



CACHE COUNTY, UTAH

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

**CACHE COUNTY**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

	<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 .....	58
Schedule of Contributions – Primary Government.....	61
Schedule of Contributions – Component Units .....	62
Notes to the Required Supplementary Information .....	63
<b>Supplementary Information</b>	
Nonmajor Governmental Funds	
Combining Balance Sheet.....	65
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	66
Budgetary Comparison Schedules	
CCCF Fund.....	67
CDRA Fund .....	68
Health Fund .....	69
Visitor’s Bureau Fund.....	70
Council on Aging Fund .....	71
Restaurant Tax Fund.....	72
Children’s Justice Center Fund .....	73
RAPZ Tax Fund .....	74
Ambulance Fund.....	75
RSSD Fund.....	76

	<b>Page</b>
Debt Service Fund.....	77
Combining Statement of Fiduciary Net Position – Agency Funds.....	78
<b>Component Units</b>	
North Park Interlocal Cooperative	
Combining Statement of Net Position .....	80
Combining Statement of Activities .....	81
<b>SINGLE AUDIT REPORTS</b>	
Schedule of Expenditures of Federal Awards .....	84
Notes to the Schedule of Expenditures of Federal Awards .....	90
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.....	91
Independent Auditors’ Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance .....	93
Schedule of Findings and Questioned Costs .....	96
Summary Schedule of Prior Year Audit Findings .....	98
Corrective Action Plan .....	99
<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 .....	101



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## 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, 2019, 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 5 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 15 percent, 14 percent, and 24 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 County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2019, 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, 2020 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 the effectiveness of 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, 2020

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## INTRODUCTION

The following discussion and analysis is presented as an overview of the financial performance of Cache County for the year ended December 31, 2019. 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 was about \$78.5 million, representing an increase of approximately \$7.2 million or about 10.1 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 \$3.7 million, or 4.7 percent of total net position.
- During the year, the County had net program expenses of approximately \$33.2 million. This compares to last year, when net program expenses were approximately 28.5 million. The total cost of the County's programs was about \$52.0 million and increased approximately \$2.9 million, or about 5.8 percent, from the prior year.
- Combined fund balances of the County amounted to about \$57.7 million, an increase of more than \$17.5 million or about 43.6 percent, from the prior year. Of the combined total, approximately \$46.6 million, or 80.6 percent, is subject to external restrictions on its use.
- Unassigned fund balance of the General Fund was about \$8.3 million, which amount was approximately 30.1 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, 2019

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 2019, the County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$78,511,898, an increase of \$7,223,359 from the prior year.

Just over half of the County’s net position, \$39,777,635 or 50.7 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

<b>CACHE COUNTY'S NET POSITION</b>			
<b>GOVERNMENTAL ACTIVITIES</b>			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
<b>ASSETS</b>			
Current and other assets	\$ 62,961,853	\$ 46,601,787	35.1%
Capital assets, net	47,665,371	44,723,050	6.6%
Non-current assets	-	57,987	-100.0%
Total assets	<u>110,627,224</u>	<u>91,382,824</u>	<u>21.1%</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	<u>7,210,753</u>	<u>5,993,167</u>	<u>20.3%</u>
<b>LIABILITIES</b>			
Current liabilities	4,824,016	4,751,440	1.5%
Long-term liabilities	<u>33,910,944</u>	<u>17,862,615</u>	<u>89.8%</u>
Total liabilities	<u>38,734,960</u>	<u>22,614,055</u>	<u>71.3%</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	<u>591,119</u>	<u>3,473,397</u>	<u>100.0%</u>
<b>NET POSITION</b>			
Net investment in capital assets	39,777,635	36,466,186	9.1%
Restricted	35,062,506	32,668,398	7.3%
Unrestricted	<u>3,671,757</u>	<u>2,153,955</u>	<u>70.5%</u>
Total net position	<u>\$ 78,511,898</u>	<u>\$ 71,288,539</u>	<u>10.1%</u>

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

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 \$35,062,506, or 44.7 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 \$3,671,757, or 4.7 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 \$7,223,359 from the prior year is attributable to governmental activities.

Sales tax revenue, representing 34.0 percent of all revenue, is the County’s most significant revenue source. In 2019, sales tax revenue increased over the prior year by \$4,264,057, or 26.9 percent, and totaled \$20,123,207. Property tax revenue, also a significant source of revenue for the County, accounts for 32.1 percent of all revenue. In 2019, it grew by \$867,824, or 4.8 percent, and totaled \$19,022,948.

In total, revenues for the County increased \$2,280,344, or 4.0 percent, from the prior year. The primary reasons for the net increase is due to increases in sales taxes offsetting decreases in operating grants and contributions.

Beginning October 2018, there was a 0.25% increase in the sales tax rate dedicated to road projects, for an increase of approximately \$3,272,000 in the current year over the prior year. The additional increase in other sales taxes of about \$992,000 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 2019, operating grants and contributions decreased from the prior year by about \$1,800,000. This decrease was due to grants awarded by NRCS and FEMA, for disaster recovery related projects in 2018 and not receiving as much grant monies in 2019.

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

GOVERNMENTAL ACTIVITIES

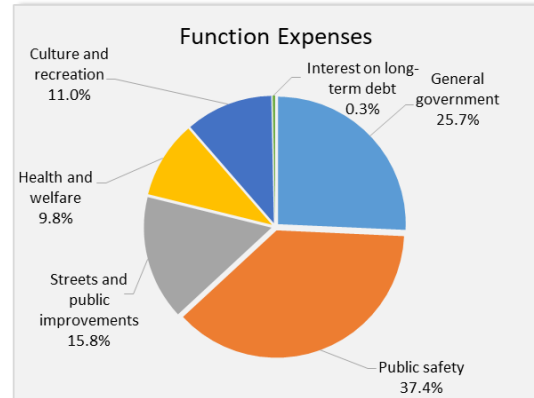
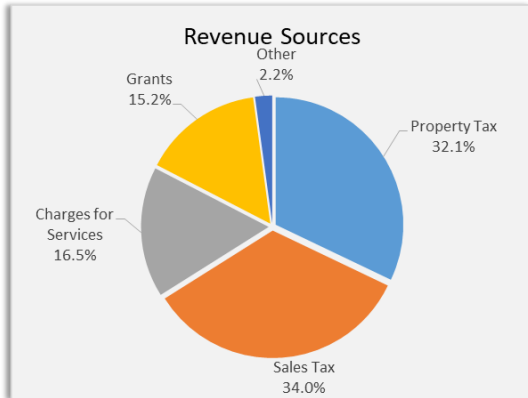
	2019	2018	% Change
<b>REVENUES</b>			
Program revenues			
Charges for services	\$ 9,807,189	\$ 8,994,435	9.0%
Operating grants and contributions	9,009,666	10,843,890	-16.9%
Capital grants and contributions	24,336	869,848	-97.2%
General revenues			
Property taxes	19,022,948	18,155,124	4.8%
Sales taxes	20,123,207	15,859,150	26.9%
Other general revenues	<u>1,278,618</u>	<u>2,263,173</u>	-43.5%
Total revenues	<u>59,265,964</u>	<u>56,985,620</u>	4.0%
<b>EXPENSES</b>			
General government	13,388,966	12,923,522	3.6%
Public safety	19,450,343	18,352,622	6.0%
Streets and public improvements	8,202,097	7,891,677	3.9%
Health and welfare	5,079,828	5,090,709	-0.2%
Culture and recreation	5,748,759	4,720,502	21.8%
Interest on long-term debt	<u>172,612</u>	<u>201,520</u>	-14.3%
Total expenses	<u>52,042,605</u>	<u>49,180,552</u>	5.8%
Change in net position	7,223,359	7,805,068	-7.5%
Net position - January 1	<u>71,288,539</u>	<u>63,483,471</u>	12.3%
Net position - December 31	<u>\$ 78,511,898</u>	<u>\$ 71,288,539</u>	10.1%

