Other Financing Sources</i>	<u>253,120</u>	<u>391,966</u>	<u>417,132</u>	<u>25,166</u>
Expenditures				
Culture and recreation	245,389	264,054	279,445	(15,391)
Total Expenditures	<u>245,389</u>	<u>264,054</u>	<u>279,445</u>	<u>(15,391)</u>
Other Financing Uses				
<i>Total Expenditures and Other Financing Uses</i>	<u>245,389</u>	<u>264,054</u>	<u>279,445</u>	<u>(15,391)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	7,731	127,912	137,687	9,775
<i>Fund Balance at Beginning of Period</i>	454,314	454,314	454,314	--
Fund Balance at End of Period	<u>\$ 462,045</u>	<u>\$ 582,226</u>	<u>\$ 592,001</u>	<u>\$ 9,775</u>

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

Box Elder County
Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual
Mineral Lease SSD
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Favorable (Unfavorable) Final to Actual
Revenues				
Intergovernmental	\$ 135,000	\$ 135,000	\$ 214,622	\$ 79,622
Investment Earnings	--	--	5,729	5,729
Total Revenues	<u>135,000</u>	<u>135,000</u>	<u>220,351</u>	<u>85,351</u>
Other Financing Sources				
Total Revenues and Other Financing Sources	<u>135,000</u>	<u>135,000</u>	<u>220,351</u>	<u>85,351</u>
Expenditures				
Contributions to other governments	135,000	134,575	120,866	13,709
General government	--	425	425	--
Total Expenditures	<u>135,000</u>	<u>135,000</u>	<u>121,291</u>	<u>13,709</u>
Other Financing Uses				
Total Expenditures and Other Financing Uses	<u>135,000</u>	<u>135,000</u>	<u>121,291</u>	<u>13,709</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	--	--	99,060	99,060
Fund Balance at Beginning of Period	<u>160,242</u>	<u>160,242</u>	<u>160,242</u>	<u>--</u>
Fund Balance at End of Period	<u>\$ 160,242</u>	<u>\$ 160,242</u>	<u>\$ 259,302</u>	<u>\$ 99,060</u>

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

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BOX ELDER COUNTY
SCHEDULE OF TAXES CHARGED AND COLLECTED - CURRENT AND PRIOR YEAR
DECEMBER 31, 2008

