

CACHE COUNTY, UTAH

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

**CACHE COUNTY**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

	<b>Page</b>
<b>FINANCIAL SECTION</b>	
Independent Auditors’ Report.....	3
Management Discussion and Analysis.....	7
<b>Basic Financial Statements</b>	
Government-wide Financial Statements	
Statement of Net Position.....	15
Statement of Activities.....	16
Fund Financial Statements	
Governmental Funds	
Balance Sheet .....	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position .....	18
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	20
Fiduciary Funds	
Statement of Fiduciary Net Position.....	21
Component Units	
Combining Statement of Net Position .....	22
Combining Statement of Activities .....	23
Notes to the Financial Statements .....	25
<b>Required Supplementary Information</b>	
Budgetary Comparison Schedules	
General Fund.....	48
Assessing and Collecting Fund .....	50
Municipal Services Fund.....	51
Mental Health Fund .....	53
CCCOG Fund .....	54
Schedule of the Proportionate Share of the Net Pension Liability – Primary Government .....	55
Schedule of the Proportionate Share of the Net Pension Liability – Component Units .....	57
Schedule of Contributions – Primary Government.....	59
Schedule of Contributions – Component Units .....	60
Notes to the Required Supplementary Information .....	61
<b>Supplementary Information</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet.....	63
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	64
Budgetary Comparison Schedules	
CCCF Fund.....	65
CDRA Fund .....	66
Health Fund .....	67
Visitor’s Bureau Fund.....	68
Council on Aging Fund .....	69
Restaurant Tax Fund.....	70
Children’s Justice Center Fund .....	71
RAPZ Tax Fund .....	72
Ambulance Fund.....	73
RSSD Fund.....	74

	<b>Page</b>
Debt Service Fund.....	75
Combining Statement of Fiduciary Net Position – Agency Funds.....	76
<b>Component Units</b>	
North Park Interlocal Cooperative	
Combining Statement of Net Position .....	78
Combining Statement of Activities .....	79
<b>SINGLE AUDIT REPORTS</b>	
Schedule of Expenditures of Federal Awards .....	82
Notes to the Schedule of Expenditures of Federal Awards .....	88
Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	89
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance .....	91
Schedule of Findings and Questioned Costs .....	94
Summary Schedule of Prior Year Audit Findings .....	96
Corrective Action Plan .....	97
<b>STATE COMPLIANCE REPORTS</b>	
Independent Auditors’ Report on Compliance and Report on Internal Control Over Compliance as Required by the State Compliance Audit Guide .....	99



Certified Public Accountants

www.jones-simkins.com

*Logan Office:*

1011 West 400 North, Suite 100  
Logan, UT 84323-0747  
Phone: (435) 752-1510 • (877) 752-1510  
Fax: (435) 752-4878

*Salt Lake City Office:*

6715 South 1300 East, Suite 250  
Salt Lake City, UT 84121  
Phone: (801) 561-6026  
Fax: (801) 561-2023

## INDEPENDENT AUDITORS' REPORT

To the Cache County Council  
Logan, Utah

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cache County, Utah (the County) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Bridgerland Community Ice Arena (a component unit of North Park Interlocal Cooperative), which represent 4 percent, 5 percent, and 6 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units of the County. We also did not audit the financial statements of Cache County Emergency Medical Service Authority, which represent 14 percent, 14 percent, and 26 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units of the County. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Bridgerland Community Ice Arena and Cache County Emergency Medical Service Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards

applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information and accompanying notes, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is also not a required part of the basic financial statements.

The supplementary information and the schedule described above are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the supplementary information and the schedule described above are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



JONES SIMKINS LLC

Logan, Utah

June 25, 2019

This page intentionally left blank.



## INTRODUCTION

The following discussion and analysis is presented as an overview of the financial performance of Cache County for the year ended December 31, 2018. Please consider information presented here in context with the financial statements and the notes to the financial statements for a full understanding of the condition of the County.

## FINANCIAL HIGHLIGHTS

- The net position of the County increased by approximately \$7.8 million or about 12.3 percent over the prior year. The portion of total net position which represents the amount the County can use to meet ongoing, financial obligations is the unrestricted amount. At the end of the year, this amount was approximately \$2.2 million, or 3.0 percent of total net position.
- During the year, the County had net program expenses of approximately \$28.5 million. This compares to last year, when net program expenses were approximately 27.2 million. The total cost of the County's programs was about \$49.2 million and increased approximately \$4.9 million, or about 11.0 percent, from the prior year.
- Combined fund balances of the County amounted to about \$40.2 million, a decrease of \$1,153,851 or about 2.8 percent, from the prior year. Of the combined total, approximately \$31.5 million, or 78.3 percent, is subject to external restrictions on its use.
- Unassigned fund balance of the General Fund was about \$7.9 million, which amount was approximately 30.4 percent of the total expenditures of the fund.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to Cache County's basic financial statements, which consist of three main components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements.

### Government-wide 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 accrual basis of accounting, similar to private sector businesses.

**Statement of Net Position.** The statement of net position presents financial information on all of the County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or declining.

**Statement of Activities.** The statement of activities presents information showing how the County's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported for some items that will only result in cash flows in future years.

Both of the government-wide financial statements distinguish between functions that are principally supported by taxes and intergovernmental revenues, called *governmental activities*, and other functions that are intended to recover all or a significant portion of their costs through user fees and charges, called *business-type activities*. The governmental activities of the County include general government, public safety, streets and public improvements, health and welfare, and culture and recreation. The County does not have any business-type activities.

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2018

The government-wide financial statements include not only the County’s financial information, known as the *primary government*, but also some legally separate entities, because the County is financially accountable for them. Financial information for these *component units* is reported separately from the financial information presented for the County. These entities include the Logan-Cache Airport Authority, North Park Interlocal Cooperative, which includes the Bridgerland Community Ice Arena as its own component unit, Bear River Health Department, and the Cache County Emergency Medical Service Authority.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Cache County, like all other state and local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. There are three broad classifications of fund types: governmental, proprietary, and fiduciary. All of the funds of the County can be classified as either a governmental fund or a fiduciary fund.

**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 that are left at the end of the year 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.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The County’s fiduciary funds are agency funds. These funds are custodial in nature and do not involve measuring results of operations. Accordingly, a statement of fiduciary net position is presented, but a statement of changes in fiduciary net position is not. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the programs of the County.

**Notes to the Financial Statements**

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position over time, may serve as a useful indicator of a government’s financial condition. At the end of 2018, the County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$71,288,539, an increase of \$7,805,068 from the prior year.

Just over half of the County’s net position, \$36,466,186 or 51.2 percent, reflect its investment in capital assets (e.g. land, construction in process, buildings and improvements, equipment, and infrastructure) less any related, outstanding debt used to acquire the assets. The County uses these assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the

**CACHE COUNTY'S NET POSITION**  
GOVERNMENTAL ACTIVITIES

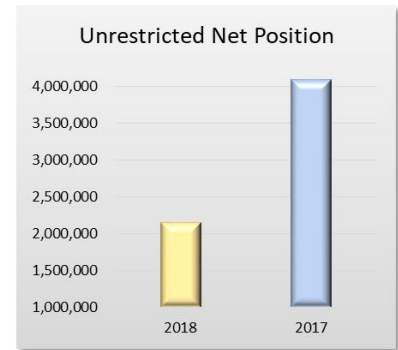
	2018	2017	% Change
<b>ASSETS</b>			
Current and other assets	\$ 46,601,787	\$ 46,420,288	0.4%
Capital assets, net	44,723,050	37,478,505	19.3%
Non-current assets	<u>57,987</u>	<u>17,358</u>	234.1%
Total assets	<u>91,382,824</u>	<u>83,916,151</u>	8.9%
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	<u>5,993,167</u>	<u>7,037,402</u>	-14.8%
<b>LIABILITIES</b>			
Current liabilities	4,751,440	4,615,341	2.9%
Long-term liabilities	<u>17,862,615</u>	<u>21,203,626</u>	-15.8%
Total liabilities	<u>22,614,055</u>	<u>25,818,967</u>	-12.4%
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	<u>3,473,397</u>	<u>1,651,115</u>	100.0%
<b>NET POSITION</b>			
Net investment in capital assets	36,466,186	28,291,174	28.9%
Restricted	32,668,398	31,103,563	5.0%
Unrestricted	<u>2,153,955</u>	<u>4,088,734</u>	-47.3%
Total net position	<u>\$ 71,288,539</u>	<u>\$ 63,483,471</u>	12.3%

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2018

County’s investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$32,668,398, or 45.8 percent, represents the restricted amount of the County’s net position. These assets are restricted because of various contracts and agreements with outside entities, or laws and regulations, which dictate how these resources may be used. The remaining balance of \$2,153,955, or 3.0 percent of net position, may be used to meet the general, ongoing financial obligations of the County.



**Governmental Activities**

As discussed previously, activities can commonly be divided into either governmental or business-type activities. However, none of the operations of the County meet the definition of business-type activities. Therefore, the entire increase in net position of \$7,805,068 from the prior year is attributable to governmental activities.

Property tax revenue, representing 31.9 percent of all revenue, is the County’s most significant revenue source. In 2018, property tax revenue increased over the prior year by \$850,660, or 4.9 percent, and totaled \$18,155,124. Sales tax revenue, also a significant source of revenue for the County, accounts for 27.8 percent of all revenue. In 2018, it grew by \$1,882,916, or 13.5 percent, and totaled \$15,859,150.

In total, revenues for the County increased \$7,862,942, or 16.0 percent, from the prior year. The primary reasons for the increase is due to increases in sales taxes, operating grants and contributions, and other general revenues.

Beginning October 2018, there was a 0.25% increase in the sales tax rate dedicated to road projects, for an increase of approximately \$1,150,000. The additional increase in other sales taxes of about \$733,000 was due to economic improvements in the County, which was from new development and higher consumer spending compared to activity in the prior year.

During 2018, operating grants and contributions increased over the prior year by about \$2,908,000, or 36.6 percent. This increase was due to grants awarded by NRCS and FEMA, totaling approximately \$2,700,000, for disaster recovery related projects. Also in 2018, other general revenues increased over the prior year by about \$1,533,000, or 210.2 percent. This increase was due to the sale of land for approximately \$1,200,000.

**CHANGES IN CACHE COUNTY'S NET POSITION**

GOVERNMENTAL ACTIVITIES

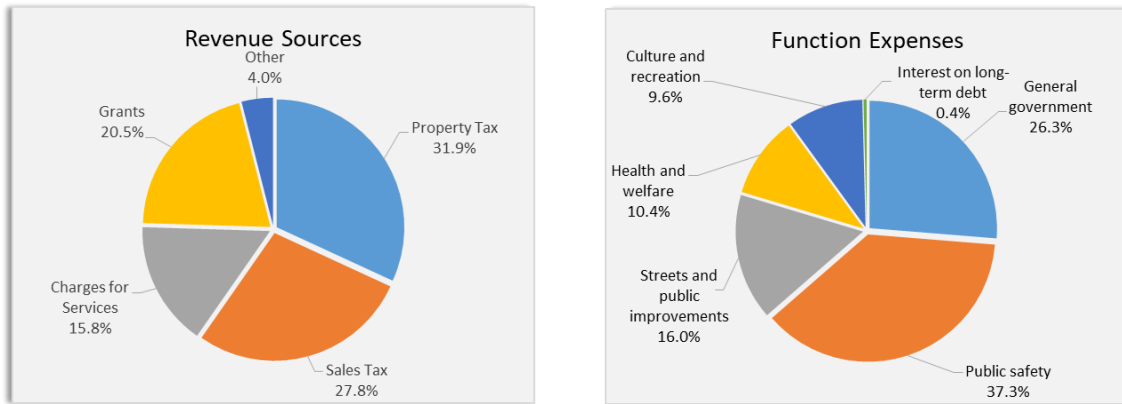
	2018	2017	% Change
<b>REVENUES</b>			
Program revenues			
Charges for services	\$ 8,994,435	\$ 8,246,784	9.1%
Operating grants and contributions	10,843,890	7,935,643	36.6%
Capital grants and contributions	869,848	930,020	-6.5%
General revenues			
Property taxes	18,155,124	17,304,464	4.9%
Sales taxes	15,859,150	13,976,234	13.5%
Other general revenues	<u>2,263,173</u>	<u>729,533</u>	<u>210.2%</u>
Total revenues	<u>56,985,620</u>	<u>49,122,678</u>	<u>16.0%</u>
<b>EXPENSES</b>			
General government	12,923,522	11,907,028	8.5%
Public safety	18,352,622	17,157,936	7.0%
Streets and public improvements	7,891,677	5,270,460	49.7%
Health and welfare	5,090,709	5,050,750	0.8%
Culture and recreation	4,720,502	4,828,461	-2.2%
Interest on long-term debt	<u>201,520</u>	<u>89,386</u>	<u>125.4%</u>
Total expenses	<u>49,180,552</u>	<u>44,304,021</u>	<u>11.0%</u>
Change in net position	7,805,068	4,818,657	62.0%
Net position - January 1, as restated	<u>63,483,471</u>	<u>58,664,814</u>	<u>8.2%</u>
Net position - December 31	<u>\$ 71,288,539</u>	<u>\$ 63,483,471</u>	<u>12.3%</u>

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2018

Taxes collected by the County create the largest portion of revenues for the County totaling \$34,014,274, or 59.7 percent of all revenues. Grants and contributions, totaling \$11,713,738 or 20.5 percent, also played a key role in financing the County’s operational and capital needs. Charges for services were also a significant portion of total revenues at \$8,994,435 or 15.8 percent.

Total expenses increased for the County by \$4,876,531, or 11.0 percent, from the prior year. The activity with the largest increase was streets and public improvements, experiencing an increase of \$2,621,217, or 49.7 percent. The primary reasons for the total increase in County expenses were related to increased road expenses over the prior year due to the NRCS and FEMA grants as discussed above, higher CCCOG fund activity of about \$1,700,000 over the prior year, and professional and technical expense increases of about \$735,000 due to the new contract for medical services administered in the jail.



Public safety services generate the most significant portion of the County’s expenses amounting to \$18,352,622, or 37.3 percent of total expenses. The most costly programs within the County’s public safety services are the Sheriff Patrol, the Support Services function, and the operation of the County jail, with program costs of \$4,183,852, \$2,968,796, and \$8,412,216, respectively. Combined, these three programs account for 31.6 percent of the County’s total expenses. The cost of these programs increased by 4.1 percent from the prior year.

The following table shows to what extent the County’s governmental activities relied on program-related revenues to cover program costs. In 2018, these revenues covered \$20,708,173, or 42.1 percent, of total expenses through charges for services, grants and contributions. Taxes and other general revenues covered the remaining 57.9 percent of the County’s expenses.

**CACHE COUNTY'S NET PROGRAM COSTS**  
GOVERNMENTAL ACTIVITIES

ACTIVITIES	Program Expenses	Less Program Revenues	Net Program Expenses		Program Revenues as a Percentage of Program Expenses	
	2018	2018	2018	2017	2018	2017
General government	\$ 12,923,522	\$ (4,109,391)	\$ 8,814,131	\$ 8,354,220	31.8%	29.8%
Public safety	18,352,622	(6,326,951)	12,025,671	11,001,606	34.5%	35.9%
Streets and public improvements	7,891,677	(6,200,104)	1,691,573	2,115,827	78.6%	59.9%
Health and welfare	5,090,709	(3,354,202)	1,736,507	1,432,714	65.9%	71.6%
Culture and recreation	4,720,502	(717,525)	4,002,977	4,197,821	15.2%	13.1%
Interest on long-term debt	201,520	-	201,520	89,386	0.0%	0.0%
<b>Total governmental activities</b>	<b>\$ 49,180,552</b>	<b>\$ (20,708,173)</b>	<b>\$ 28,472,379</b>	<b>\$ 27,191,574</b>	<b>42.1%</b>	<b>38.6%</b>

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital assets**

The investment in capital assets, net of accumulated depreciation, of the County for its governmental activities totaled \$44,723,050 at the end of the year. This investment in capital assets includes land, construction in process, buildings and improvements, equipment, and infrastructure. The total net amount increased over the prior year by \$7,244,545, or 19.3 percent. The most significant addition to capital assets was related to the completion of the event center of about \$5.8 million. Total capital purchases were approximately \$10.0 million. These increases were partially offset by current depreciation of approximately \$2.5 and disposals of approximately \$0.5 million.

**CACHE COUNTY'S CAPITAL ASSETS, NET**

GOVERNMENTAL ACTIVITIES

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Land	\$ 3,056,634	\$ 3,056,634	0.0%
Construction in process	428,659	1,641,215	-73.9%
Buildings and improvements	23,608,337	16,760,859	40.9%
Equipment	8,036,987	6,629,648	21.2%
Infrastructure	<u>9,592,433</u>	<u>9,390,149</u>	2.2%
Total capital assets, net	<u>\$ 44,723,050</u>	<u>\$ 37,478,505</u>	<u>19.3%</u>

**Long-term Debt**

Bonded debt outstanding at the end of the year, consisting of revenue bonds, had a balance of \$6,907,000 compared to \$8,027,000 at the prior year end. There are two bonds outstanding at the end of 2018. The 2016 series bonds, issued in the amount of \$5,779,000, were issued in 2016 and were issued in order to refinance debt related to the 2002 construction of the County Administration Building and were issued to obtain a better interest rate. The 2017 series bonds, issued in the amount of \$3,200,000, were issued in 2017 to help finance the new event center. Capital leases at the end of the year totaled \$1,349,864 compared to \$1,160,331 at the prior year end. There were two new leases entered into during the year and one was completed making a total of six leases outstanding at the end of the year. The first is for the purchase of patrol vehicles in 2016, the second is for the purchase of a computer storage system, the third is for the purchase of patrol vehicles in 2017, the fourth is for the purchase of road equipment in 2017, the fifth is for the purchase of patrol vehicles in 2018, and the sixth is for the purchase of road equipment in 2018. In addition to the revenue bonds and capital leases, the County's long-term obligations include an accrual for compensated absences in the amount of \$2,350,314. The adjoining table presents changes to long-term obligations relative to the prior year.

**CACHE COUNTY'S LONG-TERM DEBT**

GOVERNMENTAL ACTIVITIES

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Sales tax revenue bonds, net of premiums and refundings	\$ 6,907,000	\$ 8,027,000	-14.0%
Capital leases	1,349,864	1,160,331	16.3%
Compensated absences	<u>2,350,314</u>	<u>1,986,724</u>	<u>18.3%</u>
Total long-term debt	<u>\$ 10,607,178</u>	<u>\$ 11,174,055</u>	<u>-5.1%</u>

**FUND FINANCIAL ANALYSIS**

As noted earlier, a fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required by law to exist. The County uses fund accounting to ensure and demonstrate compliance with the Uniform Fiscal Procedures Act (Utah Code Title 17 Chapter 36). Other funds are established internally to maintain control over a particular activity, such as capital projects. During 2018, the County reactivated the Cache County Community Foundation fund (CCCF) and created the Cache County Council of Governments fund (CCCOG). In addition, the nature of the Roads Special Service District fund (RSSD) changed from a discretely presented component unit to a blended component unit. See note 2 to the financial statements.

**Governmental Funds**

The focus of the governmental funds of the County is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the financing requirements of the County. Unassigned fund

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2018

balance may serve as a useful measure of the County’s net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited, by external or internal authority, for any particular purpose.