MANAGEMENT DISCUSSION AND ANALYSIS

DECEMBER 31, 2019

Taxes collected by the County create the largest portion of revenues for the County totaling \$39,146,155, or 66.1 percent of all revenues. Grants and contributions, totaling \$9,034,002 or 15.2 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 \$9,807,189 or 16.5 percent.

Total expenses increased for the County by \$2,862,053, or 5.8 percent, from the prior year. The activity with the largest increase was public safety, experiencing an increase of \$1,097,721, or 6.0 percent. The primary reasons for the total increase in County expenses were related to increased payout of RAPZ Tax awards of about \$1.2 million and contributions to other governments related to the new 0.25% sales tax of about 1.5 million.



Public safety services generate the most significant portion of the County’s expenses amounting to \$19,450,343, or 37.4 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 \$4,168,321, \$3,773,496, and \$8,174,733, respectively. Combined, these three programs account for 31.0 percent of the County’s total expenses. The cost of these programs increased by 3.5 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 2019, these revenues covered \$18,841,191, or 36.2 percent, of total expenses through charges for services, grants and contributions. Taxes and other general revenues covered the remaining 63.8 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	
	2019	2019	2019	2018	2019	2018
General government	\$ 13,388,966	\$ (4,877,231)	\$ 8,511,735	\$ 8,814,131	36.4%	31.8%
Public safety	19,450,343	(6,738,924)	12,711,419	12,025,671	34.6%	34.5%
Streets and public improvements	8,202,097	(3,107,022)	5,095,075	1,691,573	37.9%	78.6%
Health and welfare	5,079,828	(3,377,929)	1,701,899	1,736,507	66.5%	65.9%
Culture and recreation	5,748,759	(740,085)	5,008,674	4,002,977	12.9%	15.2%
Interest on long-term debt	172,612	-	172,612	201,520	0.0%	0.0%
<b>Total governmental activities</b>	<b>\$ 52,042,605</b>	<b>\$ (18,841,191)</b>	<b>\$ 33,201,414</b>	<b>\$ 28,472,379</b>	<b>36.2%</b>	<b>42.1%</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 \$47,665,371 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 \$2,942,321, or 6.6 percent. The most significant addition to capital assets was related to the purchase of land and the start of the new road facility of about \$2.1 million. Total capital purchases were approximately \$6.1 million. These increases were partially offset by current depreciation of approximately \$2.7 million and disposals of approximately \$1.1 million.

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

GOVERNMENTAL ACTIVITIES

	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Land	\$ 3,579,205	\$ 3,056,634	17.1%
Construction in process	1,843,937	428,659	330.2%
Buildings and improvements	22,744,695	23,608,337	-3.7%
Equipment	10,321,006	8,036,987	28.4%
Infrastructure	<u>9,176,528</u>	<u>9,592,433</u>	<u>-4.3%</u>
Total capital assets, net	<u>\$ 47,665,371</u>	<u>\$ 44,723,050</u>	<u>6.6%</u>

**Long-term Debt**

Bonded debt outstanding at the end of the year, consisting of revenue bonds, had a balance of \$18,269,000 compared to \$6,907,000 at the prior year end. There are three bonds outstanding at the end of 2019. 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 Cache County Event Center. The 2019 series bonds, issued in the amount of \$12,500,000, were issued in the current year to help finance the new road facility. Capital leases at the end of the year totaled \$1,116,894 compared to \$1,349,864 at the prior year end. There was one new lease 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 patrol vehicles in 2019. 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 \$2,350,161. The adjoining table presents changes to long-term obligations relative to the prior year.

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

GOVERNMENTAL ACTIVITIES

	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Sales tax revenue bonds, net of premiums and refundings	\$ 18,269,000	\$ 6,907,000	164.5%
Capital leases	1,116,894	1,349,864	-17.3%
Compensated absences	<u>2,350,161</u>	<u>2,350,314</u>	<u>0.0%</u>
Total long-term debt	<u>\$ 21,736,055</u>	<u>\$ 10,607,178</u>	<u>104.9%</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.

**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

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, 2019, the combined fund balance of the governmental funds of the County was \$57,732,037, an increase of \$17,524,341, or 43.6 percent, in comparison with the prior year. Of that fund balance, \$8,302,009, or 14.4 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, 2019, the unassigned fund balance of the general fund was \$8,314,779. This amount represents 30.1 percent of the total expenditures of the general fund, and is 63.6 percent of annual current property tax revenue.

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

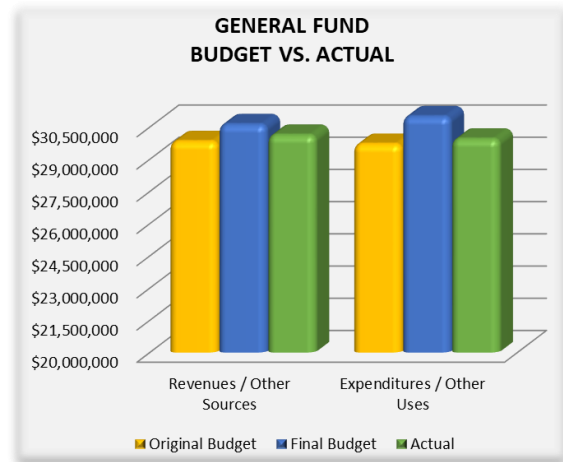
FUNDS	2019					2018		% Change
	Nonspendable	Restricted	Assigned	Unassigned	Total	Total		
General	\$ 217,476	\$ 162,900	\$ -	\$ 8,314,779	\$ 8,695,155	\$ 8,516,105	2.1%	
Assessing and Collecting	-	5,686,586	-	-	5,686,586	5,230,010	8.7%	
Municipal Services	-	3,598,936	-	-	3,598,936	4,369,512	-17.6%	
CCCOG	-	18,390,481	-	-	18,390,481	15,083,887	21.9%	
Capital Projects	-	12,437,204	2,186,123	-	14,623,327	16,732	87297.4%	
Other (Nonmajor)	49,405	6,284,557	416,360	(12,770)	6,737,552	6,991,450	-3.6%	
<b>Total fund balances</b>	<b>\$ 266,881</b>	<b>\$ 46,560,664</b>	<b>\$ 2,602,483</b>	<b>\$ 8,302,009</b>	<b>\$ 57,732,037</b>	<b>\$ 40,207,696</b>	<b>43.6%</b>	