ENTITY	CURRENT YEAR TAXES							
	1	2	3	4	5	6	7	8
	YEAR-END VALUE (AFTER BOE)	RDA VALUE	ADJUSTED VALUE (1-2)	PERSONAL PROPERTY VALUES	REAL PROPERTY VALUES (3-4)	CURRENT REAL PROP TAX RATE	REAL PROP. TAXES CHARGED (5x6)	PRIOR YR PROPERTY TAX RATE
Box Elder County General	3,036,339,483	280,153,232	2,756,186,251	530,381,048	2,225,805,203	0.001986	4,420,449	0.001986
Box Elder County Debt Service	3,036,339,483	280,153,232	2,756,186,251	530,381,048	2,225,805,203	0.000196	436,258	0.000201
Box Elder County School District	3,036,339,483	280,153,232	2,756,186,251	530,381,048	2,225,805,203	0.007567	16,842,668	0.006227
Bear River City	29,162,673	-	29,162,673	268,124	28,894,549	0.000555	16,036	0.000555
Brigham City	745,058,616	27,222,135	717,836,481	95,836,354	622,000,127	0.002169	1,349,118	0.002686
Corinne	41,377,695	13,299,561	28,078,134	5,963,135	22,114,999	0.001893	41,864	0.002039
Deweyville	15,163,628	-	15,163,628	104,344	15,059,284	0.000242	3,644	0.000243
Elwood City	44,624,356	1,794,114	42,830,242	541,536	42,288,706	0.000368	15,562	0.000342
Fielding	12,056,432	-	12,056,432	349,611	11,706,821	0.000811	9,494	0.000917
Garland	74,881,127	2,307,369	72,573,758	14,341,277	58,232,481	0.002980	173,533	0.003092
Honeyville	70,569,269	-	70,569,269	1,615,652	68,953,617	0.000828	57,094	0.000961
Howell	8,546,015	-	8,546,015	56,778	8,489,237	0.000278	2,360	0.000306
Mantua	30,434,926	-	30,434,926	69,987	30,364,939	0.002345	71,206	0.002358
Perry	234,446,692	4,136,837	230,309,855	7,895,808	222,414,047	0.002258	502,211	0.001837
Plymouth	10,212,304	-	10,212,304	483,413	9,728,891	0.000252	2,452	0.002052
Portage	6,581,287	-	6,581,287	59,257	6,522,030	0.001588	10,357	0.001751
Snowville	7,364,803	-	7,364,803	1,368,978	5,995,825	0.001322	7,926	0.001321
Tremonton	518,439,916	189,020,107	329,419,809	159,096,725	170,323,084	0.002744	467,367	0.002966
Willard	91,967,186	-	91,967,186	2,475,533	89,491,653	0.000883	79,021	0.000932
Mosquito Abatement	3,036,339,483	276,016,395	2,760,323,088	530,381,048	2,229,942,040	0.000307	684,592	0.000316
Corinne Cemetery	113,777,007	55,672,670	58,104,337	14,455,392	43,648,945	0.000182	7,944	0.000204
East Garland Cemetery	13,451,842	-	13,451,842	156,658	13,295,184	0.000149	1,981	0.000163
Fielding Cemetery	33,339,615	-	33,339,615	413,584	32,926,031	0.000400	13,170	0.000158
Garland Cemetery	309,256,922	16,274,753	292,982,169	127,331,505	165,650,664	0.000171	28,326	0.000208
Penrose Cemetery	6,765,712	-	6,765,712	-	6,765,712	0.000234	1,583	0.000248
Plymouth Cemetery	97,412,399	-	97,412,399	59,133,729	38,278,670	0.000190	7,273	0.000195
Portage Cemetery	13,560,568	-	13,560,568	59,257	13,501,311	0.000320	4,320	0.000320
Riverside Cemetery	17,880,935	-	17,880,935	291,882	17,589,053	0.000681	11,978	0.000693
Willard Cemetery	237,429,474	-	237,429,474	3,360,935	234,068,539	0.000149	34,876	0.000167
Weber Basin Water Conservancy Dist.	18,710,092	-	18,710,092	2,224	18,707,868	0.000181	3,386	0.000178
Hansel Valley	4,992,669	-	4,992,669	73,460	4,919,209	0.000193	949	0.000214
Willard Flood	194,917,830	-	194,917,830	3,340,507	191,577,323	0.000298	57,090	0.000338
Service Area #2	9,449,095	-	9,449,095	2,389	9,446,706	0.000341	3,221	0.000316
Grouse Creek Special Service District	6,153,341	-	6,153,341	28,261	6,125,080	0.000353	2,162	0.000373
Riverside Special Service District	15,148,795	-	15,148,795	86,089	15,062,706	0.000415	6,251	0.000215
Perry Flood	228,074,527	-	228,074,527	7,732,071	220,342,456	0.000256	56,408	0.000316
Bear River Water Conservancy District	3,036,339,483	276,016,395	2,760,323,088	530,381,048	2,229,942,040	0.000188	419,229	0.000194
Bona Vista Water Improvement District	13,971,331	-	13,971,331	-	13,971,331	0.000280	3,912	0.000328
Box Elder County Library	1,697,806,257	57,466,784	1,640,339,473	261,106,692	1,379,232,781	0.000149	205,506	0.000156
Assessing and Collecting - Multi-County	3,036,339,483	276,016,395	2,760,323,088	530,381,048	2,229,942,040	0.000121	269,823	0.000121
Assessing and Collecting - County	3,036,339,483	276,016,395	2,760,323,088	530,381,048	2,229,942,040	0.000300	668,983	0.000300
Total							27,001,585	