As of December 31, 2018, the combined fund balance of the governmental funds of the County was \$40,207,696, a decrease of \$1,153,851, or 2.8 percent, in comparison with the prior year. Of that fund balance, \$7,901,696, or 19.7 percent, was unassigned and was available for appropriation by the County at its discretion. The remainder of the fund balance was either restricted or assigned and was available for spending subject to specific constraints, or it was in nonspendable form.

The general fund is the principal operating fund of the County. As of December 31, 2018, the unassigned fund balance of the general fund was \$7,901,696. This amount represents 30.4 percent of the total expenditures of the general fund, and is 64.0 percent of annual current property tax revenue.

**CACHE COUNTY'S FUND BALANCES**  
GOVERNMENTAL FUNDS

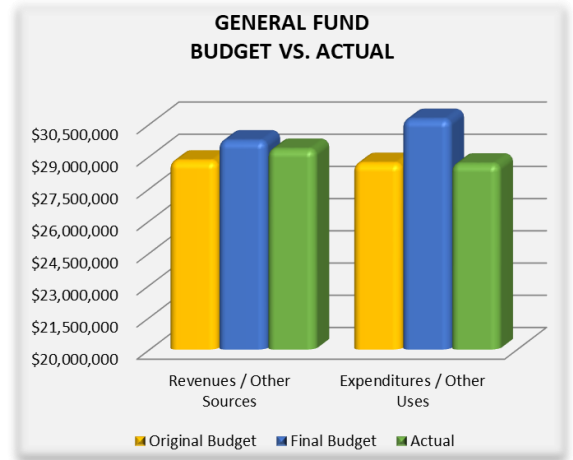
FUNDS	2018				Total	2017	% Change
	Nonspendable	Restricted	Assigned	Unassigned		Total	
General	\$ 451,509	\$ 162,900	\$ -	\$ 7,901,696	\$ 8,516,105	\$ 7,831,798	8.7%
Assessing and Collecting	5,657	5,224,353	-	-	5,230,010	5,174,770	1.1%
Municipal Services	142	4,369,370	-	-	4,369,512	3,623,802	20.6%
CCCOG	-	15,083,887	-	-	15,083,887	-	100.0%
Capital Projects	-	-	16,732	-	16,732	18,305,406	-99.9%
Other (Nonmajor)	3,874	6,633,337	354,239	-	6,991,450	6,425,771	8.8%
Total fund balances	\$ 461,182	\$ 31,473,847	\$ 370,971	\$ 7,901,696	\$ 40,207,696	\$ 41,361,547	-2.8%

**General Fund Budgetary Highlights**

The final adopted revenue budget of the general fund increased by \$555,600 over the original budget. The most significant increase in budgeted revenues resulted from a change in grant revenue related to election equipment. The increase for the grant was \$187,000, or 33.7 percent of the total revenue budget increase

Budgeted expenditures increased by \$1,676,900 over the original budget. Some of the most notable increases are as follows:

- The function with the largest increase to the budget was general government, increasing by \$730,500. Within this increase, there was approximately \$205,000 appropriated for payroll and benefits. Approximately \$240,000 was appropriated for additional election supplies and equipment purchases.
- Public safety also had significant increases to the budget with the majority of the increase going to vehicle purchases of approximately \$478,000.
- Equipment purchases at the County Fairgrounds accounted for another \$318,000 increase to the budget.



**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the County’s finances for all those with an interest in the government’s finances. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the County Executive’s office at 199 North Main, or the County Finance department at 179 North Main, Logan, Utah, 84321.

This page intentionally left blank.

## **BASIC FINANCIAL STATEMENTS**



## STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2018

	Primary Government		Component Units
	Governmental Activities	Total	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,728,188	\$ 4,728,188	\$ 7,207,942
Equity in investment pool	32,272,053	32,272,053	435,940
Taxes receivable	4,066,713	4,066,713	-
Accounts receivable, net	28,398	28,398	2,673,899
Interest receivable	21,100	21,100	-
Pledges receivable, net	-	-	92,853
Due from other governments	5,017,640	5,017,640	219,526
Investments	-	-	964,319
Inventory	-	-	187,698
Restricted cash and investments	6,514	6,514	-
Other assets, net	461,181	461,181	19,775
Capital assets:			
Land	3,056,634	3,056,634	2,062,690
Construction in process	428,659	428,659	-
Buildings, improvements and equipment	52,536,493	52,536,493	40,883,495
Infrastructure	17,837,373	17,837,373	-
Accumulated depreciation	(29,136,109)	(29,136,109)	(19,686,868)
Net pension asset	57,987	57,987	-
Total assets	<u>91,382,824</u>	<u>91,382,824</u>	<u>35,061,269</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	5,993,167	5,993,167	1,705,026
Total deferred outflows of resources	<u>5,993,167</u>	<u>5,993,167</u>	<u>1,705,026</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 3,273,777	\$ 3,273,777	\$ 888,280
Due to other governments	1,126,139	1,126,139	471,700
Unearned revenue	351,524	351,524	54,762
Long-term liabilities:			
Due within one year	3,079,162	3,079,162	304,000
Due in more than one year	7,528,016	7,528,016	456,000
Net pension liability	7,255,437	7,255,437	1,952,976
Total liabilities	<u>22,614,055</u>	<u>22,614,055</u>	<u>4,127,718</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	3,473,397	3,473,397	893,243
Total deferred inflows of resources	<u>3,473,397</u>	<u>3,473,397</u>	<u>893,243</u>
<b>NET POSITION</b>			
Net investment in capital assets	36,466,186	36,466,186	23,259,317
Restricted for:			
Air pollution control	364,494	364,494	-
Ambulance services	575,044	575,044	-
Election equipment	162,900	162,900	-
Health services	777,615	777,615	-
Municipal services	3,437,910	3,437,910	-
Parks and recreation	5,029,722	5,029,722	-
Property tax administration	5,224,353	5,224,353	-
Streets and public improvements	17,051,740	17,051,740	-
Debt service	6,514	6,514	-
Other purposes	38,106	38,106	443,727
Unrestricted	2,153,955	2,153,955	8,042,290
Total net position	<u>\$ 71,288,539</u>	<u>\$ 71,288,539</u>	<u>\$ 31,745,334</u>

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

CACHE COUNTY

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Total	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 12,923,522	\$ 2,428,032	\$ 1,494,138	\$ 187,221	\$ (8,814,131)	\$ (8,814,131)	\$ -
Public safety	18,352,622	4,859,656	1,467,295	-	(12,025,671)	(12,025,671)	-
Streets and public improvements	7,891,677	826,732	4,750,818	622,554	(1,691,573)	(1,691,573)	-
Health and welfare	5,090,709	396,251	2,957,951	-	(1,736,507)	(1,736,507)	-
Culture and recreation	4,720,502	483,764	173,688	60,073	(4,002,977)	(4,002,977)	-
Interest on long-term debt	201,520	-	-	-	(201,520)	(201,520)	-
Total governmental activities	<u>49,180,552</u>	<u>8,994,435</u>	<u>10,843,890</u>	<u>869,848</u>	<u>(28,472,379)</u>	<u>(28,472,379)</u>	<u>-</u>
Total primary government	<u>\$ 49,180,552</u>	<u>\$ 8,994,435</u>	<u>\$ 10,843,890</u>	<u>\$ 869,848</u>	<u>(28,472,379)</u>	<u>(28,472,379)</u>	<u>-</u>
<b>Component Units:</b>							
Airport Authority	\$ 1,103,315	\$ 144,302	\$ 160,000	\$ 207,219	-	-	(591,794)
North Park Interlocal Cooperative	1,143,680	554,442	603,171	-	-	-	13,933
Bear River Health Department	12,181,775	3,073,478	7,465,152	-	-	-	(1,643,145)
CCEMS Authority	4,118,459	4,352,761	411,642	-	-	-	645,944
Total component units	<u>\$ 18,547,229</u>	<u>\$ 8,124,983</u>	<u>\$ 8,639,965</u>	<u>\$ 207,219</u>	<u>-</u>	<u>-</u>	<u>(1,575,062)</u>
General revenues:							
Property taxes					18,155,124	18,155,124	-
Sales and use taxes					15,859,150	15,859,150	-
Interest and investment income					619,087	619,087	258,298
Gain (loss) on sale of assets					54,719	54,719	60,254
Miscellaneous income					1,589,367	1,589,367	1,654,331
Total general revenues					<u>36,277,447</u>	<u>36,277,447</u>	<u>1,972,883</u>
Changes in net position					7,805,068	7,805,068	397,821
Net position - January 1, as restated					<u>63,483,471</u>	<u>63,483,471</u>	<u>31,347,513</u>
Net position - December 31					<u>\$ 71,288,539</u>	<u>\$ 71,288,539</u>	<u>\$ 31,745,334</u>

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

GOVERNMENTAL FUNDS  
BALANCE SHEET

	Special Revenue					Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	General	Assessing and Collecting	Municipal Services	Mental Health	CCCOG			
<b>ASSETS</b>								
Cash and cash equivalents	\$ 3,418,238	\$ 797,553	\$ 9,886	\$ -	\$ -	\$ -	\$ 502,511	\$ 4,728,188
Equity in investment pool	4,367,118	4,440,043	2,420,652	172,788	14,313,082	30,956	6,527,414	32,272,053
Interfund receivable - investment pool	-	-	53,188	-	-	-	-	53,188
Taxes receivable	1,522,283	119,000	934,457	-	770,805	-	720,168	4,066,713
Accounts receivable	20,812	181	7,405	-	-	-	-	28,398
Interest receivable	21,100	-	-	-	-	-	-	21,100
Due from other governments	786,383	9,817	3,083,720	953,351	-	-	184,369	5,017,640
Restricted cash and investments	-	-	-	-	-	-	6,514	6,514
Other assets	451,508	5,657	142	-	-	-	3,874	461,181
Total assets	<u>\$ 10,587,442</u>	<u>\$ 5,372,251</u>	<u>\$ 6,509,450</u>	<u>\$ 1,126,139</u>	<u>\$15,083,887</u>	<u>\$ 30,956</u>	<u>\$ 7,944,850</u>	<u>\$ 46,654,975</u>
<b>LIABILITIES</b>								
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,188	\$ 53,188
Accounts payable and accrued liabilities	1,374,913	61,441	945,387	-	-	14,224	877,812	3,273,777
Due to other governments	-	-	-	1,126,139	-	-	-	1,126,139
Unearned revenues	351,524	-	-	-	-	-	-	351,524
Total liabilities	<u>1,726,437</u>	<u>61,441</u>	<u>945,387</u>	<u>1,126,139</u>	<u>-</u>	<u>14,224</u>	<u>931,000</u>	<u>4,804,628</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Delinquent property taxes	\$ 344,900	\$ 80,800	\$ -	\$ -	\$ -	\$ -	\$ 22,400	\$ 448,100
Proceeds from grant awards	-	-	1,194,551	-	-	-	-	1,194,551
Total deferred inflows of resources	<u>344,900</u>	<u>80,800</u>	<u>1,194,551</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,400</u>	<u>1,642,651</u>
<b>FUND BALANCES</b>								
Nonspendable	451,509	5,657	142	-	-	-	3,874	461,182
Restricted for:								
Air pollution control	-	-	-	-	-	-	364,494	364,494
Ambulance services	-	-	-	-	-	-	575,044	575,044
Election equipment	162,900	-	-	-	-	-	-	162,900
Health services	-	-	-	-	-	-	777,615	777,615
Municipal services	-	-	3,437,910	-	-	-	-	3,437,910
Parks and recreation	-	-	261,612	-	-	-	4,768,110	5,029,722
Property tax administration	-	5,224,353	-	-	-	-	-	5,224,353
Streets and public improvements	-	-	669,848	-	15,083,887	-	103,454	15,857,189
Debt service	-	-	-	-	-	-	6,514	6,514
Other purposes	-	-	-	-	-	-	38,106	38,106
Assigned to:								
Capital projects	-	-	-	-	-	16,732	-	16,732
Debt service	-	-	-	-	-	-	61,171	61,171
Health and welfare	-	-	-	-	-	-	293,068	293,068
Unassigned	7,901,696	-	-	-	-	-	-	7,901,696
Total fund balances	<u>8,516,105</u>	<u>5,230,010</u>	<u>4,369,512</u>	<u>-</u>	<u>15,083,887</u>	<u>16,732</u>	<u>6,991,450</u>	<u>40,207,696</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,587,442</u>	<u>\$ 5,372,251</u>	<u>\$ 6,509,450</u>	<u>\$ 1,126,139</u>	<u>\$15,083,887</u>	<u>\$ 30,956</u>	<u>\$ 7,944,850</u>	<u>\$ 46,654,975</u>

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

**RECONCILIATION OF THE BALANCE SHEET  
OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION**

**CACHE COUNTY**

**AS OF DECEMBER 31, 2018**

**Total Fund Balance - Governmental Funds** \$ 40,207,696

Amounts reported for governmental activities in the Statement of Net Position are different for the following reasons:

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

Land	3,056,634	
Construction in process	428,659	
Buildings, improvements and equipment	52,536,493	
Infrastructure	17,837,373	
Accumulated depreciation	<u>(29,136,109)</u>	
		44,723,050

Because the focus of governmental funds is on short-term financing, some revenues will not be available to pay for current-period expenditures and are therefore recorded as deferred inflows of resources in the funds.

Delinquent property taxes		448,100
Proceeds from grant awards		1,194,551

Long-term liabilities and related transactions are not due and payable in the current period and are therefore not reported in the funds.

Bonds payable	(6,907,000)	
Capital leases	(1,349,864)	
Compensated absences	<u>(2,350,314)</u>	
		(10,607,178)

The net pension asset, net pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions are not reported in the funds.

Net pension asset	57,987	
Deferred outflow of resources - pensions	5,993,167	
Net pension liability	(7,255,437)	
Deferred inflow of resources - pensions	<u>(3,473,397)</u>	
		<u>(4,677,680)</u>

**Net Position - Governmental Activities** \$ 71,288,539

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

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE**

CACHE COUNTY

YEAR ENDED DECEMBER 31, 2018

	<u>Special Revenue</u>					Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	General	Assessing and Collecting	Municipal Services	Mental Health	CCCOG			
<b>REVENUES</b>								
Taxes:								
Property	\$ 13,956,636	\$ 3,241,271	\$ -	\$ -	\$ -	\$ -	\$ 952,517	\$ 18,150,424
Sales and use	5,588,996	-	2,040,938	-	4,152,486	-	4,076,730	15,859,150
	<u>19,545,632</u>	<u>3,241,271</u>	<u>2,040,938</u>	<u>-</u>	<u>4,152,486</u>	<u>-</u>	<u>5,029,247</u>	<u>34,009,574</u>
Other revenues:								
Intergovernmental	826,108	-	4,224,237	2,619,988	-	-	2,079,794	9,750,127
Charges for services	5,719,958	548,057	1,182,083	-	-	-	430,361	7,880,459
Licenses and permits	43,140	-	973,251	-	-	-	-	1,016,391
Fines and forfeitures	97,585	-	-	-	-	-	-	97,585
Interest and investment income	601,692	406	-	-	-	8,436	8,553	619,087
Rental income	151,723	-	-	-	-	-	-	151,723
Public contributions	74,995	-	-	-	-	-	71,511	146,506
Miscellaneous revenues	<u>173,142</u>	<u>1,750</u>	<u>23,074</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,678</u>	<u>217,644</u>
Total revenues	<u>27,233,975</u>	<u>3,791,484</u>	<u>8,443,583</u>	<u>2,619,988</u>	<u>4,152,486</u>	<u>8,436</u>	<u>7,639,144</u>	<u>53,889,096</u>
<b>EXPENDITURES</b>								
General government	7,803,845	3,736,244	1,114,653	-	-	-	291,599	12,946,341
Public safety	16,514,207	-	619,364	-	-	-	1,256,730	18,390,301
Streets and public improvements	-	-	6,148,645	-	2,127,758	-	-	8,276,403
Health and welfare	385,517	-	-	2,619,988	-	-	2,080,179	5,085,684
Culture and recreation	1,289,355	-	655,150	-	-	5,796,146	2,941,868	10,682,519
Debt service principal	-	-	-	-	-	-	1,637,019	1,637,019
Debt service interest	-	-	-	-	-	-	201,520	201,520
Total expenditures	<u>25,992,924</u>	<u>3,736,244</u>	<u>8,537,812</u>	<u>2,619,988</u>	<u>2,127,758</u>	<u>5,796,146</u>	<u>8,408,915</u>	<u>57,219,787</u>
Revenues over (under) expenditures	1,241,051	55,240	(94,229)	-	2,024,728	(5,787,710)	(769,771)	(3,330,691)
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of capital assets	191,694	-	58,593	-	-	-	-	250,287
Proceeds from sale of assets	1,220,000	-	-	-	-	-	-	1,220,000
Capital leases	489,415	-	217,138	-	-	-	-	706,553
Transfers in	204,747	-	640,708	-	13,260,964	760,000	2,105,612	16,972,031
Transfers out	<u>(2,662,600)</u>	<u>-</u>	<u>(76,500)</u>	<u>-</u>	<u>(201,805)</u>	<u>(13,260,964)</u>	<u>(770,162)</u>	<u>(16,972,031)</u>
Total other financing sources (uses)	<u>(556,744)</u>	<u>-</u>	<u>839,939</u>	<u>-</u>	<u>13,059,159</u>	<u>(12,500,964)</u>	<u>1,335,450</u>	<u>2,176,840</u>
Net change in fund balances	684,307	55,240	745,710	-	15,083,887	(18,288,674)	565,679	(1,153,851)
Fund balances - January 1, as restated	<u>7,831,798</u>	<u>5,174,770</u>	<u>3,623,802</u>	<u>-</u>	<u>-</u>	<u>18,305,406</u>	<u>6,425,771</u>	<u>41,361,547</u>
Fund balances - December 31	<u>\$ 8,516,105</u>	<u>\$ 5,230,010</u>	<u>\$ 4,369,512</u>	<u>\$ -</u>	<u>\$15,083,887</u>	<u>\$ 16,732</u>	<u>\$ 6,991,450</u>	<u>\$ 40,207,696</u>

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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS**

CACHE COUNTY

TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

**Net Changes in Fund Balances - Total Governmental Funds** \$ (1,153,851)

Amounts reported for governmental activities in the Statement of Activities are different for the following reasons:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In addition, donated capital assets are not recognized in governmental funds, but are recognized as revenue on the statement of activities. In the current year, these amounts were as follows:

Donated capital assets	622,554	
Capital outlay	9,330,750	
Depreciation expense	<u>(2,513,190)</u>	
		7,440,114

In the Statement of Activities, only the gain or loss on the sale of assets is reported, whereas in governmental funds, the proceeds from the sales increase financial resources. Assets differ from changes in fund balance by the book value of assets. (195,569)

The issuance of long-term debt, such as capital leases, provides current financial resources to governmental funds and is reported as a financing source. However, long-term debt has no effect on Net Position. Long-term debt was issued in the current year for the following

Capital lease	<u>(706,553)</u>	
		(706,553)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts were as follows:

Payments of bond principal	1,120,000	
Payments of capital lease principal	<u>517,020</u>	
		1,637,020

Revenues in the Statement of Activities that do not provide current financial resources are recorded as deferred inflows of resources and not reported as revenues in governmental funds. Changes in the amount deferred can result in an increase or decrease in revenues compared to the amount reported in the Statement of Activities. 1,199,251

Some transactions reported in the Statement of Activities do not result in the receipt of, or require the use of current financial resources, and therefore are not reported as revenues or expenditures in governmental funds. The activities consist of the following:

Increase in compensated absences liability		(363,590)
--	--	-----------

The net effect of transactions involving net pension asset and liability, deferred outflows and inflows of resources related to pensions, nonemployer contributions, and pension expense and benefit is to decrease net position.