**General Fund Budgetary Highlights**

The final adopted revenue budget of the general fund increased by \$412,000 over the original budget. The most significant increase in budgeted revenues resulted from a change in grant revenue related to the VOCA and VAWA grants. The increase for the grant was \$192,900, or 46.8 percent of the total revenue budget increase.

Budgeted expenditures increased by \$1,839,500 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 \$875,200. Within this increase, there was approximately \$199,100 appropriated for expenditures related to the VOCA and VAWA grants. Approximately \$160,000 was appropriated for 2 new positions in the Human Resource and Executive offices.
- Public safety also had significant increases to the budget with the majority of the increase going to fire engine purchases of approximately \$543,000.
- Improvements and equipment purchases at the County Fairgrounds accounted for another \$257,200 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.

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## **BASIC FINANCIAL STATEMENTS**



## STATEMENT OF NET POSITION

AS OF DECEMBER 31, 2019

	Primary Government		Component Units
	Governmental Activities	Total	
<b>ASSETS</b>			
Cash and cash equivalents	\$ 5,821,103	\$ 5,821,103	\$ 7,438,168
Equity in investment pool	37,303,057	37,303,057	739,471
Taxes receivable	4,489,767	4,489,767	-
Accounts receivable, net	179,634	179,634	2,703,133
Interest receivable	15,771	15,771	-
Pledges receivable, net	-	-	92,853
Due from other governments	2,441,586	2,441,586	24,423
Investments	-	-	986,114
Inventory	-	-	288,904
Restricted cash and investments	12,444,054	12,444,054	-
Other assets, net	266,881	266,881	18,551
Capital assets:			
Land	3,579,205	3,579,205	2,062,690
Construction in process	1,843,937	1,843,937	24,375
Buildings, improvements and equipment	55,530,598	55,530,598	42,091,673
Infrastructure	17,837,373	17,837,373	-
Accumulated depreciation	<u>(31,125,742)</u>	<u>(31,125,742)</u>	<u>(21,835,945)</u>
Total assets	<u>110,627,224</u>	<u>110,627,224</u>	<u>34,634,410</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pensions	<u>7,210,753</u>	<u>7,210,753</u>	<u>2,146,048</u>
Total deferred outflows of resources	<u>7,210,753</u>	<u>7,210,753</u>	<u>2,146,048</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	\$ 3,626,296	\$ 3,626,296	\$ 935,382
Due to other governments	851,433	851,433	908,000
Unearned revenue	346,287	346,287	48,202
Long-term liabilities:			
Due within one year	3,101,293	3,101,293	332,000
Due in more than one year	18,634,762	18,634,762	498,000
Net pension liability	<u>12,174,889</u>	<u>12,174,889</u>	<u>3,305,747</u>
Total liabilities	<u>38,734,960</u>	<u>38,734,960</u>	<u>6,027,331</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pensions	<u>591,119</u>	<u>591,119</u>	<u>100,456</u>
Total deferred inflows of resources	<u>591,119</u>	<u>591,119</u>	<u>100,456</u>
<b>NET POSITION</b>			
Net investment in capital assets	39,777,635	39,777,635	22,318,418
Restricted for:			
Air pollution control	415,278	415,278	-
Ambulance services	795,602	795,602	-
Election equipment	162,900	162,900	-
Health services	664,772	664,772	-
Municipal services	3,242,554	3,242,554	-
Parks and recreation	4,622,957	4,622,957	-
Property tax administration	5,686,586	5,686,586	-
Streets and public improvements	19,436,660	19,436,660	-
Debt service	6,850	6,850	-
Other purposes	28,347	28,347	439,523
Unrestricted	<u>3,671,757</u>	<u>3,671,757</u>	<u>7,894,730</u>
Total net position	<u>\$ 78,511,898</u>	<u>\$ 78,511,898</u>	<u>\$ 30,652,671</u>

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

CACHE COUNTY

STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2019

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	\$ 13,388,966	\$ 2,961,562	\$ 1,915,669	\$ -	\$ (8,511,735)	\$ (8,511,735)	\$ -
Public safety	19,450,343	4,965,366	1,773,558	-	(12,711,419)	(12,711,419)	-
Streets and public improvements	8,202,097	926,894	2,180,128	-	(5,095,075)	(5,095,075)	-
Health and welfare	5,079,828	389,159	2,988,770	-	(1,701,899)	(1,701,899)	-
Culture and recreation	5,748,759	564,208	151,541	24,336	(5,008,674)	(5,008,674)	-
Interest on long-term debt	172,612	-	-	-	(172,612)	(172,612)	-
Total governmental activities	<u>52,042,605</u>	<u>9,807,189</u>	<u>9,009,666</u>	<u>24,336</u>	<u>(33,201,414)</u>	<u>(33,201,414)</u>	<u>-</u>
Total primary government	<u>\$ 52,042,605</u>	<u>\$ 9,807,189</u>	<u>\$ 9,009,666</u>	<u>\$ 24,336</u>	<u>(33,201,414)</u>	<u>(33,201,414)</u>	<u>-</u>
<b>Component Units:</b>							
Airport Authority	\$ 1,262,915	\$ 144,754	\$ 160,000	\$ 388,984	-	-	(569,177)
North Park Interlocal Cooperative	1,064,224	565,146	438,550	-	-	-	(60,528)
Bear River Health Department	13,090,352	3,609,223	7,531,082	-	-	-	(1,950,047)
CCEMS Authority	4,797,501	4,175,124	408,838	-	-	-	(213,539)
Total component units	<u>\$ 20,214,992</u>	<u>\$ 8,494,247</u>	<u>\$ 8,538,470</u>	<u>\$ 388,984</u>	<u>-</u>	<u>-</u>	<u>(2,793,291)</u>
General revenues:							
Property taxes					19,022,948	19,022,948	-
Sales and use taxes					20,123,207	20,123,207	-
Interest and investment income					878,538	878,538	199,680
Gain (loss) on sale of assets					(34,813)	(34,813)	-
Miscellaneous income					434,893	434,893	1,500,948
Total general revenues					<u>40,424,773</u>	<u>40,424,773</u>	<u>1,700,628</u>
Changes in net position					7,223,359	7,223,359	(1,092,663)
Net position - January 1					<u>71,288,539</u>	<u>71,288,539</u>	<u>31,745,334</u>
Net position - December 31					<u>\$ 78,511,898</u>	<u>\$ 78,511,898</u>	<u>\$ 30,652,671</u>