9	10	11	12	13	14	15	16	17	18	19	20
PERSONAL PROP TAXES CHARGED (4x8)	TOTAL TAXES CHARGED (7+9)	UNPAID TAXES	ABATE- MENTS	OTHER	TOTAL (11+12+13)	TOTAL COLLECTIONS (10-14)	RATE (15/10)	FEE IN LIEU	MISC COLLECTION	DELINQUENCIES	
										TAX	INTEREST & PENALTY
1,053,337	5,473,786	226,191	17,397	51,665	295,252	5,178,534	94.61%	687,369	70,814	187,892	13,692
106,607	542,864	24,500	1,884	5,412	31,797	511,068	94.14%	67,836	15,620	18,543	1,180
3,302,683	20,145,352	881,004	169,720	262,878	1,313,602	18,831,750	93.48%	2,090,242	266,246	619,609	44,423
149	16,185	1,441	342	171	1,954	14,231	87.93%	4,592	356	691	27
257,416	1,606,535	121,230	19,590	26,308	167,128	1,439,407	89.60%	264,651	20,779	48,887	2,703
12,159	54,023	5,196	362	2,741	8,299	45,724	84.64%	10,145	641	2,080	112
25	3,670	177	66	34	277	3,393	92.45%	1,131	(3,304)	297	16
185	15,747	808	91	87	986	14,761	93.74%	3,408	151	687	47
321	9,815	520	199	116	835	8,980	91.49%	3,787	144	412	24
44,343	217,876	-	1,917	(100)	1,817	216,059	99.17%	39,502	2,575	5,029	317
1,553	58,646	2,394	562	547	3,503	55,143	94.03%	7,897	1,772	2,692	120
17	2,377	113	57	(41)	129	2,248	94.57%	535	23	58	6
165	71,371	2,747	1,641	329	4,717	66,654	93.39%	13,979	(651)	3,072	229
14,505	516,716	34,734	5,599	(3,265)	37,068	479,648	92.83%	54,096	3,286	16,159	718
992	3,444	346	23	898	1,267	2,177	63.21%	849	56	697	79
104	10,461	979	237	251	1,467	8,994	85.98%	2,851	127	363	44
1,808	9,735	926	-	(26)	900	8,835	90.75%	4,325	224	367	36
471,881	939,247	-	5,078	(67,010)	(61,932)	1,001,179	106.59%	131,763	19,125	42,894	1,886
2,307	81,328	9,088	1,265	(912)	9,441	71,887	88.39%	17,145	265	4,252	187
167,600	852,193	31,308	6,886	5,655	43,849	808,344	94.85%	110,833	13,027	30,158	2,205
2,949	10,893	183	35	541	759	10,134	93.03%	1,988	3,386	588	40
26	2,007	158	43	13	214	1,793	89.33%	145	244	36	3
65	13,236	612	133	4	749	12,487	94.34%	2,350	224	507	29
26,485	54,811	8,376	150	1,066	9,592	45,219	82.50%	4,394	843	1,884	64
-	1,582	219	-	15	234	1,348	85.21%	88	12	121	5
11,531	18,804	-	30	(1,042)	(1,012)	19,816	105.38%	588	238	429	23
19	4,339	216	84	46	346	3,993	92.03%	568	33	153	13
202	12,180	769	79	(74)	774	11,406	93.65%	1,933	96	233	12
561	35,437	2,918	396	144	3,458	31,979	90.24%	4,653	2,271	-	-
0	3,387	52	-	2	54	3,333	98.41%	-	1,541	14	-
16	965	-	-	(8)	(8)	973	100.83%	15	45	-	-
1,129	58,219	4,965	666	268	5,899	52,320	89.87%	9,319	4,967	-	-
1	3,222	305	21	-	326	2,896	89.88%	295	402	-	-
11	2,173	413	4	1	418	1,755	80.76%	184	(79)	369	61
19	6,270	251	48	38	337	5,933	94.62%	495	75	21	1
2,443	58,851	2,784	635	415	3,834	55,017	93.49%	9,011	543	2,811	115
102,894	522,123	19,067	4,217	3,469	26,753	495,370	94.88%	68,055	7,755	18,409	1,341
-	3,912	36	-	-	36	3,876	99.08%	-	11	-	-
40,733	246,238	11,511	1,624	2,809	15,944	230,294	93.52%	28,460	3,957	9,019	792
64,176	333,999	12,287	2,714	2,185	17,186	316,813	94.85%	105,221	5,370	11,977	920
159,114	828,097	31,417	6,728	5,417	43,562	784,535	94.74%	42,476	11,523	28,621	2,056
5,850,531	32,852,116	1,440,241	250,523	301,047	1,991,811	30,860,305		3,797,174	454,733	1,060,031	73,526