Change in net pension asset	40,629	
Change in deferred outflow of resources related to pensions	(1,044,235)	
Change in net pension liability	2,774,134	
Change in deferred inflow of resources related to pensions	<u>(1,822,282)</u>	
		<u>(51,754)</u>

**Change in Net Position of Governmental Activities** \$ 7,805,068

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

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 20,749,343
Equity in investment pool	110,012
Taxes receivable	<u>1,150,116</u>
Total assets	<u>\$ 22,009,471</u>
<b>LIABILITIES</b>	
Due to other taxing units	\$ 21,755,824
Due to employees	10,837
Refunds payable	132,798
Other payables	<u>110,012</u>
Total liabilities	<u>\$ 22,009,471</u>

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

	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS Authority</u>	<u>Total</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 395,737	\$ 4,024,966	\$ 2,787,239	\$ 7,207,942
Equity in investment pool	435,940	-	-	-	435,940
Accounts receivable, net	15,633	6,439	1,490,166	1,161,661	2,673,899
Pledges receivable, net	-	92,853	-	-	92,853
Due from other governments	214,843	-	-	4,683	219,526
Investments	-	964,319	-	-	964,319
Inventory	-	4,353	183,345	-	187,698
Other assets	-	19,775	-	-	19,775
Capital assets:					
Land	1,289,262	-	773,428	-	2,062,690
Buildings, improvements and equipment	20,054,486	4,981,925	13,138,159	2,708,925	40,883,495
Accumulated depreciation	<u>(9,837,890)</u>	<u>(2,162,416)</u>	<u>(6,058,298)</u>	<u>(1,628,264)</u>	<u>(19,686,868)</u>
Total assets	<u>12,172,274</u>	<u>4,302,985</u>	<u>13,551,766</u>	<u>5,034,244</u>	<u>35,061,269</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pensions	<u>23,514</u>	<u>-</u>	<u>1,681,512</u>	<u>-</u>	<u>1,705,026</u>
Total deferred outflows of resources	<u>23,514</u>	<u>-</u>	<u>1,681,512</u>	<u>-</u>	<u>1,705,026</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	138,220	44,682	639,925	65,453	888,280
Due to other governments	-	-	-	471,700	471,700
Unearned revenue	54,762	-	-	-	54,762
Noncurrent liabilities:					
Due within one year	-	-	304,000	-	304,000
Due in more than one year	-	-	456,000	-	456,000
Net pension liability	<u>28,761</u>	<u>-</u>	<u>1,924,215</u>	<u>-</u>	<u>1,952,976</u>
Total liabilities	<u>221,743</u>	<u>44,682</u>	<u>3,324,140</u>	<u>537,153</u>	<u>4,127,718</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pensions	<u>12,499</u>	<u>-</u>	<u>880,744</u>	<u>-</u>	<u>893,243</u>
Total deferred inflows of resources	<u>12,499</u>	<u>-</u>	<u>880,744</u>	<u>-</u>	<u>893,243</u>
<b>NET POSITION</b>					
Net investment in capital assets	11,505,858	2,819,509	7,853,289	1,080,661	23,259,317
Restricted for:					
Other purposes	-	443,727	-	-	443,727
Unrestricted	<u>455,688</u>	<u>995,067</u>	<u>3,175,105</u>	<u>3,416,430</u>	<u>8,042,290</u>
Total net position	<u>\$ 11,961,546</u>	<u>\$ 4,258,303</u>	<u>\$ 11,028,394</u>	<u>\$ 4,497,091</u>	<u>\$ 31,745,334</u>

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



	<u>Airport Authority</u>	<u>North Park Interlocal Cooperative</u>	<u>Bear River Health Department</u>	<u>CCEMS Authority</u>	<u>Total</u>
<b>Expenses</b>	\$ 1,103,315	\$ 1,143,680	\$ 12,181,775	\$ 4,118,459	\$ 18,547,229
<b>Program revenues</b>					
Charges for services	144,302	554,442	3,073,478	4,352,761	8,124,983
Operating grants and contributions	160,000	603,171	7,465,152	411,642	8,639,965
Capital grants and contributions	207,219	-	-	-	207,219
Total program revenues	<u>511,521</u>	<u>1,157,613</u>	<u>10,538,630</u>	<u>4,764,403</u>	<u>16,972,167</u>
Net revenues (expenses)	<u>(591,794)</u>	<u>13,933</u>	<u>(1,643,145)</u>	<u>645,944</u>	<u>(1,575,062)</u>
<b>General revenues</b>					
Insurance recoveries	-	-	89,495	-	89,495
Interest income	6,295	47,730	144,594	59,679	258,298
Gain (loss) on sale of assets	15,583	-	(36,630)	81,301	60,254
Miscellaneous income	-	-	1,564,836	-	1,564,836
Total general revenues	<u>21,878</u>	<u>47,730</u>	<u>1,762,295</u>	<u>140,980</u>	<u>1,972,883</u>
Change in net position	(569,916)	61,663	119,150	786,924	397,821
Net position - beginning, as restated	<u>12,531,462</u>	<u>4,196,640</u>	<u>10,909,244</u>	<u>3,710,167</u>	<u>31,347,513</u>
Net position - ending	<u>\$ 11,961,546</u>	<u>\$ 4,258,303</u>	<u>\$ 11,028,394</u>	<u>\$ 4,497,091</u>	<u>\$ 31,745,334</u>

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

**NOTES TO THE  
FINANCIAL STATEMENT**

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Financial Reporting Entity**

Cache County operates under a County Council/County Executive form of government. A brief description of this form of government follows:

1. The powers and duties of the government are divided between an elected seven-member County Council and an elected County Executive.
2. The County Council exercises legislative and policy making powers and is composed of seven members elected for four-year terms from different geographical districts in the County on a population basis.
3. The County Executive exercises administrative powers and fiscal control of the County and may exercise a veto upon legislative actions of the County Council which in turn may be overridden by the affirmative vote of five council members. The Executive is elected to a four-year term in a County-wide election.

As required by GAAP, these financial statements present Cache County, the primary government, and its component units. In evaluating how to define the government for financial reporting purposes, management has considered all potential component units.

As defined by GASB, component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A component unit may be a government organization, a nonprofit corporation, or a for-profit corporation.

Based on the foregoing definition and additional guidance from GASB, the financial statements of the following organizations are included in the reporting entity either as blended component units, reported within the funds of the County, or as discretely presented component units, reported outside the funds of the County in a separate column.

*Blended Component Units*

*Cache County Municipal Building Authority (MBA)* – The MBA is a nonprofit corporation established to administer the sale of bonds and related construction projects of the County. The Governing Board of the MBA is comprised of the County Council. Currently, the MBA is inactive.

*Cache County Special Service District #1 (SSD)* – SSD is organized under Utah law as a separate public corporation to provide garbage collection services to the citizens of the County. The County Council has appointed itself as the Board of Trustees for the District. SSD collects fees from citizens in the unincorporated areas of the County and has contracted with the City of Logan to provide garbage collection services for citizens of the County. It pays any uncollected fees to Logan City. SSD's operations are immaterial and therefore are accounted for in the Municipal Services Fund, a special revenue fund which is reported as a major governmental fund in the financial statements.

*Cache County Fire Protection District (FPD)* – FPD is organized as a separate public corporation under Utah law to provide fire protection to the citizens residing in the County. The County Council appoints the Board of Directors for FPD and has appointed two council members and the County Executive to the board. Distributions are made to local governments to provide fire protection services in their communities. The County also purchases and provides firefighting equipment for FPD. The revenues and expenses of FPD are immaterial and are reported in the Municipal Services Fund.

*Cache County Community Foundation (CCCF)* – The Community Foundation is a nonprofit corporation established to receive contributions to benefit certain community projects. The officers of the Community Foundation are members of the County Council, the County Finance Director, and the County Executive. The Community Foundation is reported as a nonmajor governmental fund.

*Cache County Roads Special Service District (RSSD)* – RSSD has been organized as a separate corporate body under Utah law. Directors of the board are appointed by the

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

County Council. In 2018 the Board only consisted of County employees and so is completely controlled by the County; therefore, it is presented as a blended component unit, instead of a discretely presented component unit as in prior years. The RSSD receives mineral lease revenues from the State of Utah which are dedicated for the improvement of roads within the district. The RSSD is reported as a nonmajor governmental fund.

#### *Discretely Presented Component Units*

*Logan-Cache Airport Authority* – The Airport Authority has been organized as a separate corporate body under Utah law to facilitate the construction and operation of a public airport. The Board of Directors is appointed equally by the County Council and the Municipal Council of the City of Logan. The Airport Authority does not issue separate financial statements.

*North Park Interlocal Cooperative (NPIC)* – NPIC was organized to facilitate the construction and operation of a recreational ice arena facility and to finance the costs. The cooperative members are Cache County, the City of Logan, the City of North Logan, and the City of Hyde Park. NPIC is a separate legal entity created in accordance with Utah Law. Cache County appoints 3 board members and each city appoints 2 board members. NPIC could be included in the financial statements of another member; however, the County has elected to include NPIC as a component unit. NPIC does not issue separate financial statements.

NPIC includes the financial statements of Bridgerland Community Ice Arena, Inc. (BCIA), which operates as a nonprofit organization for the purpose of raising money for the construction, maintenance, and operation of the ice arena owned by NPIC. NPIC evaluated BCIA in accordance with GASB statement 39 and determined that BCIA is a component unit of NPIC. BCIA's primary sources of funding are user fees and donations, including an allocation of Restaurant Tax from the County. BCIA's fiscal year ends June 30, of each year. BCIA issues separate financial statements, which can be obtained at 2825 North 200 East, North Logan, Utah, 84341.

*Bear River Health Department (BRHD)* – BRHD was organized to provide public health services, as allowed by state law, to residents of Cache County, Box Elder County, and Rich County. BRHD is a separate legal entity created in accordance with Utah law and it issues separate financial statements which can be obtained at 655 East 1300 North, Logan, Utah, 84341.

*Cache County Emergency Medical Service Authority (CCEMS)* – CCEMS is a jointly governed program by contractual agreement of the Office of the Cache County EMS Coordinator and the ambulance program of the City of Logan Fire Department. CCEMS operates under a 7-member governing board with the following composition: 2 members of the City of Logan Municipal Council, 2 members of the Cache County Council, 1 member appointed by the City of Logan Municipal Council, the Cache County Executive, 1 member appointed by the other 6 members with a minimum of 4 votes approving the appointment. CCEMS provides ambulance services to Cache County residents. CCEMS issues separate financial statements which can be obtained at 179 North Main, Suite 202, Logan, Utah, 84321.

The Logan-Cache Airport Authority, NPIC, and CCEMS have their books and records maintained by the County.

#### *Interlocal Agreement*

Cache County has fiduciary responsibilities for the following interlocal agreement and the activities are accounted for as nonmajor governmental funds.

*Cache Valley Visitors Bureau* – The Visitors Bureau is operated under an agreement between Cache County and Rich County to promote tourism to the common region.

## **B. Government-wide and Fund Financial Statements**

### *Government-wide Financial Statements*

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. Primary government activities are distinguished between *governmental activities* and *business-type activities*. However, there are currently no County activities that meet the definition of business-type activities.

Governmental activities are usually financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The Statement of Net Position presents the reporting entities' non-fiduciary assets and liabilities, with the difference reported as net position. Net position is restricted when constraints placed upon it are either externally imposed or are imposed by constitutional provisions or enabling legislation.

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

The Statement of Activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

#### *Fund Financial Statements*

The County's accounting system is organized on a fund basis. A fund is a fiscal and accounting entity with a self-balancing set of accounts that the government establishes for accountability purposes in accordance with statutes, laws, regulations, restrictions or specific purposes.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. For governmental funds, the emphasis is on major individual funds with each displayed as a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

### **C. Measurement Focus, Basis of Accounting, and Statement Presentation**

#### *Government-wide Financial Statements*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the component unit financial statements and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when incurred, regardless of the timing of related cash flows. Property tax revenues are recognized 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 providers have been met.

#### *Governmental Fund Financial Statements*

Governmental funds are reported using the *current resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible in 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. Property taxes, franchise taxes, licenses, fees-in-lieu of taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Property taxes and fees-in-lieu of taxes associated with future periods are deferred. Grants are usually reimbursable grants and are thus recognized as revenue at the time the related expenditures are made. All other revenue items are considered to be measurable and available only when the County receives cash. Expenditures are generally recorded when a liability is incurred as under accrual accounting. However, debt service and compensated absences expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the policy of the County to use restricted resources first, then unrestricted resources as they are needed.

#### *Major Funds*

The County reports the following major governmental funds:

*The General Fund* is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

*The Assessing and Collecting Fund* is a special revenue fund used to report expenditures related to the assessing and collecting of property taxes which are funded through a special tax at the state and local level.

*The Municipal Services Fund* is a special revenue fund used to report the municipal-type services provided by the County to residents living in unincorporated areas of the County.

*The Mental Health Fund* is a special revenue fund used to report the expenditures of state provided funding for mental health services in the Mental Health Authority jurisdiction, comprising Cache, Box Elder, and Rich counties.

*The CCOG Fund* is a special revenue fund used to report expenditures related to road projects awarded throughout the County. Funding is provided by a special sales tax restricted to road projects.

*The Capital Projects Fund* is used to account for financial resources that are restricted, committed, or assigned for

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

the acquisition or construction of major capital facilities or other capital assets.

#### *Nonmajor Funds*

The County's nonmajor governmental funds include other special revenue funds and a debt service fund. The nonmajor special revenue funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes. Examples of restricted, committed, or assigned revenue sources include certain taxes, federal and state grants, and user fees. The debt service fund accounts for resources used for the payment of principal and interest on long-term debt.

#### *Fiduciary Fund Financial Statements*

The fiduciary funds account for assets held by the County in a trustee capacity or as an agent for other individuals or organizations. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The following fiduciary funds are reported:

*Agency Funds* – Agency funds are used to account for assets held by the County as an agent for other governmental units, other organizations, or individuals. These assets include tax collections, refundable fees, and employee withholdings.

#### *Component Unit Financial Statements*

The combining component unit financial statements are presented in order to provide information on each of the major component units included in the component units column of the government-wide financial statements. The component unit financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The information is presented in order to be consistent with the government-wide financial statements. The fiscal years of the component units are the same as the primary government, except for BCIA, a component unit of NPIC, which has a fiscal year ending June 30.

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

#### *Cash & Cash Equivalents and Investments*

Cash and cash equivalents represent petty cash or demand deposits or other liquid investments that are kept

in accounts separate from the investment pool of the County.

The County considers all investments with an original maturity of 3 months or less to be cash equivalents. The County follows the requirements of the Utah Money Management Act (Utah Code Annotated 1953, Section 541, Chapter 7) in handling its depository and temporary investment transactions. This law requires the depositing of County funds in a "qualified depository." The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

#### *Equity in Investment Pool*

Cash and investments in all funds except the Treasurer's Tax Agency Fund, certain restricted bond funds, and certain discretely presented component units, is pooled into common accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the investment pool cash accounts has equity therein. An individual fund's equity in the investment pool is available upon demand and is considered to be a cash equivalent when preparing these financial statements. Negative balances incurred in the investment pool at the end of the year are treated as temporary interfund payables of the deficit fund and as temporary interfund receivables in other funds with positive equity. Investments of the pool are stated at fair value.

#### *Receivables*

All trade and property tax receivables are shown net of any allowance for uncollectable amounts. Property taxes are due by November 30 of each year, after which the applicable property is subject to lien and penalties and interest are assessed. At December 31, 2018, all receivables of the County were considered to be fully collectible and no allowance was established. BRHD has estimated that \$217,198 of its accounts receivable were uncollectable. The uncollectable receivables result primarily from services for substance abuse counseling and treatment. The CCEMS Authority has estimated that \$549,000 of its accounts receivable were uncollectable.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

These uncollectable receivables result from ambulance services.

*Property Taxes*

Property taxes attach as an enforceable lien on property on January 31 of each year. Taxes are levied on property owners in July and are payable by November 30. The County bills and collects property taxes for all taxing entities within the County through the Treasurer’s Tax Fund (Agency Fund). Collections are periodically distributed to the taxing entities, with final settlement due March 31 of the subsequent year. At the fund level, the County records a receivable and deferred inflow of resources for delinquent taxes, but no allowance for doubtful accounts is made as uncollected taxes are deemed to be substantially collectible or recoverable through foreclosure.

*Inventory*

Inventory is valued at the lower of cost or market, using the first-in, first-out method. Inventory in the BRHD consists of immunization serum and is valued based on information provided by the donor agency (the State of Utah) or the cost to purchase the serum.

*Restricted Assets*

Resources set aside for the repayment of the County’s long-term liabilities are classified as restricted assets on the balance sheet when their use is limited by applicable covenants.

*Capital Assets*

Capital assets which include land, construction in process, buildings, equipment and infrastructure such as roads, bridges, and similar items, are reported in the governmental column or in the component units column of the government-wide Statement of Net Position. Capital assets are defined by the County as assets that cost \$5,000 or more when acquired and have an estimated useful life of greater than one year. Purchased or constructed capital assets are recorded at historical cost. Donated assets are recorded at the estimated fair value on the date of donation.

Capital assets purchased by governmental funds are recorded as expenditures in the fund financial statements. Associated interest expense is not capitalized.

Buildings, equipment and other depreciable assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings and other improvements	15 – 40 years
Machinery and equipment	3 – 15 years
Infrastructure	30 – 100 years

*Deferred outflows/inflows of resources*

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County has one item which qualifies for reporting in this category related to pensions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items, which qualify for reporting in this category. Delinquent property taxes and proceeds from grant awards, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The other item is related to pensions.

*Pension Related Assets, Liabilities and Deferred Outflows/Inflows of Resources*

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

*Compensated Absences*

In the government-wide financial statements, accumulated leave is recorded as a liability and an expense when vested with the employee. In the governmental fund financial statements, vested or accumulated leave that is expected to be liquidated with expendable available financial resources is reported as an

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

expenditure and a liability of the governmental fund that will pay it.

#### *Long-term Liabilities*

In the government-wide Statement of Net Position, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premiums or discounts.

In the fund financial statements governmental funds recognize bond premiums and discounts incurred 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.

#### *Interfund Transactions*

In the government-wide financial statements, interfund transactions have been eliminated to minimize the double counting of internal activity. Interfund receivables and payables have also been eliminated from the government-wide Statement of Net Position.

In the governmental fund financial statements, transfers between funds are used to report flows of cash or other assets between funds without equivalent flows of assets in return or a requirement for repayment. The County's transfers are based on appropriations. Interfund receivables and payables are presented in the appropriate funds and are presented as "due from other funds" or "due to other funds."

#### *Fund Balance Classification*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

*Nonspendable* – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.