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

	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	\$ 4,268,733	\$ 983,048	\$ 8,395	\$ -	\$ -	\$ -	\$ 560,927	\$ 5,821,103
Equity in investment pool	3,292,500	4,734,380	2,593,946	618,993	17,529,013	2,742,353	5,791,872	37,303,057
Interfund receivable - investment pool	-	-	64,526	-	-	-	-	64,526
Taxes receivable	1,657,023	124,400	1,046,093	-	861,468	-	800,783	4,489,767
Accounts receivable	124,076	279	55,279	-	-	-	-	179,634
Interest receivable	15,771	-	-	-	-	-	-	15,771
Due from other governments	958,629	10,520	735,107	232,440	-	-	504,890	2,441,586
Restricted cash and investments	-	-	-	-	-	12,437,204	6,850	12,444,054
Other assets	217,476	-	-	-	-	-	49,405	266,881
Total assets	<u>\$ 10,534,208</u>	<u>\$ 5,852,627</u>	<u>\$ 4,503,346</u>	<u>\$ 851,433</u>	<u>\$ 18,390,481</u>	<u>\$ 15,179,557</u>	<u>\$ 7,714,727</u>	<u>\$ 63,026,379</u>
<b>LIABILITIES</b>								
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,526	\$ 64,526
Accounts payable and accrued liabilities	1,178,866	94,441	904,410	-	-	556,230	892,349	3,626,296
Due to other governments	-	-	-	851,433	-	-	-	851,433
Unearned revenues	346,287	-	-	-	-	-	-	346,287
Total liabilities	<u>1,525,153</u>	<u>94,441</u>	<u>904,410</u>	<u>851,433</u>	<u>-</u>	<u>556,230</u>	<u>956,875</u>	<u>4,888,542</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Delinquent property taxes	313,900	71,600	-	-	-	-	20,300	405,800
Total deferred inflows of resources	<u>313,900</u>	<u>71,600</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,300</u>	<u>405,800</u>
<b>FUND BALANCES</b>								
Nonspendable	217,476	-	-	-	-	-	49,405	266,881
Restricted for:								
Air pollution control	-	-	-	-	-	-	415,278	415,278
Ambulance services	-	-	-	-	-	-	795,602	795,602
Election equipment	162,900	-	-	-	-	-	-	162,900
Health services	-	-	-	-	-	-	664,772	664,772
Municipal services	-	-	3,242,554	-	-	-	-	3,242,554
Parks and recreation	-	-	356,382	-	-	-	4,266,575	4,622,957
Property tax administration	-	5,686,586	-	-	-	-	-	5,686,586
Streets and public improvements	-	-	-	-	18,390,481	12,437,204	107,133	30,934,818
Debt service	-	-	-	-	-	-	6,850	6,850
Other purposes	-	-	-	-	-	-	28,347	28,347
Assigned to:								
Capital projects	-	-	-	-	-	2,186,123	-	2,186,123
Debt service	-	-	-	-	-	-	73,709	73,709
Health and welfare	-	-	-	-	-	-	342,651	342,651
Unassigned	8,314,779	-	-	-	-	-	(12,770)	8,302,009
Total fund balances	<u>8,695,155</u>	<u>5,686,586</u>	<u>3,598,936</u>	<u>-</u>	<u>18,390,481</u>	<u>14,623,327</u>	<u>6,737,552</u>	<u>57,732,037</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,534,208</u>	<u>\$ 5,852,627</u>	<u>\$ 4,503,346</u>	<u>\$ 851,433</u>	<u>\$ 18,390,481</u>	<u>\$ 15,179,557</u>	<u>\$ 7,714,727</u>	<u>\$ 63,026,379</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, 2019

**Total Fund Balance - Governmental Funds** \$ 57,732,037

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	3,579,205	
Construction in process	1,843,937	
Buildings, improvements and equipment	55,530,598	
Infrastructure	17,837,373	
Accumulated depreciation	<u>(31,125,742)</u>	
		47,665,371

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		405,800
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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	(18,269,000)	
Capital leases	(1,116,894)	
Compensated absences	<u>(2,350,161)</u>	
		(21,736,055)

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	-	
Deferred outflow of resources - pensions	7,210,753	
Net pension liability	(12,174,889)	
Deferred inflow of resources - pensions	<u>(591,119)</u>	
		<u>(5,555,255)</u>