BOX ELDER COUNTY
DETAIL SCHEDULE OF INTERGOVERNMENTAL PAYABLE - TREASURER'S
AGENCY FUND
DECEMBER 31, 2008

ENTITY	AMOUNTS DUE
Bear River City	\$ 4,405
Brigham City	398,821
Corinne	39,430
Corinne Cemetery	12,820
Deweyville	3,742
East Garland Cemetery	1,970
Elwood City	15,278
Fielding	9,513
Fielding Cemetery	15,701
Garland	49,883
Garland Cemetery	10,993
Hansel Valley	1,033
Honeyville	23,683
Howell	2,366
Mantua	17,810
Penrose Cemetery	1,455
Perry	486,147
Plymouth	2,335
Plymouth Cemetery	6,978
Portage	9,544
Portage Cemetery	4,122
Riverside Cemetery	11,781
Snowville	3,732
Tremonton	235,873
Weber Basin Water Dist	4,890
Willard	27,104
Willard Cemetery	39,027
Bona Vista Water Dist	3,887
Grouse Creek Spec Serv Dist	4,700
BE Mosquito Abatement Dist	287,388
Riverside Comm Ser Dist	6,089
County Library	199,637
County General	1,856,565
County Debt Service	183,224
Service Area #2	16,207
BE Willard Flood Dist	117,811
Box Elder School Dist	7,006,684
BE Perry Flood Dist	67,672
Multi County Assessing & Collecting	379,054
County Assessing & Collecting	935,669
Bear River Water Cons Dist	175,973
Garland Indust RDA	30,298
Downtown Garland RDA	27,574
County Economic RDA	471,981
Agribusiness RDA	155,189
Brigham RDA 1 & 2	291,590
Tremonton RDA	535
Brigham RDA #3	315,516
Tenth North RDA	1,425,799
Freeway Indp & Garland	278,059
Freeway Interchange ND	(180)
Elwood RDA	32,560
West Liberty Foods EDA	595,802
Northwest Economic Development	40,295
Misc fees & refunds	375,540
Tax sale fees	6,881
Grouse Creek Garbage	(7,792)
Unapportioned batches	768,380
Belmont Drainage District	222
Corinne Drainage District	86,204
Elwood Drainage District	1,709
Iowa Springs Drainage District	5,341
Tremonton-Garland Drain District	21,415
Weber Basin Repay Assessment	30,949
Weber - BE Conserv District	104,554
Total	<u>\$ 17,739,417</u>

BOX ELDER COUNTY
SCHEDULE OF TRANSIENT ROOM TAX ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2008

Restricted fund balance, beginning of year	\$ 175,882
Revenues	
Transient room tax revenue	206,123
Interest	<u>2,790</u>
Total Available	384,795
Expenditures	
Establishing and promoting: Tourism and recreation	<u>105,963</u>
Restricted fund balance, end of year	<u><u>\$ 278,832</u></u>

BOX ELDER COUNTY
 SCHEDULE OF TOURISM, RECREATION, CULTURE, AND CONVENTION
 FACILITIES TAX ACTIVITY
 FOR THE YEAR ENDED DECEMBER 31, 2008

Restricted fund balance, beginning of year	\$ 256,957
Revenues	
County Fair revenue	150,625
Fairground Revenue	91,878
Tourism, Recreation, Culture, and Convention Facilities Tax	398,548
Interest	<u>6,472</u>
 Total Available	 <u>904,480</u>
Expenditures	
Financing tourism promotion:	
Tourism, recreation, culture, and facilities grants	80,609
Development, operation, and maintenance of :	
County fairgrounds	<u>504,134</u>
Total expenditures	<u>584,743</u>
Restricted fund balance, end of year	<u><u>\$ 319,737</u></u>