*Restricted* – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or

regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

*Committed* – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the County Council. These amounts cannot be used for any other purpose unless the County Council removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

*Assigned* – This classification includes amounts that are constrained by the County's intent to be used for a specific purpose, but are neither restricted nor committed. This intent can be expressed by the County Council; no other body or official has this authority delegated to them. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.

*Unassigned* – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by the offsetting of assigned fund balance amounts.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

#### **E. Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

#### **NOTE 2 – CHANGE IN FUNDS**

During 2018, the County created the CCCOG Fund, which activities in the past have been included with the Capital Project Fund. The CCCOG fund is a special revenue fund, with revenues received from a dedicated sales tax. These



funds may be used for County road projects and for road projects of other municipalities in the County. A transfer was made in the current year to move all prior year monies related to this tax to the new fund.

Also, in 2018 the RSSD Fund was reclassified from a discretely presented component unit to a blended component unit. This was due to the change in appointments of Board members to be exclusively County employees. This change has caused the County to restate the beginning fund and net position balances for the County financial statements. The beginning fund balance for the combining statement of revenues, expenditures, and changes in fund balance for non-major funds has been changed from \$6,413,466 to \$6,425,771. The beginning net position for the combining statement of activities for component units has changed from \$31,359,818 to \$31,347,513.

Lastly, in 2018 the CCCF fund has been reactivated to receive donations.

### NOTE 3 – DEPOSITS AND INVESTMENTS

#### A. Deposits

##### *Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned. The County does not have a formal policy relating to custodial credit risk. As of December 31, 2018, \$19,611,170 of the County's bank balances of \$20,111,170 was uninsured and uncollateralized.

#### B. Investments

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

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

requirements of the Act and adhering to the rules of the Utah Money Management Council.

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

Statutes authorize the County to invest in negotiable and non-negotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as "first tier" by two nationally recognized statistical rating organizations; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated "A" or higher, or the equivalent of "A" or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurers' Investment Fund.

The Utah State Treasurer's Office operates the Public Treasurer's Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Money Management Act. The Act established the Money Management Council, which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on an amortized cost basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant's average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

*Fair value of Investments*

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At December 31, 2018, the County had the following recurring fair value measurements:

Investments by fair value level	Fair Value Measurements Using			
	12/31/2018	Level 1	Level 2	Level 3
Debt Securities				
Corporate Bonds - Govt Funds	2,042,125	2,042,125	-	-
U.S. Agencies - Govt Funds	3,176,967	3,176,967	-	-
Total debt securities	5,219,092	5,219,092	-	-
<b>Total investments</b>	<b>\$ 5,219,092</b>	<b>\$ 5,219,092</b>	<b>\$ -</b>	<b>\$ -</b>

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County's policy for managing its exposure to fair value loss is to comply with the Money Management Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers acceptances, fixed rate

negotiable deposits and fixed rate corporate obligations to 270 day - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to 5 years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding 3 years.

The County's investments as of December 31, 2018 are presented as follows:

Investment Type	Fair Value	Investment Maturities (in years)			
		Under 1	1 to 5	6 to 10	Over 10
PTIF Investments - Govt Funds	\$ 14,814,690	\$ 14,814,690	\$ -	\$ -	\$ -
Corporate Bonds - Govt Funds	2,042,125	900,020	1,142,105	-	-
U.S. Agencies - Govt Funds	3,176,967	1,213,565	1,963,402	-	-
PTIF Investments - Agency Funds	18,301,971	18,301,971	-	-	-
<b>Total investments</b>	<b>\$ 38,335,753</b>	<b>\$ 35,230,246</b>	<b>\$ 3,105,507</b>	<b>\$ -</b>	<b>\$ -</b>

*Credit Risk*

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

The County's investment ratings at December 31, 2018 are presented as follows:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Investment Type	Fair Value	Quality Ratings							
		AAA	AA	AA-	A+	A	A-	BBB+	Unrated
PTIF Investments - Govt Funds	\$14,814,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$14,814,690
Corporate Bonds - Govt Funds	2,042,125	-	347,157	150,028	99,048	895,113	400,651	150,128	-
U.S. Agencies - Govt Funds	3,176,967	3,176,967	-	-	-	-	-	-	-
PTIF Investments - Agency Funds	18,301,971	-	-	-	-	-	-	-	18,301,971
<b>Total investments</b>	<b>\$38,335,753</b>	<b>\$3,176,967</b>	<b>\$ 347,157</b>	<b>\$ 150,028</b>	<b>\$ 99,048</b>	<b>\$ 895,113</b>	<b>\$ 400,651</b>	<b>\$ 150,128</b>	<b>\$33,116,661</b>

*Concentration of Credit Risk*

Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The County’s policy for reducing this risk is to comply with the Rules of the Money Management Council. Rule 17 of the Money Marketing Council limits investments in a single issuer of commercial paper and corporate obligations to 5 – 10 percent depending upon the total dollar amount held in the portfolio.

Most of the County’s investments at December 31, 2018, were with the PTIF and therefore, are not categorized as to concentration of credit risk. The largest investment in corporate notes, issued by JPMorgan Chase & Co, is \$250,103, or 0.7 percent, which falls within the acceptable percentage range for a single issuer.

*Custodial Credit Risk*

For an investment, custodial credit risk 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 or collateral securities that are in the possession of an outside party. The County does not have a formal policy relating to custodial credit risk.

At December 31, 2018, most of the County’s investments were in the PTIF and therefore, not categorized as to custodial credit risk. The corporate notes do have custodial credit risk exposure. The entire \$5,219,092 is held by the counterparty’s trust department or agent in the County’s name. These investments are not covered by depository insurance and are not collateralized.

**C. Component Units**

All component units follow the applicable laws and regulations of the Utah Money Management Act the same as described above for the County.

*Deposits*

*Custodial Credit Risk* – Custodial credit risk is the risk that, in the event of bank failure, the deposits of the

component units may not be returned. The Component units do not have formal policies relating to custodial credit risk. As of December 31, 2018, \$4,798,775 of the bank balances of \$5,696,196 of the component units was uninsured and uncollateralized.

*Investments*

All component units of the County adhere to the Utah Money Management Act as described previously. As of December 31, 2018, the BRHD held investments in the PTIF which have a maturity of less than one year. The BCIA held various investments, all of which have maturity dates of greater than three months. The investments consist of fixed income securities with a cost of \$746,619, fair value of \$964,319 and unrealized appreciation of \$217,700. All of BCIA’s investments are classified as Level 2.

**NOTE 4 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

At December 31, 2018, there were interfund balances of the investment pool between special revenue funds. The Municipal Services fund had a receivable of \$53,188. That amount was payable by the Children’s Justice Center fund and represents a short-term advance from the County’s cash and investment pool repaid before the end of the next calendar year.

Due to Municipal Services Fund	
Special revenue funds:	
Children's Justice Center fund	\$53,188
<b>Total due</b>	<b>\$ 53,188</b>

During the year, the County made interfund transfers as shown in the schedule below. The most significant portion of transfers between funds was between the capital Projects funds and the CCCOG fund. This was made due to creation of the CCCOG fund and those monies were related to that fund. Other significant transfers were from the General fund and Visitor’s Bureau to the Debt Service fund. This transfer was made to finance debt payments for the sales tax revenue bonds. Transfers out from the

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Restaurant Tax and RAPZ Tax funds were to fund recreational improvements. Transfers out from the General fund were to finance road projects in the

Municipal Service fund and the event center. Other transfers were to fund the normal operations of individual funds.

	Transfers out reported in:										Total Transfers In
	General	Municipal Services	CCCOG	Capital Projects	CDRA	Visitor's Bureau	Restaurant Tax	RAPZ Tax	RSSD	CCCF	
<b>Transfers in reported in:</b>											
<b>Major Funds:</b>											
General Fund	\$ -	\$ 15,500	\$ -	\$ -	\$ 10,826	\$ -	\$ 71,900	\$ 102,808	\$ 1,000	\$ 2,713	\$ 204,747
Municipal Services Fund	290,000	-	201,805	-	-	-	-	65,700	78,500	4,703	640,708
CCCOG Fund	-	-	-	13,260,964	-	-	-	-	-	-	13,260,964
Capital Projects Fund	730,000	-	-	-	-	-	-	-	-	30,000	760,000
<b>Nonmajor Funds:</b>											
CDRA Fund	-	-	-	-	-	-	-	-	-	-	-
Visitor's Bureau Fund	-	-	-	-	-	-	125,000	-	-	-	125,000
Council on Aging Fund	240,000	-	-	-	-	-	-	-	-	17,012	257,012
Debt Service Fund	1,402,600	61,000	-	-	-	260,000	-	-	-	-	1,723,600
<b>Total transfers out</b>	<b>\$ 2,662,600</b>	<b>\$ 76,500</b>	<b>\$ 201,805</b>	<b>\$ 13,260,964</b>	<b>\$ 10,826</b>	<b>\$ 260,000</b>	<b>\$ 196,900</b>	<b>\$ 168,508</b>	<b>\$ 79,500</b>	<b>\$ 54,428</b>	<b>\$ 16,972,031</b>

NOTE 5 – CAPITAL ASSETS

Primary Government

Changes in the County's capital assets were as follows:

	Balance 1/1/2018	Additions	Reductions	Transfers/ Adjustments	Balance 12/31/2018
<b>Capital assets, nondepreciable</b>					
Land	\$ 3,056,634	\$ -	\$ -	\$ -	\$ 3,056,634
Construction in process	1,641,215	386,290	-	(1,598,846)	428,659
Totals	4,697,849	386,290	-	(1,598,846)	3,485,293
<b>Capital assets, depreciable</b>					
Buildings	23,968,591	5,934,036	-	1,598,846	31,501,473
Improvements	1,884,567	36,460	-	-	1,921,027
Equipment	16,799,285	2,823,964	(509,256)	-	19,113,993
Infrastructure	17,064,819	772,554	-	-	17,837,373
Totals	59,717,262	9,567,014	(509,256)	1,598,846	70,373,866
<b>Accumulated depreciation</b>					
Buildings	(8,295,840)	(635,422)	-	-	(8,931,262)
Improvements	(796,459)	(86,442)	-	-	(882,901)
Equipment	(10,169,637)	(1,221,056)	313,687	-	(11,077,006)
Infrastructure	(7,674,670)	(570,270)	-	-	(8,244,940)
Totals	(26,936,606)	(2,513,190)	313,687	-	(29,136,109)
<b>Total capital assets, net</b>	<b>\$ 37,478,505</b>	<b>\$ 7,440,114</b>	<b>\$ (195,569)</b>	<b>\$ -</b>	<b>\$ 44,723,050</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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

Function	Amount
General government	\$ 460,019
Public safety	909,362
Streets and public improvements	948,376
Health and welfare	49,804
Culture and recreation	145,629
<b>Total depreciation expense</b>	<b>\$ 2,513,190</b>

Component Units

Changes in capital assets of component units were as follows:

	Balance 1/1/2018	Additions	Deletions	Transfers/ Adjustments	Balance 12/31/2018
Land	\$ 2,062,690	\$ -	\$ -	\$ -	\$ 2,062,690
Construction in process	2,650,559	1,812,194	(2,047,798)	(2,414,955)	\$ -
Buildings and improvements	29,997,214	2,098,994	(15,000)	2,414,955	\$ 34,496,163
Equipment and machinery	5,831,989	1,102,970	(547,627)	-	\$ 6,387,332
Accumulated depreciation	(18,340,016)	(1,812,511)	465,659	-	\$ (19,686,868)
<b>Capital assets, net</b>	<b>\$ 22,202,436</b>	<b>\$ 3,201,647</b>	<b>\$ (2,144,766)</b>	<b>\$ -</b>	<b>\$ 23,259,317</b>

NOTE 6 – LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Balance 1/1/18	Additions	Reductions	Balance 12/31/18	Due Within One Year
<b>Primary Government</b>					
Sales tax revenue bonds	\$ 8,027,000	\$ -	\$ (1,120,000)	\$ 6,907,000	\$ 1,138,000
Capital leases	1,160,331	706,553	(517,020)	1,349,864	585,162
Compensated absences	1,986,724	1,510,166	(1,146,576)	2,350,314	1,356,000
<b>Total long-term liabilities</b>	<b>\$ 11,174,055</b>	<b>\$ 2,216,719</b>	<b>\$ (2,783,596)</b>	<b>\$ 10,607,178</b>	<b>\$ 3,079,162</b>

Component Units

Compensated absences	\$ 745,000	\$ 386,591	\$ (371,591)	\$ 760,000	\$ 304,000
----------------------	------------	------------	--------------	------------	------------

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

**B. Sales Tax Revenue Bonds**

**Primary Government**

Sales tax revenue bonds payable at December 31, 2018, were as follows:

Purpose	Series	Maturity Date	Interest Rate %	Original Amount	Balance
Refund - 2007 series	2016	12/15/22	1.42	\$ 5,779,000	\$ 3,885,000
Event Center	2017	12/15/32	2.51	3,200,000	3,022,000
<b>Total sales tax revenue bonds payable</b>					<b>\$ 6,907,000</b>

Year	Sales Tax Revenue Bonds - Debt Service Requirements to Maturity					
	Series 2016		Series 2017		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 955,000	\$ 55,167	\$ 183,000	\$ 75,852	\$ 1,138,000	\$ 131,019
2020	962,000	41,606	187,000	71,259	1,149,000	112,865
2021	977,000	27,946	192,000	66,565	1,169,000	94,511
2022	991,000	14,072	197,000	61,746	1,188,000	75,818
2023	-	-	202,000	56,801	202,000	56,801
2024	-	-	207,000	51,731	207,000	51,731
2025 - 2032	-	-	1,854,000	215,383	1,854,000	215,383
<b>Total</b>	<b>\$ 3,885,000</b>	<b>\$ 138,791</b>	<b>\$ 3,022,000</b>	<b>\$ 599,337</b>	<b>\$ 6,907,000</b>	<b>\$ 738,128</b>

**C. Capital Leases**

**Primary Government**

The County has six capital leases in the current year of which three of them are accounted for together. The first capital lease was entered into on February 26, 2016, in the amount of \$86,355 for the purchase of a computer storage system. Lease payments are due annually on February 26, in the amount of \$19,167, until 2020, with an applicable interest rate of 5.50 percent.

The second, third, and fourth capital leases were entered into on June 30, 2016, May 31, 2017, and August 31, 2018, in the amount of \$729,815, \$529,818, and \$489,415, respectively, for the purchase of patrol vehicles. Lease payments are due annually on June 30, May 31, and August 31, in the amount of \$154,717, \$112,319, and \$104,731, respectively, until 2020, 2021, and 2022,

respectively, with an applicable interest rate of 3.00, 3.00, and 3.50 percent, respectively.

The fifth capital lease was entered into on July 15, 2017, in the amount of \$173,226 for the purchase of two backhoes. Lease payments are due annually on July 15, in the amount of \$31,388, until 2022, with an applicable interest rate of 3.47 percent.

The last capital lease was entered into on November 14, 2018, in the amount 217,138 for the purchase of a loader. Lease payments are due annually on November 14, in the amount of \$29,500, until 2019, with a balloon payment of \$200,000, with an applicable interest rate of 6.00 percent.

The aggregate cost of assets under capital lease is \$2,208,087 with accumulated amortization of \$426,338. Amortization expense for fiscal year 2018 was \$228,804.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Debt Service Requirements to Maturity						
Year	Sans Storage		Backhoes		Sheriff Vehicles	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 17,222	\$ 1,945	\$ 27,384	\$ 4,003	\$ 339,890	\$ 31,877
2020	18,168	999	28,335	3,053	350,543	21,223
2021	-	-	29,318	2,070	206,814	10,235
2022	-	-	30,335	1,053	101,189	3,542
2023	-	-	-	-	-	-
<b>Total</b>	<b>\$ 35,390</b>	<b>\$ 2,944</b>	<b>\$ 115,372</b>	<b>\$ 10,179</b>	<b>\$ 998,436</b>	<b>\$ 66,877</b>

Debt Service Requirements to Maturity (continued)				
Year	Loader		Total	
	Principal	Interest	Principal	Interest
2019	\$ 200,666	\$ 12,040	\$ 585,162	\$ 49,865
2020	-	-	397,046	25,275
2021	-	-	236,132	12,305
2022	-	-	131,524	4,595
2023	-	-	-	-
<b>Total</b>	<b>\$ 200,666</b>	<b>\$ 12,040</b>	<b>\$ 1,349,864</b>	<b>\$ 92,040</b>

NOTE 7 – OPERATING LEASES

In 2018, the County has 4 operating leases that are all 3 year leases. Three of them are for equipment used in the road department and one is for a vehicle used by the sheriff’s office. Rental expenditures for the equipment leases during the current year totaled \$28,860.

Future minimum lease payments are as follows:

Year Ended December 31,	Amount
2019	\$ 28,860
2020	3,610
<b>Total minimum lease payments</b>	<b>\$ 32,470</b>

NOTE 8 – PENSION PLANS

A. Defined Benefit Plans

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

members are appointed by the Governor. The Systems are fiduciary funds defined as pensions (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 of the Utah code grants the authority to establish and amend the benefit terms.

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

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

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Firefighters Retirement System (Firefighters System); are multiple employer, cost sharing, retirement systems;
- Public Safety Retirement System (Public Safety System) is a mixed agent and cost-sharing, multiple-employer public employee retirement system;
- Tier 2 Public Employee Contributory Retirement System (Tier 2 Public Employee System) is a multiple employer cost sharing public employee retirement system;
- Tier 2 Public Safety and Firefighter Contributory Retirement System (Tier 2 Public Safety and

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Firefighter System) is a multiple employer, cost sharing, public employee retirement systems.

of the Utah Retirement Systems, are member of the Tier 2 Retirement System.

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

The System provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required and/or are Eligible for Benefit	Benefit Percentage per Year of Service	COLA**
Noncontributory System	Highest 3 Years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4%
Public Safety System	Highest 3 Years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4% depending upon employer
Tier 2 Public Employees System	Highest 5 Years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Tier 2 Public Safety and Firefighter System	Highest 5 Years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

\* with actuarial reductions

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

As a condition of participation in the System, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when

combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.



NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Contribution rates as of December 31, 2018 are as follows:

	Employee	Employer	Employer 401(k)
<b>Contributory System</b>			
11 - Local Governmental Division Tier 1	6.00%	14.46%	N/A
111 - Local Governmental Division Tier 2	N/A	15.54%	1.15%
<b>Noncontributory System</b>			
15 - Local Governmental Division Tier 1	N/A	18.47%	N/A
<b>Public Safety Retirement System</b>			
43 - Other Division A Noncontributory Tier 1	N/A	34.04%	N/A
122 - Tier 2 DB Hybrid Public Safety Contributory	N/A	23.09%	0.74%
<b>Firefighter System</b>			
31 - Other Division A	15.05%	4.61%	N/A
132 - Tier 2 DB Hybrid Firefighters	N/A	11.34%	0.74%
<b>Tier 2 DC Only</b>			
211 - Local Government	N/A	6.69%	10.00%
222 - Public Safety	N/A	11.83%	12.00%
232 - Firefighters	N/A	0.08%	12.00%

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

For fiscal year ended December 31, 2018, the employer and employee contributions to the System were as follows:

*Governmental Activities:*

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 874,467	N/A
Public Safety System	1,357,289	-
Firefighters System	9,068	31,947
Tier 2 Public Employees System	264,218	-
Tier 2 Public Safety and Firefighters System	367,403	-
Tier 2 DC Only System	44,508	N/A
Tier 2 DC Public Safety and Firefighters System	43,119	N/A
<b>Total</b>	<b>\$ 2,960,072</b>	<b>\$ 31,947</b>

*Component Units:*

System	Employer Contributions	Employee Contributions
Airport Authority - Noncontributory System	\$ 11,567	N/A
BRHD - Noncontributory System	647,421	N/A
BRHD - Tier 2 Public Employees System	235,173	-
BRHD - Tier 2 DC Only System	12,135	N/A
<b>Total</b>	<b>\$ 906,296</b>	<b>\$ -</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

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

**B. Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension.**

*Governmental Activities:*

At December 31, 2018, the County reported for the primary government a net pension asset of \$57,987 and a net pension liability of \$7,255,437.