**Net Position - Governmental Activities** \$ 78,511,898

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, 2019

	Special Revenue					Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
	General	Assessing and Collecting	Municipal Services	Mental Health	CCCOG			
<b>REVENUES</b>								
Taxes:								
Property	\$ 14,726,595	\$ 3,344,941	\$ -	\$ -	\$ -	\$ -	\$ 993,712	\$ 19,065,248
Sales and use	<u>5,929,579</u>	<u>-</u>	<u>5,395,428</u>	<u>-</u>	<u>4,428,632</u>	<u>-</u>	<u>4,369,568</u>	<u>20,123,207</u>
	20,656,174	3,344,941	5,395,428	-	4,428,632	-	5,363,280	39,188,455
Other revenues:								
Intergovernmental	1,048,554	-	4,037,165	2,667,371	-	-	2,335,656	10,088,746
Charges for services	6,036,688	795,952	1,354,134	-	-	-	425,357	8,612,131
Licenses and permits	39,510	-	1,065,619	-	-	-	-	1,105,129
Fines and forfeitures	89,929	-	-	-	-	-	-	89,929
Interest and investment income	857,433	3,216	8,085	-	-	-	9,804	878,538
Rental income	156,417	-	-	-	-	-	-	156,417
Public contributions	90,675	-	-	-	-	-	49,132	139,807
Miscellaneous revenues	<u>36,003</u>	<u>-</u>	<u>23,698</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,140</u>	<u>109,841</u>
Total revenues	<u>29,011,383</u>	<u>4,144,109</u>	<u>11,884,129</u>	<u>2,667,371</u>	<u>4,428,632</u>	<u>-</u>	<u>8,233,369</u>	<u>60,368,993</u>
<b>EXPENDITURES</b>								
General government	7,960,168	3,687,533	1,167,231	-	-	-	306,143	13,121,075
Public safety	17,952,512	-	139,937	-	-	-	1,376,988	19,469,437
Streets and public improvements	-	-	7,773,073	-	1,036,538	2,201,823	-	11,011,434
Health and welfare	386,117	-	-	2,667,371	-	-	1,952,085	5,005,573
Culture and recreation	1,345,863	-	151,533	-	-	16,682	4,227,920	5,741,998
Debt service principal	-	-	-	-	-	-	1,812,950	1,812,950
Debt service interest	-	-	-	-	-	-	<u>172,612</u>	<u>172,612</u>
Total expenditures	<u>27,644,660</u>	<u>3,687,533</u>	<u>9,231,774</u>	<u>2,667,371</u>	<u>1,036,538</u>	<u>2,218,505</u>	<u>9,848,698</u>	<u>56,335,079</u>
Revenues over (under) expenditures	1,366,723	456,576	2,652,355	-	3,392,094	(2,218,505)	(1,615,329)	4,033,914
<b>OTHER FINANCING SOURCES (USES)</b>								
Proceeds from sale of capital assets	300,481	-	225,850	-	-	-	15,450	541,781
Capital leases	448,646	-	-	-	-	-	-	448,646
Bond proceeds	-	-	-	-	-	12,500,000	-	12,500,000
Transfers in	378,000	-	562,219	-	-	4,325,100	2,299,850	7,565,169
Transfers out	<u>(2,314,800)</u>	<u>-</u>	<u>(4,211,000)</u>	<u>-</u>	<u>(85,500)</u>	<u>-</u>	<u>(953,869)</u>	<u>(7,565,169)</u>
Total other financing sources (uses)	<u>(1,187,673)</u>	<u>-</u>	<u>(3,422,931)</u>	<u>-</u>	<u>(85,500)</u>	<u>16,825,100</u>	<u>1,361,431</u>	<u>13,490,427</u>
Net change in fund balances	179,050	456,576	(770,576)	-	3,306,594	14,606,595	(253,898)	17,524,341
Fund balances - January 1	<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>
Fund balances - December 31	<u>\$ 8,695,155</u>	<u>\$ 5,686,586</u>	<u>\$ 3,598,936</u>	<u>\$ -</u>	<u>\$ 18,390,481</u>	<u>\$ 14,623,327</u>	<u>\$ 6,737,552</u>	<u>\$ 57,732,037</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, 2019

**Net Changes in Fund Balances - Total Governmental Funds** \$ 17,524,341

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:

Capital outlay	6,076,439	
Depreciation expense	<u>(2,726,159)</u>	
		3,350,280

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. (407,959)

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	(448,646)	
Bonds issued	<u>(12,500,000)</u>	
		(12,948,646)

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	1,138,000	
Payments of capital lease principal	<u>681,616</u>	
		1,819,616

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. (1,236,851)

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:

Decrease in compensated absences liability		153
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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	(57,987)	
Change in deferred outflow of resources related to pensions	1,217,586	
Change in net pension liability	(4,919,452)	
Change in deferred inflow of resources related to pensions	<u>2,882,278</u>	
		<u>(877,575)</u>

**Change in Net Position of Governmental Activities** \$ 7,223,359

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

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 27,217,789
Equity in investment pool	142,030
Taxes receivable	<u>1,626,950</u>
Total assets	<u>\$ 28,986,769</u>
<b>LIABILITIES</b>	
Due to other taxing units	\$ 28,773,926
Due to employees	9,391
Refunds payable	61,422
Other payables	<u>142,030</u>
Total liabilities	<u>\$ 28,986,769</u>

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

	Airport Authority	North Park Interlocal Cooperative	Bear River Health Department	CCEMS Authority	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 442,170	\$ 4,133,758	\$ 2,862,240	\$ 7,438,168
Equity in investment pool	739,471	-	-	-	739,471
Accounts receivable, net	766	17,658	1,674,066	1,010,643	2,703,133
Pledges receivable, net	-	92,853	-	-	92,853
Due from other governments	22,785	-	-	1,638	24,423
Investments	-	986,114	-	-	986,114
Inventory	-	3,561	285,343	-	288,904
Other assets	-	18,551	-	-	18,551
Capital assets:					
Land	1,289,262	-	773,428	-	2,062,690
Construction in process	24,375	-	-	-	24,375
Buildings, improvements and equipment	20,284,268	5,015,667	13,280,402	3,511,336	42,091,673
Accumulated depreciation	<u>(10,878,278)</u>	<u>(2,297,799)</u>	<u>(6,604,724)</u>	<u>(2,055,144)</u>	<u>(21,835,945)</u>
Total assets	<u>11,482,649</u>	<u>4,278,775</u>	<u>13,542,273</u>	<u>5,330,713</u>	<u>34,634,410</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pensions	<u>30,071</u>	<u>-</u>	<u>2,115,977</u>	<u>-</u>	<u>2,146,048</u>
Total deferred outflows of resources	<u>30,071</u>	<u>-</u>	<u>2,115,977</u>	<u>-</u>	<u>2,146,048</u>
<b>LIABILITIES</b>					
Accounts payable and accrued liabilities	9,155	30,105	828,513	67,609	935,382
Due to other governments	-	-	-	908,000	908,000
Unearned revenue	48,202	-	-	-	48,202
Noncurrent liabilities:					
Due within one year	-	-	332,000	-	332,000
Due in more than one year	-	-	498,000	-	498,000
Net pension liability	<u>48,664</u>	<u>-</u>	<u>3,257,083</u>	<u>-</u>	<u>3,305,747</u>
Total liabilities	<u>106,021</u>	<u>30,105</u>	<u>4,915,596</u>	<u>975,609</u>	<u>6,027,331</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pensions	<u>908</u>	<u>-</u>	<u>99,548</u>	<u>-</u>	<u>100,456</u>
Total deferred inflows of resources	<u>908</u>	<u>-</u>	<u>99,548</u>	<u>-</u>	<u>100,456</u>
<b>NET POSITION</b>					
Net investment in capital assets	10,695,252	2,717,868	7,449,106	1,456,192	22,318,418
Restricted for:					
Other purposes	-	439,523	-	-	439,523
Unrestricted	<u>710,539</u>	<u>1,091,279</u>	<u>3,194,000</u>	<u>2,898,912</u>	<u>7,894,730</u>
Total net position	<u>\$ 11,405,791</u>	<u>\$ 4,248,670</u>	<u>\$ 10,643,106</u>	<u>\$ 4,355,104</u>	<u>\$ 30,652,671</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>	\$ 1,262,915	\$ 1,064,224	\$ 13,090,352	\$ 4,797,501	\$ 20,214,992
<b>Program revenues</b>					
Charges for services	144,754	565,146	3,609,223	4,175,124	8,494,247
Operating grants and contributions	160,000	438,550	7,531,082	408,838	8,538,470
Capital grants and contributions	388,984	-	-	-	388,984
Total program revenues	<u>693,738</u>	<u>1,003,696</u>	<u>11,140,305</u>	<u>4,583,962</u>	<u>17,421,701</u>
Net revenues (expenses)	<u>(569,177)</u>	<u>(60,528)</u>	<u>(1,950,047)</u>	<u>(213,539)</u>	<u>(2,793,291)</u>
<b>General revenues</b>					
Insurance recoveries	-	-	15,249	-	15,249
Interest income	13,422	50,895	63,811	71,552	199,680
Miscellaneous income	-	-	1,485,699	-	1,485,699
Total general revenues	<u>13,422</u>	<u>50,895</u>	<u>1,564,759</u>	<u>71,552</u>	<u>1,700,628</u>
Change in net position	(555,755)	(9,633)	(385,288)	(141,987)	(1,092,663)
Net position - beginning, as restated	<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>
Net position - ending	<u>\$ 11,405,791</u>	<u>\$ 4,248,670</u>	<u>\$ 10,643,106</u>	<u>\$ 4,355,104</u>	<u>\$ 30,652,671</u>