	Measurement Date: December 31, 2017			Proportionate Share December 31, 2016	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Noncontributory System	\$ -	\$ 2,557,583	0.5837500%	0.5693184%	0.0144316%
Public Safety Retirement System	-	4,687,305	2.9880980%	3.1333176%	-0.1452196%
Firefighter System	43,710	-	0.6998638%	0.6771347%	0.0227291%
Tier 2 Public Employees System	-	10,549	0.1196470%	0.1387795%	-0.0191325%
Tier 2 Public Safety and Firefighter System	14,277	-	1.2338577%	1.3847484%	-0.1508907%
<b>Total Net Pension Asset / Liability</b>	<b>\$ 57,987</b>	<b>\$ 7,255,437</b>			

*Component Units:*

At December 31, 2018, the County reported for component units a net pension asset of \$0 and a net pension liability of \$1,952,976, of which \$28,761 is related to the Airport Authority and \$1,924,215 is related to the BRHD.

	Measurement Date: December 31, 2017			Proportionate Share December 31, 2016	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Airport Authority - Noncontributory System	\$ -	\$ 28,761	0.0065642%	0.0064688%	0.0000425%
BRHD - Noncontributory System	-	1,912,785	0.4365793%	0.4410652%	0.0044859%
BRHD - Tier 2 Public Employees System	-	11,430	0.1296282%	0.1420163%	0.0123881%
<b>Total Net Pension Asset / Liability</b>	<b>\$ -</b>	<b>\$ 1,952,976</b>			

The net pension asset and liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial calculation as of January 1, 2017 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer’s actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

*Governmental Activities:*

For the year ended December 31, 2018, the County recognized for the primary government pension expense of \$3,007,885.

At December 31, 2018, the County reported for the primary government deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 64,893	\$ 874,550
Changes in assumptions	2,749,828	140,712
Net difference between projected and actual earnings on pension plan investments	-	2,293,911
Changes in proportion and differences between contributions and proportionate share of contributions	218,374	164,224
Contributions subsequent to the measurement date	2,960,072	-
<b>Total</b>	<b>\$ 5,993,167</b>	<b>\$ 3,473,397</b>

Deferred outflows of resources related to pensions resulting from County contributions of \$2,960,072, made subsequent to the measurement date will be recognized as a reduction on the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2018	\$ 430,478
2019	533,539
2020	(663,155)
2021	(806,557)
2022	5,595
Thereafter	59,796
	<u>\$ (440,304)</u>

*Component Units:*

For the year ended December 31, 2018, the County recognized for the Airport Authority and BRHD component units pension expense of \$10,652 and \$799,000, respectively.

At December 31, 2018, the County reported for the Airport Authority and BRHD component units deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

	Airport Deferred Outflows of Resources	Airport Deferred Inflows of Resources	BRHD Deferred Outflows of Resources	BRHD Deferred Inflows of Resources
Difference between expected and actual experience	\$ 642	\$ 1,760	\$ 43,095	\$ 127,763
Changes in assumptions	10,331	672	702,444	45,848
Net difference between projected and actual earnings on pension plan investments	-	10,067	-	682,572
Changes in proportion and differences between contributions and proportionate share of contributions	974	-	41,244	24,561
Contributions subsequent to the measurement date	11,567	-	894,729	-
<b>Total</b>	<b>\$ 23,514</b>	<b>\$ 12,499</b>	<b>\$ 1,681,512</b>	<b>\$ 880,744</b>

Deferred outflows of resources related to pensions resulting from Airport Authority and BRHD contributions of \$11,567 and \$894,729, respectively, made subsequent to the measurement date will be recognized as a reduction in the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Airport Net Deferred Outflows (Inflows) of Resources	BRHD Net Deferred Outflows (Inflows) of Resources
2018	\$ 540	\$ 109,259
2019	669	158,693
2020	(831)	(133,261)
2021	(1,011)	(238,564)
2022	7	(2,421)
Thereafter	75	12,333
	<b>\$ (551)</b>	<b>\$ (93,961)</b>

Actuarial Assumptions

The total liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 Percent
Salary increases	3.25 - 9.75 percent, average, including inflation
Investment rate of return	6.95 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2017, valuation were based on the results of an actuarial

experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best

estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Expected Return Arithmetic Basis		
	Target Asset Allocation	Real Return Arithmetic Basis	Long-Term Expected Portfolio Real Rate of Return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.89%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Totals	100%		4.75%
Inflation			2.50%
<b>Expected arithmetic nominal return</b>			<b>7.25%</b>

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50%, a real return of 4.45% that is net of investment expense.

*Discount Rate:*

The discount rate used to measure the total pension liability for all plans was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on

pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage –point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

*Governmental Activities:*

Proportionate Share of Net Pension Liability/(Asset)	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Noncontributory System	\$ 6,916,904	\$ 2,557,583	\$ (1,066,976)
Public Safety Retirement System	11,809,900	4,687,305	(1,085,478)
Firefighter System	186,498	(43,710)	(229,722)
Tier 2 Public Employees System	124,209	10,549	(77,099)
Tier 2 Public Safety and Firefighter System	126,429	(14,277)	(121,776)
<b>Total Net Pension Liability/(Asset)</b>	<b>\$ 19,163,940</b>	<b>\$ 7,197,450</b>	<b>\$ (2,581,051)</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Component Units:

Proportionate Share of Net Pension Liability/(Asset)	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Airport Authority - Noncontributory System	\$ 77,783	\$ 28,761	\$ (11,999)
BRHD - Noncontributory System	5,173,068	1,912,785	(797,979)
BRHD - Tier 2 Public Employees System	134,571	11,430	(83,531)
<b>Total Net Pension Liability/(Asset)</b>	<b>\$ 5,385,422</b>	<b>\$ 1,952,976</b>	<b>\$ (893,509)</b>

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan’s fiduciary net position is available in the separate issued URS financial report.

401(k), 457(b), and 408 of the Internal Revenue Code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

C. Defined Contribution Plans

Governmental Activities:

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

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

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantage retirement savings programs authorized under sections

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

	2018	2017	2016
401(K) Plan			
Employer Contributions	184,905	176,499	169,742
Employee Contributions	340,752	364,655	384,301
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	10,900	12,004	15,512
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	109,454	87,531	63,415
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	1,675	760	710

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

Component Units:

BRHD also participates in the same Defined Contribution Savings Plans with Utah Retirement Systems. Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended December 31, were as follows:

	2018	2017	2016
401(K) Plan			
Employer Contributions	258,925	256,641	258,641
Employee Contributions	276,287	264,374	313,590
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	112,056	72,810	49,441
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	59,224	32,443	37,154

**NOTE 9 – PUBLIC ENTITY RISK POOL**

The County is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions and natural disasters. The County is insured through the Utah Local Governments Trust (ULGT), to manage its risk of loss. The County pays an annual premium to ULGT for its general insurance coverage. In addition, the County has purchased commercial insurance related to airport operations, steam boiler usage, employee performance, and workers’ compensation.

As of December 31, 2018, there were no outstanding unpaid claims in excess of insurance coverage. Also, the County had no claim settlements over the past three years that exceeded its insurance coverage.

**NOTE 10 – COMMITMENTS & CONTINGENCIES**

The County collects sales tax under the Restaurant Tax, RAPZ Tax, and CCCOG programs enabled by state legislation and awards funds to various governmental and nonprofit entities. Awards become payable by the County when the conditions of the award are met. At December 31, 2018, there were \$1,214,429 in Restaurant Tax funds, \$1,234,374 in RAPZ Tax funds, and \$12,817,682 in CCCOG funds that had been awarded, but were not payable because applicable conditions had not been met. The County has also committed future Restaurant Tax revenues in the amount of \$92,853 to BCIA for facility improvements over the next year. The County has also committed future Restaurant Tax revenues related to the land exchange agreement between the County, North Logan, Hyde Park, and Nibley in the amount of \$1,839,770 over the next 6 years.

During 2018, the County performed and completed road repairs that were related to the disaster flooding in the spring of 2017. The County was awarded grant funding through FEMA to help with these projects. As of December 31, 2018, grant funding in the amount \$63,308 has been received and \$1,194,551 is going through the reimbursement review process. The County anticipates that all funds will be received.

**NOTE 11 – TAX INCREMENTAL REBATES**

The County periodically enters into property tax abatement (rebate incentive) agreements with local businesses under State Statute Title 17C of the Utah Code. Under the Statute, localities may grant property tax abatements for the purpose of attracting or retaining businesses within their jurisdictions. In these agreements, the developer or business agrees to improve property within one of the County’s redevelopment project areas resulting in increased property tax revenue received by the County (increment). The County periodically agrees to pay a specified amount of the increment back to the developer.

For the year ended December 31, 2018, the County abated property taxes totaling \$418,039 under this program, including the following tax abatement agreements that each exceed 10 percent of the total amount abated:

- South Main RDA Project - The agreed rebate paid amounted to \$138,864.
- Northwest RDA Project - The agreed rebate paid amounted to \$49,736.
- Logan North Retail RDA Plan – The agreed rebate paid amounted to \$46,793.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2018

- Smithfield RDA Project - The agreed rebate paid amounted to \$43,389.
- Pepperidge Farm Project – The agreed rebate paid amounted to \$51,603.

**NOTE 12 – INDUSTRIAL REVENUE BONDS**

In 2006, the County issued Industrial Revenue Bonds on behalf of Sunshine Terrace Foundation, Inc. in the amount of \$5,000,000, maturing in 2026. Also in 2006, the County issued \$3,000,000 of Industrial Revenue Bonds on behalf of Lower Foods, Inc. scheduled to mature in 2026. Each of these entities is responsible for all bond payments and neither the County nor its resources are liable for repayment.

**NOTE 13 – RELATED PARTY TRANSACTIONS**

**Primary Government**

In addition to the transactions previously described in these notes, the County entered into the following significant transactions with component units:

*Airport Authority* – The County provided operating funds of \$80,000 based on the budget adopted by the Airport Authority and the agreement with Logan City.

*BRHD* – The County assessed and collected property taxes in its Health fund and transferred the appropriated amount of property taxes to BRHD to provide operating funds totaling \$880,242. The County also contributed to the substance abuse program and air pollution contract in the amount of \$329,169. The County made a one-time contribution to help with startup costs for the Logan south building construction in the amount of \$172,095.

*CCEMS* – The County provided operating funds of \$400,000 based on the budget adopted by CCEMS and the agreement with Logan City. The County received contract payments for services provided to CCEMS totaling \$1,080,100.

**Component Units**

*Airport Authority* – Logan City provided operating funds of \$80,000 based on the budget adopted by the Airport Authority and the agreement with Cache County.

*CCEMS* – Logan City received contract payments for services provided to CCEMS totaling \$1,886,800.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Property	\$13,825,500	\$ 13,939,500	\$ 13,956,636	\$ 17,136
Sales and use	<u>5,514,000</u>	<u>5,581,000</u>	<u>5,588,996</u>	<u>7,996</u>
	19,339,500	19,520,500	19,545,632	25,132
Other revenues:				
Intergovernmental revenues	790,000	1,037,900	826,108	(211,792)
Charges for services	6,753,000	6,805,600	5,719,958	(1,085,642)
Licenses and permits	40,000	40,000	43,140	3,140
Fines and forfeitures	133,000	133,000	97,585	(35,415)
Interest and investment income	220,000	220,000	601,692	381,692
Rental income	160,000	160,000	151,723	(8,277)
Public contributions	64,000	64,000	74,995	10,995
Miscellaneous revenues	<u>106,000</u>	<u>180,100</u>	<u>173,142</u>	<u>(6,958)</u>
Total revenues	<u>27,605,500</u>	<u>28,161,100</u>	<u>27,233,975</u>	<u>(927,125)</u>
<b>EXPENDITURES</b>				
General government:				
Council	120,000	147,600	147,315	285
Water development	250,000	250,000	250,000	-
Public legal assistance	572,500	572,500	499,628	72,872
Executive	198,000	197,900	189,339	8,561
Finance	458,100	477,900	466,227	11,673
Human resources	218,900	207,200	183,371	23,829
Geographic information systems	128,400	137,100	130,402	6,698
Information technology	853,000	876,800	848,788	28,012
Auditor	22,500	22,100	18,588	3,512
Clerk	195,300	197,500	186,198	11,302
Recorder	167,000	166,800	125,832	40,968
Attorney	1,451,100	1,630,300	1,588,549	41,751
Victim services	470,900	534,400	495,967	38,433
Elections	398,000	663,700	649,642	14,058
Economic development	35,300	46,300	46,000	300
USU Ag extension services	239,100	239,100	236,944	2,156
Agricultural promotion	58,000	68,400	51,354	17,046
Miscellaneous and general	872,000	1,002,000	865,654	136,346
Contributions to other units	<u>1,030,000</u>	<u>1,030,000</u>	<u>824,047</u>	<u>205,953</u>
	7,738,100	8,467,600	7,803,845	663,755

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public safety:				
Sheriff patrol	3,551,900	3,912,100	3,765,467	146,633
Support services	3,229,100	3,253,600	2,968,796	284,804
Search and rescue	78,000	90,800	92,500	(1,700)
Mounted posse	26,200	26,200	25,021	1,179
Fire safety	1,510,100	1,592,400	1,033,479	558,921
Corrections	8,361,300	8,492,800	8,412,216	80,584
Animal control	92,700	78,800	80,942	(2,142)
Emergency management	<u>159,800</u>	<u>169,900</u>	<u>135,786</u>	<u>34,114</u>
	17,009,100	17,616,600	16,514,207	1,102,393
Health and welfare:				
Mental health services	320,600	320,600	320,517	83
Welfare services	<u>67,800</u>	<u>67,800</u>	<u>65,000</u>	<u>2,800</u>
	388,400	388,400	385,517	2,883
Culture and recreation:				
Fairgrounds	819,800	1,135,100	883,366	251,734
TV translator station	12,700	12,700	12,590	110
Library services	104,500	104,500	73,520	30,980
Fair and rodeo	<u>310,100</u>	<u>333,700</u>	<u>319,879</u>	<u>13,821</u>
	<u>1,247,100</u>	<u>1,586,000</u>	<u>1,289,355</u>	<u>296,645</u>
Total expenditures	<u>26,382,700</u>	<u>28,058,600</u>	<u>25,992,924</u>	<u>2,065,676</u>
Revenues over expenditures	<u>1,222,800</u>	<u>102,500</u>	<u>1,241,051</u>	<u>1,138,551</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	182,200	216,200	191,694	(24,506)
Proceeds from sale of assets	-	-	1,220,000	1,220,000
Capital leases	982,000	1,147,000	489,415	(657,585)
Transfers in:				
Municipal services fund	-	15,500	15,500	-
RSSD fund	-	1,000	1,000	-
CCCF fund	-	7,000	2,713	(4,287)
CDRA fund	-	10,900	10,826	(74)
Restaurant fund	-	71,900	71,900	-
RAPZ tax fund	<u>25,400</u>	<u>102,900</u>	<u>102,808</u>	<u>(92)</u>
Total transfers in	25,400	209,200	204,747	(4,453)
Transfers out:				
Municipal services fund	(290,000)	(290,000)	(290,000)	-
Council on aging fund	(240,000)	(240,000)	(240,000)	-
Children's justice center fund	-	(11,100)	-	11,100
Debt service fund	(1,511,400)	(1,402,600)	(1,402,600)	-
Capital projects fund	<u>(260,000)</u>	<u>(730,000)</u>	<u>(730,000)</u>	<u>-</u>
Total transfers out	<u>(2,301,400)</u>	<u>(2,673,700)</u>	<u>(2,662,600)</u>	<u>11,100</u>
Total other financing uses	<u>(1,111,800)</u>	<u>(1,101,300)</u>	<u>(556,744)</u>	<u>544,556</u>
Net change in fund balances	111,000	(998,800)	684,307	1,683,107
Fund balances - January 1	<u>7,831,798</u>	<u>7,831,798</u>	<u>7,831,798</u>	<u>-</u>
Fund balances - December 31	<u>\$ 7,942,798</u>	<u>\$ 6,832,998</u>	<u>\$ 8,516,105</u>	<u>\$ 1,683,107</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**ASSESSING AND COLLECTING FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 3,180,000	\$ 3,180,000	\$ 3,241,271	\$ 61,271
Other revenues:				
Charges for services	500,000	500,000	548,057	48,057
Interest income	-	-	406	406
Miscellaneous revenues	<u>3,500</u>	<u>3,500</u>	<u>1,750</u>	<u>(1,750)</u>
Total revenues	<u>3,683,500</u>	<u>3,683,500</u>	<u>3,791,484</u>	<u>107,984</u>
<b>EXPENDITURES</b>				
General government:				
Council	13,400	16,500	16,368	132
Executive	33,800	35,000	33,413	1,587
Finance	51,000	53,200	51,803	1,397
Human resources	38,700	36,600	32,360	4,240
Geographic information systems	192,600	205,800	195,601	10,199
Information technology	800,100	816,000	747,062	68,938
Auditor	138,400	135,900	114,183	21,717
Treasurer	287,400	295,200	287,974	7,226
Recorder	164,300	166,900	125,832	41,068
Attorney	143,600	154,200	157,109	(2,909)
Assessor	1,889,500	1,909,800	1,717,965	191,835
Miscellaneous and general	193,400	212,800	170,278	42,522
Contributions to other units	<u>69,000</u>	<u>69,000</u>	<u>86,296</u>	<u>(17,296)</u>
Total expenditures	<u>4,015,200</u>	<u>4,106,900</u>	<u>3,736,244</u>	<u>370,656</u>
Revenues over (under) expenditures	<u>(331,700)</u>	<u>(423,400)</u>	<u>55,240</u>	<u>478,640</u>
Net change in fund balances	(331,700)	(423,400)	55,240	478,640
Fund balances - January 1	<u>5,174,770</u>	<u>5,174,770</u>	<u>5,174,770</u>	<u>-</u>
Fund balances - December 31	<u>\$ 4,843,070</u>	<u>\$ 4,751,370</u>	<u>\$ 5,230,010</u>	<u>\$ 478,640</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MUNICIPAL SERVICES FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Sales and use	\$ 912,000	\$ 1,917,000	\$ 2,040,938	\$ 123,938
Other revenues:				
Intergovernmental	2,560,000	4,437,300	4,224,237	(213,063)
Charges for services	869,800	1,166,300	1,182,083	15,783
Licenses and permits	571,700	841,700	973,251	131,551
Interest income	1,900	1,900	-	(1,900)
Miscellaneous revenues	<u>6,000</u>	<u>32,900</u>	<u>23,074</u>	<u>(9,826)</u>
Total revenues	<u>4,921,400</u>	<u>8,397,100</u>	<u>8,443,583</u>	<u>46,483</u>
<b>EXPENDITURES</b>				
General government:				
Zoning administration	495,100	368,100	359,267	8,833
Building inspection	688,800	841,800	734,759	107,041
Sanitation and waste collection	30,000	30,000	20,529	9,471
Miscellaneous expenditures	<u>1,500</u>	<u>1,500</u>	<u>98</u>	<u>1,402</u>
	1,215,400	1,241,400	1,114,653	126,747
Public safety:				
Sheriff patrol	394,700	390,600	418,385	(27,785)
Fire safety	178,100	219,700	173,998	45,702
Animal control	<u>45,000</u>	<u>40,300</u>	<u>26,981</u>	<u>13,319</u>
	617,800	650,600	619,364	31,236
Streets and public improvements:				
Road projects	3,570,600	6,206,700	5,096,268	1,110,432
Weed eradication	564,300	681,200	531,504	149,696
Public works	<u>229,800</u>	<u>713,400</u>	<u>520,873</u>	<u>192,527</u>
	4,364,700	7,601,300	6,148,645	1,452,655
Culture and recreation:				
Parks and trails	99,200	220,500	127,691	92,809
Eccles Ice Center support	<u>10,000</u>	<u>472,300</u>	<u>527,459</u>	<u>(55,159)</u>
	109,200	692,800	655,150	37,650
Total expenditures	<u>6,307,100</u>	<u>10,186,100</u>	<u>8,537,812</u>	<u>1,648,288</u>
Revenues under expenditures	<u>(1,385,700)</u>	<u>(1,789,000)</u>	<u>(94,229)</u>	<u>1,694,771</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MUNICIPAL SERVICES FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of capital assets	100,000	134,000	58,593	(75,407)
Capital leases	327,200	245,500	217,138	(28,362)
Transfers in:				
General fund	290,000	290,000	290,000	-
CCCF fund	-	8,000	4,703	(3,297)
RAPZ tax fund	-	65,700	65,700	-
CCCOG fund	-	201,900	201,805	(95)
RSSD fund	-	78,500	78,500	-
Total transfers in	<u>290,000</u>	<u>644,100</u>	<u>640,708</u>	<u>(3,392)</u>
Transfers out:				
General fund	-	(15,500)	(15,500)	-
Debt service fund	<u>(59,300)</u>	<u>(61,000)</u>	<u>(61,000)</u>	<u>-</u>
Total transfers out	<u>(59,300)</u>	<u>(76,500)</u>	<u>(76,500)</u>	<u>-</u>
Total other financing sources	<u>657,900</u>	<u>947,100</u>	<u>839,939</u>	<u>(107,161)</u>
Net change in fund balances	(727,800)	(841,900)	745,710	1,587,610
Fund balances - January 1	<u>3,623,802</u>	<u>3,623,802</u>	<u>3,623,802</u>	<u>-</u>
Fund balances - December 31	<u>\$ 2,896,002</u>	<u>\$ 2,781,902</u>	<u>\$ 4,369,512</u>	<u>\$ 1,587,610</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MENTAL HEALTH FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other revenues:				
Intergovernmental	\$ 3,135,000	\$ 3,135,000	\$ 2,619,988	\$ (515,012)
Total revenues	<u>3,135,000</u>	<u>3,135,000</u>	<u>2,619,988</u>	<u>(515,012)</u>
<b>EXPENDITURES</b>				
Health and welfare:				
Mental health services	3,135,000	3,135,000	2,619,988	515,012
Total expenditures	<u>3,135,000</u>	<u>3,135,000</u>	<u>2,619,988</u>	<u>515,012</u>
Revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CCCOG FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Sales and use	\$ -	\$ 4,218,000	\$ 4,152,486	\$ (65,514)
Total revenues	<u>-</u>	<u>4,218,000</u>	<u>4,152,486</u>	<u>(65,514)</u>
<b>EXPENDITURES</b>				
Streets and public improvements:				
New road construction	-	4,135,100	2,127,758	2,007,342
Total expenditures	<u>-</u>	<u>4,135,100</u>	<u>2,127,758</u>	<u>2,007,342</u>
Revenues over expenditures	<u>-</u>	<u>82,900</u>	<u>2,024,728</u>	<u>1,941,828</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Capital projects fund	-	13,261,000	13,260,964	(36)
Total transfers in	<u>-</u>	<u>13,261,000</u>	<u>13,260,964</u>	<u>(36)</u>
Transfers out:				
Municipal services fund	-	(201,900)	(201,805)	95
Total transfers out	<u>-</u>	<u>(201,900)</u>	<u>(201,805)</u>	<u>95</u>
Total other financing sources	<u>-</u>	<u>13,059,100</u>	<u>13,059,159</u>	<u>59</u>
Net change in fund balances	-	13,142,000	15,083,887	1,941,887
Fund balances - January 1	-	-	-	-
Fund balances - December 31	<u>\$ -</u>	<u>\$13,142,000</u>	<u>\$15,083,887</u>	<u>\$ 1,941,887</u>