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

**NOTES TO THE  
FINANCIAL STATEMENT**

**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. As of December 2019 the SSD pays Logan City for garbage collection services and then bill residents those fees. 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

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Utah law. Directors of the board are appointed by the County Council. The Board only consists of County employees and so is completely controlled by the County; therefore, it is presented as a blended component unit. 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, 2019

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

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, 2019, all receivables of the County were considered to be fully collectible and no allowance was established. BRHD has estimated that \$185,854 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 \$501,000 of its accounts receivable were uncollectable.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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 – 60 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 two types of items, which qualify for reporting in this category. Delinquent property taxes, is 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 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 – 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



## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

credit risk. As of December 31, 2019, \$20,370,530 of the County's bank balances of \$20,870,530 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 (PTIF).

The Utah State Treasurer's Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer. No separate report as an external investment pool has been issued for the PTIF.

The PTIF is not registered with the SEC as an investment company and is not rated. The PTIF is authorized and regulated by the Utah Money Management Act. The Act establishes the State Money Management Council, which oversees the activities of the State Treasurer and the PTIF. The Act list the investments that are authorized which are high-grade securities and, therefore, minimizes credit risk except in the most unusual and unforeseen circumstances. Deposits in the PTIF are neither insured nor otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports monthly statements to participants on an amortized cost basis. The income, gains, and losses, net of administration fees, of the PTIF are allocated to participants monthly on the ratio of the participant's share to the total funds in the PTIF based on the participant's average daily balance. This method differs from the fair value method used to value investments in these financial statements because the amortized cost method is not designed to distribute to participants all unrealized gains and losses in the fair values of the pool's investments. The PTIF may maintain an interest reserve to stabilize the monthly apportionment of interests.

The PTIF allocates income and issues statements on a monthly basis. Twice a year, at June 30 and December 31, which are the accounting periods for public entities, the investments are valued at fair value, and participants are informed of the fair value valuation factor that enables them to adjust their statements balance to fair value. The fair value of the PTIF investment pool is approximately equal to the value of the pool shared.

### *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.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

At December 31, 2019, the County had the following recurring fair value measurements:

Investments by fair value level	Fair Value Measurements Using			
	12/31/2019	Level 1	Level 2	Level 3
Debt Securities				
PTIF Investments - Govt Funds	\$ 35,815,672	\$ -	\$ 35,815,672	\$ -
Corporate Bonds - Govt Funds	3,808,460	3,808,460	-	-
U.S. Agencies - Govt Funds	1,798,318	1,798,318	-	-
PTIF Investments - Agency Funds	20,615,310	-	20,615,310	-
Total debt securities	62,037,760	5,606,778	56,430,982	-
<b>Total investments</b>	<b>\$ 62,037,760</b>	<b>\$ 5,606,778</b>	<b>\$ 56,430,982</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 days - 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, 2019 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	\$ 35,815,672	\$ 35,815,672	\$ -	\$ -	\$ -
Corporate Bonds - Govt Funds	3,808,460	1,100,101	2,708,359	-	-
U.S. Agencies - Govt Funds	1,798,318	1,199,052	599,266	-	-
PTIF Investments - Agency Funds	20,615,310	20,615,310	-	-	-
<b>Total investments</b>	<b>\$ 62,037,760</b>	<b>\$ 58,730,135</b>	<b>\$ 3,307,625</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, 2019 are presented as follows:

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Investment Type	Fair Value	Quality Ratings						
		AAA	AA	A+	A	A-	BBB+	Unrated
PTIF Investments - Govt Funds	\$35,815,672	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,815,672
Corporate Bonds - Govt Funds	3,808,460	239,435	601,224	100,183	600,507	1,157,299	692,332	417,480
U.S. Agencies - Govt Funds	1,798,318	1,798,318	-	-	-	-	-	-
PTIF Investments - Agency Funds	20,615,310	-	-	-	-	-	-	20,615,310
<b>Total investments</b>	<b>\$62,037,760</b>	<b>\$2,037,753</b>	<b>\$ 601,224</b>	<b>\$ 100,183</b>	<b>\$ 600,507</b>	<b>\$1,157,299</b>	<b>\$ 692,332</b>	<b>\$ 56,848,462</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 Management 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, 2019, were with the PTIF and therefore, are not categorized as to concentration of credit risk. The largest investment in corporate notes, issued by Credit Agricole SA, is \$254,037, or 0.5 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, 2019, 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 \$5,606,778 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, 2019, \$5,071,518 of the bank balances of \$6,263,688 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, 2019, 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 \$986,114 and unrealized appreciation of \$239,495. All of BCIA’s investments are classified as Level 3.

**NOTE 3 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

At December 31, 2019, there were interfund balances of the investment pool between special revenue funds. The Municipal Services fund had a receivable of \$64,526. 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	\$64,526
<b>Total due</b>	<b>\$ 64,526</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 Municipal Service fund. This transfer was made to provide funding for the construction of a new facility for the operation of the Road department. Other significant transfers were from the General fund, Municipal Service fund, and Visitor’s Bureau to the Debt

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Service fund. These transfers were made to finance debt payments for the sales tax revenue bonds and capital leases. Transfers out from the 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 Capital Project fund. Other transfers were to fund the normal operations of individual funds.