**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**PRIMARY GOVERNMENT**  
**DECEMBER 31, 2017 & 2016**

<b>December 31, 2017</b>	<b>Non- Contributory System</b>	<b>Public Safety System</b>	<b>Firefighters System</b>	<b>Tier 2 Public Employees System</b>	<b>Tier 2 Public Safety and Firefighter</b>
Proportion of the net pension liability (asset)	0.5837500%	2.9880980%	0.6998638%	0.1196470%	1.2338577%
Proportionate share of the net pension liability (asset)	\$ 2,557,583	4,687,305	(43,710)	10,549	(14,277)
Covered employee payroll	\$ 4,972,515	4,251,364	204,757	1,170,397	1,302,424
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	51.43%	110.25%	-21.35%	0.90%	-1.10%
Plan fiduciary net position as a percentage of the total pension liability	91.9%	90.2%	103.0%	97.4%	103.0%
<b>December 31, 2016</b>	<b>Non- Contributory System</b>	<b>Public Safety System</b>	<b>Firefighters System</b>	<b>Tier 2 Public Employees System</b>	<b>Tier 2 Public Safety and Firefighter</b>
Proportion of the net pension liability (asset)	0.5693184%	3.1333176%	0.6771347%	0.1387795%	1.3847484%
Proportionate share of the net pension liability (asset)	\$ 3,655,723	6,358,367	(5,338)	15,481	(12,020)
Covered employee payroll	\$ 5,050,952	4,541,332	190,261	1,138,108	1,144,109
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	72.38%	140.01%	-2.81%	1.36%	-1.05%
Plan fiduciary net position as a percentage of the total pension liability	87.3%	86.5%	100.4%	95.1%	103.6%

**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**PRIMARY GOVERNMENT**  
**DECEMBER 31, 2015 & 2014**

<b>December 31, 2015</b>	<b>Non- Contributory System</b>	<b>Public Safety System</b>	<b>Firefighters System</b>	<b>Tier 2 Public Employees System</b>	<b>Tier 2 Public Safety and Firefighter</b>
Proportion of the net pension liability (asset)	0.5540547%	3.3617060%	0.7039769%	0.1057798%	1.6932880%
Proportionate share of the net pension liability (asset)	\$ 3,135,112	5,438,545	(12,750)	(231)	(24,739)
Covered employee payroll	\$ 4,926,247	4,373,454	189,347	683,501	1,007,662
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	63.64%	124.35%	-6.73%	-0.03%	-2.46%
Plan fiduciary net position as a percentage of the total pension liability	87.8%	87.1%	101.0%	100.2%	110.7%

56

<b>December 31, 2014</b>	<b>Non- Contributory System</b>	<b>Contributory System</b>	<b>Public Safety System</b>	<b>Firefighters System</b>	<b>Tier 2 Public Employees System</b>	<b>Tier 2 Public Safety and Firefighter</b>
Proportion of the net pension liability (asset)	0.5416136%	0.1861052%	2.9582971%	0.7023555%	0.0995314%	2.0888465%
Proportionate share of the net pension liability (asset)	\$ 2,351,813	53,681	3,720,304	(40,079)	(3,016)	(30,901)
Covered employee payroll	\$ 4,900,321	99,506	4,373,979	184,544	488,406	862,851
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	47.99%	53.95%	85.06%	-21.72%	-0.62%	-3.58%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	94.0%	90.5%	103.5%	103.5%	120.5%

**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**COMPONENT UNITS**  
**DECEMBER 31, 2017 & 2016**

<b>December 31, 2017</b>	<b>Airport Authority Non- Contributory System</b>	<b>BRHD Non- Contributory System</b>	<b>BRHD Tier 2 Public Employees System</b>
Proportion of the net pension liability (asset)	0.0065642%	0.4365793%	0.1296282%
Proportionate share of the net pension liability (asset)	\$ 28,761	1,912,785	11,430
Covered employee payroll	\$ 60,711	3,620,735	1,268,888
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	47.37%	52.83%	0.90%
Plan fiduciary net position as a percentage of the total pension liability	91.9%	91.9%	97.4%

<b>December 31, 2016</b>	<b>Airport Authority Non- Contributory System</b>	<b>BRHD Non- Contributory System</b>	<b>BRHD Tier 2 Public Employees System</b>
Proportion of the net pension liability (asset)	0.0064688%	0.4410652%	0.1420163%
Proportionate share of the net pension liability (asset)	\$ 41,536	2,832,178	15,842
Covered employee payroll	\$ 60,711	3,682,885	1,164,649
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	68.42%	76.90%	1.36%
Plan fiduciary net position as a percentage of the total pension liability	87.3%	87.3%	95.1%

**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**COMPONENT UNITS**  
**DECEMBER 31, 2015 & 2014**

<b>December 31, 2015</b>	<b>Airport Authority Non- Contributory System</b>	<b>BRHD Non- Contributory System</b>	<b>BRHD Tier 2 Public Employees System</b>
Proportion of the net pension liability (asset)	0.0067123%	0.4373706%	0.1450403%
Proportionate share of the net pension liability (asset)	\$ 37,980	2,474,856	(317)
Covered employee payroll	\$ 59,571	3,574,872	937,262
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	63.76%	69.23%	-0.03%
Plan fiduciary net position as a percentage of the total pension liability	87.8%	87.8%	100.2%

<b>December 31, 2014</b>	<b>Airport Authority Non- Contributory System</b>	<b>BRHD Non- Contributory System</b>	<b>BRHD Tier 2 Public Employees System</b>
Proportion of the net pension liability (asset)	0.0066698%	0.4216243%	0.1154978%
Proportionate share of the net pension liability (asset)	\$ 28,962	1,830,792	(3,500)
Covered employee payroll	\$ 58,406	3,548,868	566,083
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	49.59%	51.59%	-0.62%
Plan fiduciary net position as a percentage of the total pension liability	90.2%	90.2%	103.5%

**CACHE COUNTY  
SCHEDULE OF CONTRIBUTIONS  
PRIMARY GOVERNMENT**

	As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Noncontributory System	2015	\$ 845,150	845,150	-	4,923,658	17.17%
	2016	871,876	871,876	-	5,051,275	17.26%
	2017	884,190	884,190	-	4,973,151	17.78%
	2018	874,467	874,467	-	4,895,435	17.86%
Public Safety System	2015	\$ 1,426,875	1,426,875	-	4,373,495	32.63%
	2016	1,480,551	1,480,551	-	4,546,531	32.56%
	2017	1,404,123	1,404,123	-	4,251,364	33.03%
	2018	1,357,288	1,357,288	-	4,078,388	33.28%
Firefighters System	2015	\$ 7,395	7,395	-	189,347	3.91%
	2016	7,493	7,493	-	190,261	3.94%
	2017	8,006	8,006	-	204,757	3.91%
	2018	9,068	9,068	-	212,272	4.27%
Tier 2 Public Employees System*	2015	\$ 102,582	102,582	-	687,415	14.92%
	2016	170,645	170,645	-	1,144,504	14.91%
	2017	177,343	177,343	-	1,180,649	15.02%
	2018	264,218	264,218	-	1,723,442	15.33%
Tier 2 Public Safety and Firefighter System*	2015	\$ 226,841	226,841	-	1,007,003	22.53%
	2016	258,588	258,588	-	1,149,282	22.50%
	2017	293,824	293,824	-	1,303,742	22.54%
	2018	367,403	367,403	-	1,608,261	22.84%
Tier 2 Public Employees DC Only System*	2015	\$ 21,401	21,401	-	318,150	6.73%
	2016	24,956	24,956	-	371,876	6.71%
	2017	39,075	39,075	-	582,535	6.71%
	2018	44,508	44,508	-	662,438	6.72%
Tier 2 Public Safety and Firefighter DC Only System*	2015	\$ 17,205	17,205	-	145,434	11.83%
	2016	21,163	21,163	-	178,892	11.83%
	2017	31,490	31,490	-	266,188	11.83%
	2018	43,119	43,119	-	364,464	11.83%

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

**CACHE COUNTY  
SCHEDULE OF CONTRIBUTIONS  
COMPONENT UNITS**

	As of fiscal year ended December 31,	Actuarial Determined Contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
Airport Authority Noncontributory System	2015	\$ 11,043	11,043	-	59,571	18.54%
	2016	11,043	11,043	-	59,571	18.54%
	2017	11,253	11,253	-	60,711	18.54%
	2018	11,567	11,567	-	62,357	18.55%
BRHD Noncontributory System	2015	\$ 646,863	646,863	-	3,574,872	18.09%
	2016	665,719	665,719	-	3,682,885	18.08%
	2017	653,679	653,679	-	3,620,735	18.05%
	2018	647,421	647,421	-	3,590,767	18.03%
BRHD Tier 2 Public Employees System*	2015	\$ 139,860	139,860	-	937,262	14.92%
	2016	173,649	173,649	-	1,164,649	14.91%
	2017	190,526	190,526	-	1,268,888	15.02%
	2018	235,173	235,173	-	1,534,358	15.33%
BRHD Tier 2 Public Employees DC Only System*	2015	\$ 10,900	10,900	-	162,546	6.71%
	2016	10,374	10,374	-	155,070	6.69%
	2017	11,005	11,005	-	164,493	6.69%
	2018	12,135	12,135	-	181,380	6.69%

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

**NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING**

The County is required by state statute and the Uniform Fiscal Procedures Act for Utah Counties to adopt annual budgets for its governmental funds on or before December 15, for the succeeding fiscal year beginning January 1. This budget is shown as the original budget on the budgetary comparison schedules. Final budgets include the original budget amounts plus any amendments made to the budget during the year by the County Council through formal resolution.

The budgets for the County's funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). All annual appropriations lapse at year end. Project-length financial plans have been adopted for the Capital Projects Fund.

The County complies with the following procedures in establishing the budgetary data reflected in the financial statements:

1. On or before November 1, the County Executive prepares a tentative budget for the next budget year, with the assistance of the County Finance Director.
2. A public hearing is then held on the adoption of the budget.
3. After the public hearing the County Council makes final adjustments to the tentative budget.
4. On or before December 15, the County Council adopts the budget by resolution.
5. Department heads may transfer unexpended budgeted amounts within their departments with approval of the County Council.
6. The County Council may transfer unexpended budgeted amounts from one department to another in the same fund by resolution.
7. Budget appropriations may be increased only after a public hearing has been held and followed by resolution of the County Council.

**NOTE 2 – BUDGETED FUND BALANCE**

Each fund had a balanced budget in accordance with state law. As allowed by state law, the County Council has authorized the use of unassigned fund balances to provide the necessary resources to balance each fund's budget.

**NOTE 3 – ENCUMBRANCES**

The County uses encumbrances during the year to recognize the use of appropriations. The County's policy is for all appropriations to lapse at year end. Therefore, there are no encumbrances at year end.

**NOTE 4 – SCHEDULE OF CONTRIBUTIONS**

Generally accepted accounting standards require the presentation of 10 years of this required supplementary information. Transition provisions in the initial adoption of the accounting standard indicate that information should be presented for as many years as are available. The County determined that is in not practicable to provide information prior to 2014.

**NOTE 5 – CHANGE IN ASSUMPTIONS**

As a result of an experience study conducted as of December 31, 2016, the Board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the Total Pension Liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes had a minimal impact on the Total Pension Liability (and actuarial accrued liability).

## **SUPPLEMENTARY INFORMATION**



**CACHE COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
AS OF DECEMBER 31, 2018

	Special Revenue										Total Nonmajor Governmental Funds	
	CCCF	CDRA	Health	Visitor's Bureau	Council on Aging	Restaurant Tax	Children's Justice Center	RAPZ Tax	Ambulance	RSSD		Debt Service
<b>ASSETS</b>												
Cash and cash equivalents	\$ -	\$ 287,667	\$ 214,419	\$ 125	\$ 200	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 502,511
Equity in investment pool	3,702	-	1,089,185	520,468	224,209	1,916,926	-	1,783,323	824,976	103,454	61,171	6,527,414
Taxes receivable	-	-	33,000	103,149	-	275,808	-	308,211	-	-	-	720,168
Due from other governments	-	-	-	5,669	96,313	-	74,867	-	7,520	-	-	184,369
Restricted cash and investments	-	-	-	-	-	-	-	-	-	-	6,514	6,514
Other assets	-	-	-	3,874	-	-	-	-	-	-	-	3,874
Total assets	<u>\$ 3,702</u>	<u>\$ 287,667</u>	<u>\$ 1,336,604</u>	<u>\$ 633,285</u>	<u>\$ 320,722</u>	<u>\$ 2,192,734</u>	<u>\$ 74,967</u>	<u>\$ 2,091,534</u>	<u>\$ 832,496</u>	<u>\$ 103,454</u>	<u>\$ 67,685</u>	<u>\$ 7,944,850</u>
<b>LIABILITIES</b>												
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,188	\$ -	\$ -	\$ -	\$ -	\$ 53,188
Accounts payable and accrued liabilities	-	268,530	172,095	37,227	26,618	102,000	7,548	6,342	257,452	-	-	877,812
Total liabilities	-	<u>268,530</u>	<u>172,095</u>	<u>37,227</u>	<u>26,618</u>	<u>102,000</u>	<u>60,736</u>	<u>6,342</u>	<u>257,452</u>	-	-	<u>931,000</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Delinquent property taxes	\$ -	-	22,400	-	-	-	-	-	-	-	-	22,400
Total deferred inflows of resources	-	-	<u>22,400</u>	-	-	-	-	-	-	-	-	<u>22,400</u>
<b>FUND BALANCE</b>												
Nonspendable	-	-	-	3,874	-	-	-	-	-	-	-	3,874
Restricted for:												
Air pollution control	-	-	364,494	-	-	-	-	-	-	-	-	364,494
Ambulance services	-	-	-	-	-	-	-	-	575,044	-	-	575,044
Health services	-	-	777,615	-	-	-	-	-	-	-	-	777,615
Streets and public improvements	-	-	-	-	-	-	-	-	-	103,454	-	103,454
Parks and recreation	-	-	-	592,184	-	2,090,734	-	2,085,192	-	-	-	4,768,110
Debt service	-	-	-	-	-	-	-	-	-	-	6,514	6,514
Other purposes	3,702	19,137	-	-	1,036	-	14,231	-	-	-	-	38,106
Assigned to:												
Debt service	-	-	-	-	-	-	-	-	-	-	61,171	61,171
Health and welfare	-	-	-	-	293,068	-	-	-	-	-	-	293,068
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>3,702</u>	<u>19,137</u>	<u>1,142,109</u>	<u>596,058</u>	<u>294,104</u>	<u>2,090,734</u>	<u>14,231</u>	<u>2,085,192</u>	<u>575,044</u>	<u>103,454</u>	<u>67,685</u>	<u>6,991,450</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,702</u>	<u>\$ 287,667</u>	<u>\$ 1,336,604</u>	<u>\$ 633,285</u>	<u>\$ 320,722</u>	<u>\$ 2,192,734</u>	<u>\$ 74,967</u>	<u>\$ 2,091,534</u>	<u>\$ 832,496</u>	<u>\$ 103,454</u>	<u>\$ 67,685</u>	<u>\$ 7,944,850</u>