	Transfers out reported in:									Total Transfers In
	General	Municipal Services	CCCOG	CDRA	Visitor's Bureau	Restaurant Tax	RAPZ Tax	RSSD	CCCF	
<b>Transfers in reported in:</b>										
<b>Major Funds:</b>										
General Fund	\$ -	\$ 10,500	\$ -	\$ 11,507	\$ -	\$ 263,700	\$ 76,613	\$ 1,000	\$ 14,680	\$ 378,000
Municipal Services Fund	167,300	-	85,500	-	-	80,000	78,200	148,500	2,719	562,219
Capital Projects Fund	350,000	3,975,100	-	-	-	-	-	-	-	4,325,100
<b>Nonmajor Funds:</b>										
Council on Aging Fund	291,900	-	-	-	-	-	-	-	14,950	306,850
Children's Justice Center	3,900	-	-	-	-	-	-	-	-	3,900
Debt Service Fund	1,501,700	225,400	-	-	262,000	-	-	-	-	1,989,100
<b>Total transfers out</b>	<b>\$ 2,314,800</b>	<b>\$ 4,211,000</b>	<b>\$ 85,500</b>	<b>\$ 11,507</b>	<b>\$ 262,000</b>	<b>\$ 343,700</b>	<b>\$ 154,813</b>	<b>\$ 149,500</b>	<b>\$ 32,349</b>	<b>\$ 7,565,169</b>

NOTE 4 – CAPITAL ASSETS

Primary Government

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

	Balance 1/1/2019	Additions	Reductions	Transfers/ Adjustments	Balance 12/31/2019
<b>Capital assets, nondepreciable</b>					
Land	\$ 3,056,634	\$ 521,571	\$ -	\$ 1,000	\$ 3,579,205
Construction in process	428,659	1,773,804	-	(358,526)	1,843,937
Totals	3,485,293	2,295,375	-	(357,526)	5,423,142
<b>Capital assets, depreciable</b>					
Buildings	31,501,473	101,078	(193,852)	-	31,408,699
Improvements	1,921,027	35,558	(14,637)	-	1,941,948
Equipment	19,113,993	3,644,428	(935,996)	357,526	22,179,951
Infrastructure	17,837,373	-	-	-	17,837,373
Totals	70,373,866	3,781,064	(1,144,485)	357,526	73,367,971
<b>Accumulated depreciation</b>					
Buildings	(8,931,262)	(786,492)	72,228	-	(9,645,526)
Improvements	(882,901)	(87,648)	10,123	-	(960,426)
Equipment	(11,077,006)	(1,436,114)	654,175	-	(11,858,945)
Infrastructure	(8,244,940)	(415,905)	-	-	(8,660,845)
Totals	(29,136,109)	(2,726,159)	736,526	-	(31,125,742)
<b>Total capital assets, net</b>	<b>\$ 44,723,050</b>	<b>\$ 3,350,280</b>	<b>\$ (407,959)</b>	<b>\$ -</b>	<b>\$ 47,665,371</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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

Function	Amount
General government	\$ 476,507
Public safety	980,926
Streets and public improvements	891,074
Health and welfare	50,176
Culture and recreation	327,476
<b>Total depreciation expense</b>	<b>\$ 2,726,159</b>

Component Units

Changes in capital assets of component units were as follows:

	Balance 1/1/2019	Additions	Deletions	Transfers/ Adjustments	Balance 12/31/2019
Land	\$ 2,062,690	\$ -	\$ -	\$ -	\$ 2,062,690
Construction in process	-	24,375	-	-	\$ 24,375
Buildings and improvements	34,496,163	229,782	-	-	\$ 34,725,945
Equipment and machinery	6,387,332	978,396	-	-	\$ 7,365,728
Accumulated depreciation	(19,686,868)	(2,149,077)	-	-	\$ (21,835,945)
<b>Capital assets, net</b>	<b>\$ 23,259,317</b>	<b>\$ (916,524)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,342,793</b>

NOTE 5 – LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2019, was as follows:

	Balance 1/1/19	Additions	Reductions	Balance 12/31/19	Due Within One Year
<b>Primary Government</b>					
Sales tax revenue bonds	\$ 6,907,000	\$ 12,500,000	\$ (1,138,000)	\$ 18,269,000	\$ 1,149,000
Capital leases	1,349,864	448,646	(681,616)	1,116,894	480,293
Compensated absences	2,350,314	1,472,193	(1,472,346)	2,350,161	1,472,000
<b>Total long-term liabilities</b>	<b>\$ 10,607,178</b>	<b>\$ 14,420,839</b>	<b>\$ (3,291,962)</b>	<b>\$ 21,736,055</b>	<b>\$ 3,101,293</b>

Component Units

Compensated absences	\$ 760,000	\$ 438,778	\$ (368,778)	\$ 830,000	\$ 332,000
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

**B. Sales Tax Revenue Bonds**

**Primary Government**

Sales tax revenue bonds payable at December 31, 2019, were as follows:

Purpose	Series	Maturity Date	Interest Rate %	Original Amount	Balance
Refund - 2007 series	2016	12/15/22	1.42	\$ 5,779,000	\$ 2,930,000
Event Center	2017	12/15/32	2.51	3,200,000	2,839,000
Road Facility	2019	10/01/40	2.50	12,500,000	12,500,000
<b>Total sales tax revenue bonds payable</b>					<b>\$ 18,269,000</b>

Year	Sales Tax Revenue Bonds - Debt Service Requirements to Maturity							
	Series 2016		Series 2017		Series 2019		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 962,000	\$ 41,606	\$ 187,000	\$ 71,259	\$ -	\$ -	\$ 1,149,000	\$ 112,865
2021	977,000	27,946	192,000	66,565	489,000	312,500	1,658,000	407,011
2022	991,000	14,072	197,000	61,746	502,000	300,275	1,690,000	376,093
2023	-	-	202,000	56,801	514,000	287,725	716,000	344,526
2024	-	-	207,000	51,731	527,000	274,875	734,000	326,606
2025	-	-	212,000	46,535	540,000	261,700	752,000	308,235
2026 - 2040	-	-	1,642,000	168,848	9,928,000	2,099,800	11,570,000	2,268,648
<b>Total</b>	<b>\$ 2,930,000</b>	<b>\$ 83,624</b>	<b>\$ 2,839,000</b>	<b>\$ 523,485</b>	<b>\$ 12,500,000</b>	<b>\$ 3,536,875</b>	<b>\$ 18,269,000</b>	<b>\$ 4,143,984</b>

**C. Capital Leases**

**Primary Government**

The County has six capital leases in the current year of which four 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, fourth, and fifth capital leases were entered into on June 30, 2016, May 31, 2017, August 31, 2018, and May 31, 2019 in the amount of \$729,815, \$529,818, \$489,415, and \$448,646, respectively, for the

purchase of patrol vehicles. Lease payments are due annually on June 30, May 31, August 31, and May 31, in the amount of \$154,717, \$112,319, \$104,731, and \$96,454, respectively, until 2020, 2021, 2022, and 2023, respectively, with an applicable interest rate of 3.00, 3.00, 3.50, and 3.75 percent, respectively.