**CACHE COUNTY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2018**

	Special Revenue										Total Nonmajor Governmental Funds	
	CCCF	CDRA	Health	Visitor's Bureau	Council on Aging	Restaurant Tax	Children's Justice Center	RAPZ Tax	Ambulance	RSSD		Debt Service
<b>REVENUES</b>												
Taxes:												
Property	\$ -	\$ 51,603	\$ 900,914	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 952,517
Sales and use	-	-	-	849,980	-	1,565,920	-	1,660,830	-	-	-	4,076,730
	-	51,603	900,914	849,980	-	1,565,920	-	1,660,830	-	-	-	5,029,247
Other revenues:												
Intergovernmental	-	236,064	-	57,076	319,346	-	219,225	-	1,080,100	167,983	-	2,079,794
Charges for services	-	-	299,295	34,110	96,956	-	-	-	-	-	-	430,361
Interest income	616	-	-	-	-	-	-	-	-	-	7,937	8,553
Public contributions	57,524	-	-	12,382	1,605	-	-	-	-	-	-	71,511
Miscellaneous revenues	-	-	-	-	5,083	-	-	-	11,929	2,666	-	19,678
Total revenues	<u>58,140</u>	<u>287,667</u>	<u>1,200,209</u>	<u>953,548</u>	<u>422,990</u>	<u>1,565,920</u>	<u>219,225</u>	<u>1,660,830</u>	<u>1,092,029</u>	<u>170,649</u>	<u>7,937</u>	<u>7,639,144</u>
<b>EXPENDITURES</b>												
General government	10	269,200	22,389	-	-	-	-	-	-	-	-	291,599
Public safety	-	-	-	-	-	-	218,584	-	1,038,146	-	-	1,256,730
Health and welfare	-	-	1,405,661	-	674,518	-	-	-	-	-	-	2,080,179
Culture and recreation	-	-	-	778,791	-	1,118,890	-	1,044,187	-	-	-	2,941,868
Debt service principal	-	-	-	-	-	-	-	-	-	-	1,637,019	1,637,019
Debt service interest	-	-	-	-	-	-	-	-	-	-	201,520	201,520
Total expenditures	<u>10</u>	<u>269,200</u>	<u>1,428,050</u>	<u>778,791</u>	<u>674,518</u>	<u>1,118,890</u>	<u>218,584</u>	<u>1,044,187</u>	<u>1,038,146</u>	<u>-</u>	<u>1,838,539</u>	<u>8,408,915</u>
Revenues over (under) expenditures	58,130	18,467	(227,841)	174,757	(251,528)	447,030	641	616,643	53,883	170,649	(1,830,602)	(769,771)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers in	-	-	-	125,000	257,012	-	-	-	-	-	1,723,600	2,105,612
Transfers out	(54,428)	(10,826)	-	(260,000)	-	(196,900)	-	(168,508)	-	(79,500)	-	(770,162)
Total other financing sources (uses)	<u>(54,428)</u>	<u>(10,826)</u>	<u>-</u>	<u>(135,000)</u>	<u>257,012</u>	<u>(196,900)</u>	<u>-</u>	<u>(168,508)</u>	<u>-</u>	<u>(79,500)</u>	<u>1,723,600</u>	<u>1,335,450</u>
Net change in fund balances	3,702	7,641	(227,841)	39,757	5,484	250,130	641	448,135	53,883	91,149	(107,002)	565,679
Fund balances - January 1, as restated	-	11,496	1,369,950	556,301	288,620	1,840,604	13,590	1,637,057	521,161	12,305	174,687	6,425,771
Fund balances - December 31	<u>\$ 3,702</u>	<u>\$ 19,137</u>	<u>\$ 1,142,109</u>	<u>\$ 596,058</u>	<u>\$ 294,104</u>	<u>\$ 2,090,734</u>	<u>\$ 14,231</u>	<u>\$ 2,085,192</u>	<u>\$ 575,044</u>	<u>\$ 103,454</u>	<u>\$ 67,685</u>	<u>\$ 6,991,450</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CCCF FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Other revenues:				
Interest income	\$ 100	\$ 100	\$ 616	\$ 516
Public contributions	<u>36,000</u>	<u>71,000</u>	<u>57,524</u>	<u>(13,476)</u>
Total revenues	<u>36,100</u>	<u>71,100</u>	<u>58,140</u>	<u>(12,960)</u>
<b>EXPENDITURES</b>				
General government:				
General and administrative	<u>100</u>	<u>100</u>	<u>10</u>	<u>90</u>
Total expenditures	<u>100</u>	<u>100</u>	<u>10</u>	<u>90</u>
Revenues over expenditures	<u>36,000</u>	<u>71,000</u>	<u>58,130</u>	<u>(12,870)</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(7,000)	(2,713)	4,287
Municipal services fund	(5,000)	(8,000)	(4,703)	3,297
Council on aging fund	(31,000)	(31,000)	(17,012)	13,988
Capital projects fund	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total transfers out	<u>(36,000)</u>	<u>(76,000)</u>	<u>(54,428)</u>	<u>21,572</u>
Total other financing uses	<u>(36,000)</u>	<u>(76,000)</u>	<u>(54,428)</u>	<u>21,572</u>
Net change in fund balances	-	(5,000)	3,702	8,702
Fund balances - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - December 31	<u>\$ -</u>	<u>\$ (5,000)</u>	<u>\$ 3,702</u>	<u>\$ 8,702</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CDRA FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Property	\$ 50,000	\$ 52,000	\$ 51,603	\$ (397)
Other revenues:				
Intergovernmental	<u>220,000</u>	<u>228,000</u>	<u>236,064</u>	<u>8,064</u>
Total revenues	<u>270,000</u>	<u>280,000</u>	<u>287,667</u>	<u>7,667</u>
<b>EXPENDITURES</b>				
General government:				
Cache County Redevelopment Agency	<u>259,200</u>	<u>269,200</u>	<u>269,200</u>	<u>-</u>
Total expenditures	<u>259,200</u>	<u>269,200</u>	<u>269,200</u>	<u>-</u>
Revenues over expenditures	<u>10,800</u>	<u>10,800</u>	<u>18,467</u>	<u>7,667</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	<u>-</u>	<u>(10,900)</u>	<u>(10,826)</u>	<u>74</u>
Total transfers out	<u>-</u>	<u>(10,900)</u>	<u>(10,826)</u>	<u>74</u>
Total other financing uses	<u>-</u>	<u>(10,900)</u>	<u>(10,826)</u>	<u>74</u>
Net change in fund balances	10,800	(100)	7,641	7,741
Fund balances - January 1	<u>11,496</u>	<u>11,496</u>	<u>11,496</u>	<u>-</u>
Fund balances - December 31	<u>\$ 22,296</u>	<u>\$ 11,396</u>	<u>\$ 19,137</u>	<u>\$ 7,741</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**HEALTH FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 905,000	\$ 905,000	\$ 900,914	\$ (4,086)
Other revenues:				
Charges for services	<u>270,000</u>	<u>270,000</u>	<u>299,295</u>	<u>29,295</u>
Total revenues	<u>1,175,000</u>	<u>1,175,000</u>	<u>1,200,209</u>	<u>25,209</u>
<b>EXPENDITURES</b>				
General government:				
Contributions to other units	<u>50,000</u>	<u>50,000</u>	<u>22,389</u>	<u>27,611</u>
	50,000	50,000	22,389	27,611
Health and welfare:				
Air pollution control	255,000	427,100	427,095	5
Bear River Health Department	<u>978,700</u>	<u>978,700</u>	<u>978,566</u>	<u>134</u>
	<u>1,233,700</u>	<u>1,405,800</u>	<u>1,405,661</u>	<u>139</u>
Total expenditures	<u>1,283,700</u>	<u>1,455,800</u>	<u>1,428,050</u>	<u>27,750</u>
Revenues under expenditures	<u>(108,700)</u>	<u>(280,800)</u>	<u>(227,841)</u>	<u>52,959</u>
Net change in fund balances	(108,700)	(280,800)	(227,841)	52,959
Fund balances - January 1	<u>1,369,950</u>	<u>1,369,950</u>	<u>1,369,950</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,261,250</u>	<u>\$ 1,089,150</u>	<u>\$ 1,142,109</u>	<u>\$ 52,959</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**VISITOR'S BUREAU FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Sales and use	\$ 880,000	\$ 880,000	\$ 849,980	\$ (30,020)
Other revenues:				
Intergovernmental	19,100	57,100	57,076	(24)
Charges for services	30,000	30,000	34,110	4,110
Public contributions	5,000	5,000	12,382	7,382
Miscellaneous revenues	500	500	-	(500)
Total revenues	<u>934,600</u>	<u>972,600</u>	<u>953,548</u>	<u>(19,052)</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Cache Valley Visitor's Bureau	511,900	862,500	778,791	83,709
Total expenditures	<u>511,900</u>	<u>862,500</u>	<u>778,791</u>	<u>83,709</u>
Revenues over expenditures	<u>422,700</u>	<u>110,100</u>	<u>174,757</u>	<u>64,657</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Restaurant tax fund	-	125,000	125,000	-
Total transfers in	-	125,000	125,000	-
Transfers out:				
Debt service fund	(260,000)	(260,000)	(260,000)	-
Total transfers out	<u>(260,000)</u>	<u>(260,000)</u>	<u>(260,000)</u>	<u>-</u>
Total other financing uses	<u>(260,000)</u>	<u>(135,000)</u>	<u>(135,000)</u>	<u>-</u>
Net change in fund balances	162,700	(24,900)	39,757	64,657
Fund balances - January 1	556,301	556,301	556,301	-
Fund balances - December 31	<u>\$ 719,001</u>	<u>\$ 531,401</u>	<u>\$ 596,058</u>	<u>\$ 64,657</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**COUNCIL ON AGING FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Other revenues:				
Intergovernmental	\$ 283,000	\$ 284,000	\$ 319,346	\$ 35,346
Charges for services	86,500	86,500	96,956	10,456
Public contributions	15,500	2,000	1,605	(395)
Miscellaneous revenues	6,100	2,100	5,083	2,983
Total revenues	<u>391,100</u>	<u>374,600</u>	<u>422,990</u>	<u>48,390</u>
<b>EXPENDITURES</b>				
Health and welfare:				
Nutrition	399,900	427,400	417,419	9,981
Senior center	150,100	167,000	148,109	18,891
Access	124,800	119,700	108,990	10,710
Total expenditures	<u>674,800</u>	<u>714,100</u>	<u>674,518</u>	<u>39,582</u>
Revenues under expenditures	<u>(283,700)</u>	<u>(339,500)</u>	<u>(251,528)</u>	<u>87,972</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	240,000	240,000	240,000	-
CCCF fund	-	31,000	17,012	(13,988)
Total transfers in	<u>240,000</u>	<u>271,000</u>	<u>257,012</u>	<u>(13,988)</u>
Total other financing sources	<u>240,000</u>	<u>271,000</u>	<u>257,012</u>	<u>(13,988)</u>
Net change in fund balances	(43,700)	(68,500)	5,484	73,984
Fund balances - January 1	<u>288,620</u>	<u>288,620</u>	<u>288,620</u>	<u>-</u>
Fund balances - December 31	<u>\$ 244,920</u>	<u>\$ 220,120</u>	<u>\$ 294,104</u>	<u>\$ 73,984</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RESTAURANT TAX FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Sales and use	\$ 1,555,000	\$ 1,555,000	\$ 1,565,920	\$ 10,920
Total revenues	<u>1,555,000</u>	<u>1,555,000</u>	<u>1,565,920</u>	<u>10,920</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Recreation and tourism promotion	1,555,000	1,358,100	1,118,890	239,210
Total expenditures	<u>1,555,000</u>	<u>1,358,100</u>	<u>1,118,890</u>	<u>239,210</u>
Revenues over expenditures	<u>-</u>	<u>196,900</u>	<u>447,030</u>	<u>250,130</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(71,900)	(71,900)	-
Visitor's bureau fund	-	(125,000)	(125,000)	-
Total transfers out	<u>-</u>	<u>(196,900)</u>	<u>(196,900)</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>(196,900)</u>	<u>(196,900)</u>	<u>-</u>
Net change in fund balances	-	-	250,130	250,130
Fund balances - January 1	<u>1,840,604</u>	<u>1,840,604</u>	<u>1,840,604</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,840,604</u>	<u>\$ 1,840,604</u>	<u>\$ 2,090,734</u>	<u>\$ 250,130</u>



**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CHILDREN'S JUSTICE CENTER FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other revenues:				
Intergovernmental	\$ 185,600	\$ 227,900	\$ 219,225	\$ (8,675)
Total revenues	<u>185,600</u>	<u>227,900</u>	<u>219,225</u>	<u>(8,675)</u>
<b>EXPENDITURES</b>				
Public safety:				
Children's services	<u>180,300</u>	<u>233,700</u>	<u>218,584</u>	<u>15,116</u>
Total expenditures	<u>180,300</u>	<u>233,700</u>	<u>218,584</u>	<u>15,116</u>
Revenues over (under) expenditures	<u>5,300</u>	<u>(5,800)</u>	<u>641</u>	<u>6,441</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	-	<u>11,100</u>	-	<u>(11,100)</u>
Total transfers in	-	<u>11,100</u>	-	<u>(11,100)</u>
Total other financing sources	-	<u>11,100</u>	-	<u>(11,100)</u>
Net change in fund balances	5,300	5,300	641	(4,659)
Fund balances - January 1	<u>13,590</u>	<u>13,590</u>	<u>13,590</u>	<u>-</u>
Fund balances - December 31	<u>\$ 18,890</u>	<u>\$ 18,890</u>	<u>\$ 14,231</u>	<u>\$ (4,659)</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RAPZ TAX FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Sales and use	\$ 1,689,000	\$ 1,689,000	\$ 1,660,830	\$ (28,170)
Total revenues	<u>1,689,000</u>	<u>1,689,000</u>	<u>1,660,830</u>	<u>(28,170)</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Programs and projects	<u>1,663,600</u>	<u>1,520,400</u>	<u>1,044,187</u>	<u>476,213</u>
Total expenditures	<u>1,663,600</u>	<u>1,520,400</u>	<u>1,044,187</u>	<u>476,213</u>
Revenues over expenditures	<u>25,400</u>	<u>168,600</u>	<u>616,643</u>	<u>448,043</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	(25,400)	(102,900)	(102,808)	92
Municipal services fund	-	(65,700)	(65,700)	-
Capital projects fund	-	-	-	-
Total transfers out	<u>(25,400)</u>	<u>(168,600)</u>	<u>(168,508)</u>	<u>92</u>
Total other financing uses	<u>(25,400)</u>	<u>(168,600)</u>	<u>(168,508)</u>	<u>92</u>
Net change in fund balances	-	-	448,135	448,135
Fund balances - January 1	<u>1,637,057</u>	<u>1,637,057</u>	<u>1,637,057</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,637,057</u>	<u>\$ 1,637,057</u>	<u>\$ 2,085,192</u>	<u>\$ 448,135</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMBULANCE FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Other revenues:				
Intergovernmental	\$ 1,080,200	\$ 1,080,200	\$ 1,080,100	\$ (100)
Miscellaneous income	-	33,600	11,929	(21,671)
Total revenues	<u>1,080,200</u>	<u>1,113,800</u>	<u>1,092,029</u>	<u>(21,771)</u>
<b>EXPENDITURES</b>				
Public safety:				
Ambulance services	<u>1,080,200</u>	<u>1,163,800</u>	<u>1,038,146</u>	<u>125,654</u>
Total expenditures	<u>1,080,200</u>	<u>1,163,800</u>	<u>1,038,146</u>	<u>125,654</u>
Revenues over (under) expenditures	<u>-</u>	<u>(50,000)</u>	<u>53,883</u>	<u>103,883</u>
Net change in fund balances	-	(50,000)	53,883	103,883
Fund balances - January 1	<u>521,161</u>	<u>521,161</u>	<u>521,161</u>	<u>-</u>
Fund balances - December 31	<u>\$ 521,161</u>	<u>\$ 471,161</u>	<u>\$ 575,044</u>	<u>\$ 103,883</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RSSD FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Other revenues:				
Intergovernmental	\$ 79,500	\$ 79,500	\$ 167,983	\$ 88,483
Miscellaneous income	-	-	2,666	2,666
Total revenues	<u>79,500</u>	<u>79,500</u>	<u>170,649</u>	<u>91,149</u>
<b>EXPENDITURES</b>				
Streets and public improvements:				
Road projects	<u>79,500</u>	-	-	-
Total expenditures	<u>79,500</u>	-	-	-
Revenues over expenditures	<u>-</u>	<u>79,500</u>	<u>170,649</u>	<u>91,149</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(1,000)	(1,000)	-
Municipal services fund	-	(78,500)	(78,500)	-
Total transfers out	<u>-</u>	<u>(79,500)</u>	<u>(79,500)</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>(79,500)</u>	<u>(79,500)</u>	<u>-</u>
Net change in fund balances	-	-	91,149	91,149
Fund balances - January 1	<u>12,305</u>	<u>12,305</u>	<u>12,305</u>	<u>-</u>
Fund balances - December 31	<u>\$ 12,305</u>	<u>\$ 12,305</u>	<u>\$ 103,454</u>	<u>\$ 91,149</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Other revenues:				
Interest income	\$ -	\$ -	\$ 7,937	\$ 7,937
Total revenues	<u>-</u>	<u>-</u>	<u>7,937</u>	<u>7,937</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,718,800	1,649,300	1,637,019	12,281
Interest	<u>225,700</u>	<u>189,900</u>	<u>201,520</u>	<u>(11,620)</u>
Total expenditures	<u>1,944,500</u>	<u>1,839,200</u>	<u>1,838,539</u>	<u>661</u>
Revenues under expenditures	<u>(1,944,500)</u>	<u>(1,839,200)</u>	<u>(1,830,602)</u>	<u>8,598</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	1,511,400	1,402,600	1,402,600	-
Municipal services fund	59,300	61,000	61,000	-
Visitor's bureau fund	<u>260,000</u>	<u>260,000</u>	<u>260,000</u>	<u>-</u>
Total transfers in	<u>1,830,700</u>	<u>1,723,600</u>	<u>1,723,600</u>	<u>-</u>
Total other financing sources	<u>1,830,700</u>	<u>1,723,600</u>	<u>1,723,600</u>	<u>-</u>
Net change in fund balances	<u>(113,800)</u>	<u>(115,600)</u>	<u>(107,002)</u>	<u>8,598</u>
Fund balances - January 1	<u>174,687</u>	<u>174,687</u>	<u>174,687</u>	<u>-</u>
Fund balances - December 31	<u>\$ 60,887</u>	<u>\$ 59,087</u>	<u>\$ 67,685</u>	<u>\$ 8,598</u>

**CACHE COUNTY**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**AS OF DECEMBER 31, 2018**

	<u>Fee Trust Fund</u>	<u>Health Department 125 Plan</u>	<u>Treasurer's Tax Fund</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ -	\$ 10,837	\$ 20,738,506	\$ 20,749,343
Equity in investment pool	110,012	-	-	110,012
Taxes receivable	-	-	1,150,116	1,150,116
Total assets	<u>\$ 110,012</u>	<u>\$ 10,837</u>	<u>\$ 21,888,622</u>	<u>\$ 22,009,471</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ -	\$ -	\$ 21,755,824	\$ 21,755,824
Due to employees	-	10,837	-	10,837
Refunds payable	-	-	132,798	132,798
Other payables	110,012	-	-	110,012
Total liabilities	<u>\$ 110,012</u>	<u>\$ 10,837</u>	<u>\$ 21,888,622</u>	<u>\$ 22,009,471</u>

## **COMPONENT UNITS**

**CACHE COUNTY**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTH PARK INTERLOCAL COOPERATIVE**  
**AS OF DECEMBER 31, 2018**

	<b>North Park Interlocal Cooperative</b>	<b>Bridgerland Community Ice Arena</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 141	\$ 395,596	\$ 395,737
Accounts receivable, net	-	6,439	6,439
Pledges receivable, net	-	92,853	92,853
Investments	-	964,319	964,319
Inventory	-	4,353	4,353
Other assets	-	19,775	19,775
Capital assets:			
Buildings, improvements and equipment	4,516,695	465,230	4,981,925
Accumulated depreciation	<u>(1,770,938)</u>	<u>(391,478)</u>	<u>(2,162,416)</u>
Total assets	<u>2,745,898</u>	<u>1,557,087</u>	<u>4,302,985</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	<u>-</u>	<u>44,682</u>	<u>44,682</u>
Total liabilities	<u>-</u>	<u>44,682</u>	<u>44,682</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,745,757	73,752	2,819,509
Restricted for:			
Capital projects	-	-	-
Other purposes	-	443,727	443,727
Unrestricted	<u>141</u>	<u>994,926</u>	<u>995,067</u>
Total net position	<u>\$ 2,745,898</u>	<u>\$ 1,512,405</u>	<u>\$ 4,258,303</u>



**CACHE COUNTY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**NORTH PARK INTERLOCAL COOPERATIVE**  
**YEAR ENDED DECEMBER 31, 2018**

	<u>North Park Interlocal Cooperative</u>	<u>Bridgerland Community Ice Arena</u>	<u>Total</u>
<b>Expenses</b>	\$ 114,632	\$ 1,029,048	\$ 1,143,680
<b>Program revenues</b>			
Charges for services	-	554,442	554,442
Operating grants and contributions	<u>-</u>	<u>603,171</u>	<u>603,171</u>
Total program revenues	<u>-</u>	<u>1,157,613</u>	<u>1,157,613</u>
Net revenues (expenses)	<u>(114,632)</u>	<u>128,565</u>	<u>13,933</u>
<b>General revenues</b>			
Interest income	<u>3</u>	<u>47,727</u>	<u>47,730</u>
Total general revenues	<u>3</u>	<u>47,727</u>	<u>47,730</u>
Change in net position	(114,629)	176,292	61,663
Net position - beginning	<u>2,860,527</u>	<u>1,336,113</u>	<u>4,196,640</u>
Net position - ending	<u>\$ 2,745,898</u>	<u>\$ 1,512,405</u>	<u>\$ 4,258,303</u>

This page intentionally left blank.

**CACHE COUNTY**  
**SINGLE AUDIT REPORTS**

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
<b>U.S. Department of Agriculture (USDA)</b>			
<i>Direct Program</i>			
Forest Service Schools and Roads Cluster			
Secure Rural Schools-Title I	10.665	FY2018	145,819
Secure Rural Schools-Title III	10.665	FY2018	24,017
Bonneville Shoreline Trail	10.665	17-CA-11041907-030	904
<b>Total Forest Service Schools and Roads Cluster</b>			<b>170,740</b>
NRCS - EWP Projects	10.923	68-8D43-17-205	1,401,949
<i>Passed through Utah Weed Supervisors Association</i>			
2018 EDRR Knapweed Project	10.025	2018	3,000
<i>Passed through Utah Department of Health</i>			
Special Supplemental Food Program for Women, Infants and Children:			
Food Checks 2018	10.557	152700153	1,543,719
Food Checks 2019	10.557	152700153	477,820
Administrative Costs 2018	10.557	152700153	823,646
Administrative Costs 2019	10.557	152700153	273,957
<b>Total USDA</b>			<b>4,694,831</b>
<b>U.S. Environmental Protection Agency (EPA)</b>			
<i>Passed through Utah Division of Environmental Quality</i>			
Targeted Airshed Vehicle Repair and Replace 2018	66.202	14518513	132,318
Targeted Airshed Vehicle Repair and Replace 2019	66.202	14518513	355,462
DEQ Environmental Services 2018	66.605	180046	23,688
DEQ Environmental Services 2019	66.605	180046	9,210
DEQ Air Quality 2018	66.605	180046	6,500
<b>Total EPA</b>			<b>527,178</b>

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
<b>U.S. Department of Health &amp; Human Services (HHS)</b>			
<i>Passed through Bear River Association of Governments</i>			
Aging Cluster			
Special Programs for Aging, Title III, Part B	93.044	FY 18-19	41,634
Special Programs for Aging, Title III, Part C1	93.045	FY 17-18	29,798
Special Programs for Aging, Title III, Part C1	93.045	FY 18-19	29,112
Special Programs for Aging, Title IIIC-1 CIC	93.053	FY 18-19	13,183
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 17-18	14,000
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 18-19	39,586
Special Programs for Aging, Title IIIC-2 CIH	93.053	FY 18-19	19,159
Special Programs for Aging, IIID PHP	93.043	FY 17-18	1,636
Special Programs for Aging, IIID PHP	93.043	FY 18-19	1,250
<b>Total Aging Cluster</b>			<b>189,358</b>
Health Insurance Counseling	93.779	FY 17-18	1,364
Health Insurance Counseling	93.779	FY 18-19	2,686
MIPPA	93.071	FY 17-18	1,488
MIPPA	93.071	FY 18-19	2,073
Title XX - Social Services Block Grant	93.667	FY 17-18	4,600
<i>Passed through Utah Department of Health and Human Services</i>			
General Federal Block MHF	93.958	160238-Amd#9(17-18)	57,416
General Federal Block MHF	93.958	160238 (18-19)	51,521
Federal Block Children MHX	93.958	160238-Amd#9(17-18)	8,183
Federal Block Children MHX	93.958	160238 (18-19)	14,000
General Federal Block FRF	93.958	140208-Amd#2(17-18)	3,967
General Federal Block FRF	93.958	160238-Amd#14 (18-19)	4,739
PH & Medical Preparedness 2018	93.069	182700029	124,837
PH & Medical Preparedness 2019	93.069	192700032	230,059
PREP 2018	93.092	172700340	79,667
Cancer Control 2018	93.094	162700957	33,138
Cancer Control 2019	93.094	162700957	6,983
TB Control 2018	93.116	152700340	5,617
Community Level PDO Grant 2018	93.136	172700018	50,060

CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
Substance Abuse - SPF Partners for Success 2018	93.243	160083	9,843
Substance Abuse - SPF Partners for Success 2019	93.243	160048	10,531
Substance Abuse - RX Partners for Success 2018	93.243	160048	7,891
Substance Abuse - RX Partners for Success 2019	93.243	160048	22,916
Enhance Accute HCV & HBV Surveillance 2018	93.270	182700551	5,000
Radon PSE 2018	93.283	152700565	3,000
Tobacco Comprehensive 2018	93.305	162700062	18,494
Tobacco Comprehensive 2019	93.305	162700062	25,774
Enhanced Prion Disease Surveillance 2018	93.323	162700401	578
Enhanced Prion Disease Surveillance 2018	93.323	162700401	247
EPICC 1815 2019	93.426	192700347	11,681
EPICC 1815 2019	93.435	192700347	14,648
ELC Healthcare Associated Infections 2018	93.521	150959	3,444
ELC Healthcare Associated Infections 2019	93.521	150959	2,290
Immunization 2019	93.539	172700642	53,045
Refugee Health TB 2018	93.566	152700271	34,059
Refugee Health TB 2019	93.566	152700271	2,331
Cancer Control 2018 (Breast and Cervical)	93.752	162700842	9,470
Cancer Control 2019 (Breast and Cervical)	93.752	162700842	8,700
EPICC 1422 2018	93.757	162700160	190,768
EPICC 1305 (PHS BLOCK 4290) 2018	93.758	162700160	47,289
EPICC 1305 (PHS BLOCK 4290) 2019	93.758	162700160	16,619
PHHSBG Boost Contract 2018	93.758	172700389	34,204
PHHSBG Boost Contract 2019	93.758	172700389	14,025
Injury Prevention MCH 2018	93.758	172700848	5,157
Injury Prevention MCH 2019	93.758	182700955	5,802

CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
Medicaid Cluster			
Targeted Case Management 2018	93.778	162700997	154,264
Targeted Case Management 2019	93.778	162700997	201,333
CHEC 2018	93.778	162700989	29,038
CHEC 2019	93.778	162700989	22,314
Consumer Education and Assistance 2018	93.778	182700017	852
Consumer Education and Assistance 2019	93.778	192700559	9,074
<b>    Total Medicaid Cluster</b>			<b>416,875</b>
Substance Abuse - Opioid STR Grant 2018	93.788	160048	107,989
Substance Abuse - Opioid STR Grant 2019	93.788	160048	176,958
State Medical Reserve Corp. 2018	93.889	182700029	8,874
State Medical Reserve Corp. 2019	93.889	192700032	19,589
Regional health Care Coalition 2018	93.889	182700029	75,939
Regional health Care Coalition 2019	93.889	192700032	106,969
HIV Prevention Counseling & Testing 2018	93.940	182700662	5,000
Substance Abuse - SAPT Block Grant 2018	93.959	160048	436,217
Substance Abuse - SAPT Block Grant 2019	93.959	160048	424,889
STD Disease Intervention Services 2018	93.977	152700274	6,178
MCH-PBG Injury Prevention 2018	93.994	172700848	9,841
MCH-PBG Injury Prevention 2019	93.994	182700955	13,597
Maternal and Child Health Funding 2018	93.994	162700357	53,040
Maternal and Child Health Funding 2019	93.994	162700357	52,430
<b>Total HHS</b>			<b>3,343,947</b>
<b>U.S. Department of Interior (DOI)</b>			
<i>Passed through the State Division of Wildlife Resources</i>			
Fish and Wildlife Cluster			
Pittman-Robertson Program	15.611	FY2018	9,160
<b>    Total Fish and Wildlife Cluster</b>			<b>9,160</b>
<b>Total DOI</b>			<b>9,160</b>

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED DECEMBER 31, 2018

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
<b>U.S. Department of Justice (DOJ)</b>			
<i>Passed through Utah Department of Justice</i>			
Substance Abuse - BJA Adult Drug Court 2019	16.585	160048	25,201
<i>Passed through State Office of the Attorney General</i>			
State Criminal Alien Assistance Program	16.606	2018-AP-BX-0802	72,000
Victim Assistance Services Grant	16.575	16-V-17096	36,846
Victim Assistance Services Grant	16.575	15-V-17005	117,058
Victim Assistance Services Grant	16.575	15-V-17006	4,268
Victim Assistance Services Grant	16.575	16-V-17005	107,796
Victim Assistance Services Grant	16.575	16-V-17006	4,936
Violence Against Women Grant - Prosecutions	16.588	16-W1829	14,825
Violence Against Women Grant - Prosecutions	16.588	16-W1803	124,142
<b>Total DOJ</b>			<b>507,072</b>
<b>U.S. Department of Transportation (DOT)</b>			
<i>Direct Program</i>			
Construction Taxiway C (Charlie)	20.106	DOT-FA17NM-1044	47,034
<i>Passed through State Department of Transportation</i>			
Highway Planning and Construction Cluster:			
CMAQ Air Quality Education & Outreach 2018	20.205	158698	15,988
CMAQ Air Quality Education & Outreach 2019	20.205	158698	29,599
<b>Total Highway Planning and Construction Cluster</b>			<b>45,587</b>
<i>Passed through Utah Highway Safety Office</i>			
Highway Safety Cluster			
Highway Safety - Rural Seat Belt 2018	20.600	MOA	22,500
Highway Safety - Rural Seat Belt 2019	20.600	MOA	14,250
Highway Safety - Child Passenger Safety 2018	20.616	MOA	5,250
Highway Safety - Child Passenger Safety 2019	20.616	MOA	3,500
<b>Total Highway Safety Cluster</b>			<b>45,500</b>
<b>Total DOT</b>			<b>138,121</b>



CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2018**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grant No.</u>	<u>Expenditures</u>
<b>U.S. Department of Homeland Security (DHS)</b>			
<i>Passed through State Department of Public Safety</i>			
FEMA	97.036	FY218	1,257,859
Emergency Management Performance Grant	97.042	2018 EMPG	48,264
<b>Total DHS</b>			<b>1,306,123</b>
<b>GRAND TOTAL</b>			<b>\$ 10,526,432</b>

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED DECEMBER 31, 2018

**NOTE 1 – PURPOSE OF THE SCHEDULE**

The Schedule of Expenditures of Federal Awards (the Schedule) is a supplementary schedule to the basic financial statements designed to provide expenditure information for each federal program in which the County participated. The schedule is required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting**

The Schedule is prepared using the same accounting policies and basis of accounting as the basic financial statements.

**B. CFDA Numbers**

The schedule shows the total expenditures for each of the County's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The CFDA is a government-wide compendium of individual federal programs. Each program included in the

CFDA is assigned a five-digit program identification number (CFDA number).

**C. Major Programs**

Uniform Guidance establishes the levels of expenditures or expenses and other criteria to be used in defining major federal financial assistance. Major programs have been noted on the Schedule of Findings and Questioned Costs in accordance with those definitions.

**D. Indirect Costs**

The Schedule includes a portion of costs associated with general activities that are allocated to federal financial assistance programs using direct labor as a basis of allocation. The County has not elected to use the 10% de minimis indirect cost rate.

**E. WIC Checks**

Expenditures are recorded for WIC checks on the schedule based on information provided by the State of Utah Department of Health. The value of WIC checks is excluded from grant revenue and grant expenditures in the financial statements of Bear River Health Department.



Certified Public Accountants

www.jones-simkins.com

*Logan Office:*

1011 West 400 North, Suite 100  
Logan, UT 84323-0747  
Phone: (435) 752-1510 • (877) 752-1510  
Fax: (435) 752-4878

*Salt Lake City Office:*

6715 South 1300 East, Suite 250  
Salt Lake City, UT 84121  
Phone: (801) 561-6026  
Fax: (801) 561-2023

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

To the Cache County Council  
Logan, Utah

We have audited 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, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cache County, Utah (the County) as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 25, 2019. Our report includes a reference to other auditors who audited the financial statements of Bridgerland Community Ice Arena (a component unit of North Park Interlocal Cooperative), and Cache County Emergency Medical Service Authority, as described in our report on the County's financial statements. The financial statements of Bridgerland Community Ice Arena were not audited in accordance with *Government Auditing Standards*. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a

deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



JONES SIMKINS LLC  
Logan, Utah  
June 25, 2019



Certified Public Accountants

www.jones-simkins.com

*Logan Office:*

1011 West 400 North, Suite 100  
Logan, UT 84323-0747  
Phone: (435) 752-1510 • (877) 752-1510  
Fax: (435) 752-4878

*Salt Lake City Office:*

6715 South 1300 East, Suite 250  
Salt Lake City, UT 84121  
Phone: (801) 561-6026  
Fax: (801) 561-2023

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

To the Cache County Council  
Logan, Utah

### **Report on Compliance for Each Major Federal Program**

We have audited Cache County, Utah's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### ***Management's Responsibility***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major Federal Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

### **Report on Internal Control over Compliance**

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

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

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

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

*Jones Simkins LLC*

JONES SIMKINS LLC

Logan, Utah

June 25, 2019

CACHE COUNTY  
Schedule of Findings and Questioned Costs  
Year Ended December 31, 2018

A. Summary of Audit Findings:

1.	Type of report issued	Unmodified
2.	Internal control over financial reporting: Material weaknesses identified: Significant deficiencies identified that were not considered to be material weaknesses:	No  None reported
3.	Non-compliance material to financial statements noted:	No
4.	Internal control over major programs: Material weaknesses identified: Significant deficiencies identified that were not considered to be material weaknesses:	No  None reported
5.	Type of auditors' report issued on compliance for major programs:	Unmodified
6.	Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a):	None
7.	Federal programs tested as major programs	10.557 – WIC  10.923 – Emergency Watershed Protection Program  66.202 – Targeted Airshed Vehicle Repair and Replace  97.036 – Disaster Grants – Public Assistance
8.	Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
9.	Auditee qualifications as high or low risk:	Low



CACHE COUNTY  
Schedule of Findings and Questioned Costs  
Year Ended December 31, 2018

B. Findings related to the financial statements required to be reported in accordance with *Government Auditing Standards*:

None

C. Findings and questioned costs related to federal awards required to be reported in accordance with the Uniform Guidance.

None

CACHE COUNTY

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
YEAR ENDED DECEMBER 31, 2018

There were no audit findings in the prior year.

**CACHE COUNTY**

**CORRECTIVE ACTION PLAN**  
**YEAR ENDED DECEMBER 31, 2018**

No action required as there were no audit findings in the current year or prior year.

## **STATE COMPLIANCE REPORTS**



Certified Public Accountants

www.jones-simkins.com

*Logan Office:*

1011 West 400 North, Suite 100  
Logan, UT 84323-0747  
Phone: (435) 752-1510 • (877) 752-1510  
Fax: (435) 752-4878

*Salt Lake City Office:*

6715 South 1300 East, Suite 250  
Salt Lake City, UT 84121  
Phone: (801) 561-6026  
Fax: (801) 561-2023

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND  
REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE

To the Cache County Council  
Logan, Utah

**Report on Compliance**

We have audited Cache County's (the County) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, that could have a direct and material effect on the County for the year ended December 31, 2018.

State compliance requirements were tested for the year ended December 31, 2018 in the following areas:

- Budgetary Compliance
- Fund Balance
- Utah Retirement Systems
- Restricted Taxes and Related Restricted Revenue
- Open and Public Meetings Act
- Treasurer's Bond
- Tax Levy Revenue Recognition

***Management's Responsibility***

Management is responsible for compliance with the state requirements referred to above.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the County's compliance based on our audit of the state compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those

standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the County's compliance with those requirements.

### ***Opinion on Compliance***

In our opinion, the County complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2018.

### **Report on Internal Control Over Compliance**

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

A handwritten signature in cursive script that reads "Jones Simkins LLC".

JONES SIMKINS LLC

Logan, Utah

June 25, 2019