The remaining 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 aggregate cost of assets under capital lease is \$2,439,595 with accumulated amortization of \$691,041. Amortization expense for fiscal year 2019 was \$279,178.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

Debt Service Requirements to Maturity									
Year	Sans Storage		Backhoes		Sheriff Vehicles		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2020	\$ 18,168	\$ 999	\$ 28,335	\$ 3,053	\$ 433,790	\$ 34,431	\$ 480,293	\$ 38,483	
2021	-	-	29,318	2,070	293,183	20,320	322,501	22,390	
2022	-	-	30,335	1,053	190,797	10,388	221,132	11,441	
2023	-	-	-	-	92,968	3,486	92,968	3,486	
2024	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>\$ 18,168</b>	<b>\$ 999</b>	<b>\$ 87,988</b>	<b>\$ 6,176</b>	<b>\$ 1,010,738</b>	<b>\$ 68,625</b>	<b>\$ 1,116,894</b>	<b>\$ 75,800</b>	

NOTE 6 – OPERATING LEASES

In 2019, the County has one operating lease that is a 3 year lease. It is for a vehicle used by the sheriff’s office. Rental expenditures for the equipment leases during the current year totaled \$3,610.

Future minimum lease payments are as follows:

Year Ended December 31,	Amount
2020	\$ 3,610
<b>Total minimum lease payments</b>	<b>\$ 3,610</b>

NOTE 7 – 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 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 Firefighter System) is a multiple employer, cost sharing, public employee retirement systems.

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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
Firefighter 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 4%
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%

\* Actuarial reductions are applied

\*\* 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, 2019

Contribution rates as of December 31, 2019 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	15.66%	1.03%
<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	23.13%	0.70%
<b>Firefighter System</b>			
31 - Other Division A	15.05%	4.61%	N/A
132 - Tier 2 DB Hybrid Firefighters	N/A	11.38%	0.70%
<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, 2019, the employer and employee contributions to the System were as follows:

*Governmental Activities:*

System	Employer Contributions	Employee Contributions
Noncontributory System	\$ 860,344	N/A
Public Safety System	1,328,211	-
Firefighters System	10,304	33,637
Tier 2 Public Employees System	325,900	-
Tier 2 Public Safety and Firefighters System	489,962	-
Tier 2 DC Only System	46,148	N/A
Tier 2 DC Public Safety and Firefighters System	52,532	N/A
<b>Total</b>	<b>\$ 3,113,401</b>	<b>\$ 33,637</b>

*Component Units:*

System	Employer Contributions	Employee Contributions
Airport Authority - Noncontributory System	\$ 12,081	N/A
BRHD - Noncontributory System	635,803	N/A
BRHD - Tier 2 Public Employees System	269,845	-
BRHD - Tier 2 DC Only System	12,709	N/A
<b>Total</b>	<b>\$ 930,438</b>	<b>\$ -</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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, 2019, the County reported for the primary government a net pension asset of \$0 and a net pension liability of \$12,174,889.

	Measurement Date: December 31, 2018			Proportionate Share December 31, 2017	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Noncontributory System	\$ -	\$ 4,343,208	0.5898115%	0.5837500%	0.0060615%
Public Safety Retirement System	-	7,649,720	2.9735539%	2.9880980%	-0.0145441%
Firefighter System	-	88,841	0.6841959%	0.6998638%	-0.0156679%
Tier 2 Public Employees System	-	63,032	0.1471746%	0.1196470%	0.0275276%
Tier 2 Public Safety and Firefighter System	-	30,088	1.2008330%	1.2338577%	-0.0330247%
<b>Total Net Pension Asset / Liability</b>	<b>\$ -</b>	<b>\$12,174,889</b>			

*Component Units:*

At December 31, 2019, the County reported for component units a net pension asset of \$0 and a net pension liability of \$3,305,747, of which \$48,664 is related to the Airport Authority and \$3,257,083 is related to the BRHD.

	Measurement Date: December 31, 2018			Proportionate Share December 31, 2017	Change (Decrease)
	Net Pension Asset	Net Pension Liability	Proportionate Share		
Airport Authority - Noncontributory System	\$ -	\$ 48,664	0.0066085%	0.0065642%	0.0000443%
BRHD - Noncontributory System	-	3,200,859	0.4346791%	0.4365793%	-0.0019002%
BRHD - Tier 2 Public Employees System	-	56,224	0.1312800%	0.1296282%	0.0016518%
<b>Total Net Pension Asset / Liability</b>	<b>\$ -</b>	<b>\$ 3,305,747</b>			

The net pension asset and liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2018 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, 2019, the County recognized for the primary government pension expense of \$3,988,625.

At December 31, 2019, 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, 2019

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 88,904	\$ 474,143
Changes in assumptions	1,552,807	12,549
Net difference between projected and actual earnings on pension plan investments	2,311,879	-
Changes in proportion and differences between contributions and proportionate share of contributions	143,761	104,427
Contributions subsequent to the measurement date	3,113,402	-
<b>Total</b>	<b>\$ 7,210,753</b>	<b>\$ 591,119</b>

\$3,113,402 reported as deferred outflows of resources related to pensions results from contributions made by the County prior to its fiscal year end, but subsequent to the measurement date of December 31, 2018.

These contributions will be recognized as a reduction of 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
2019	\$ 1,607,938
2020	412,548
2021	300,393
2022	1,110,948
2023	12,079
Thereafter	62,326
	<u>\$ 3,506,232</u>

*Component Units:*

For the year ended December 31, 2019, the County recognized for the Airport Authority and BRHD component units pension expense of \$13,940 and \$1,035,419, respectively.

At December 31, 2019, 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, 2019

	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	\$ 626	\$ 908	\$ 41,562	\$ 71,319
Changes in assumptions	6,519	-	442,883	1,010
Net difference between projected and actual earnings on pension plan investments	10,126	-	684,371	-
Changes in proportion and differences between contributions and proportionate share of contributions	719	-	28,804	27,219
Contributions subsequent to the measurement date	12,081	-	918,357	-
<b>Total</b>	<b>\$ 30,071</b>	<b>\$ 908</b>	<b>\$ 2,115,977</b>	<b>\$ 99,548</b>

\$12,081 and \$918,357 is reported as deferred outflows of resources related to pensions results from contributions made by the Airport Authority and BRHD, respectively, prior to their fiscal year end, but subsequent to the measurement date of December 31, 2018.

These contributions will be recognized as a reduction of 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
2019	\$ 7,834	\$ 483,118
2020	2,010	190,831
2021	1,463	87,505
2022	5,412	324,552
2023	59	1,697
Thereafter	304	10,369
	<b>\$ 17,082</b>	<b>\$ 1,098,072</b>

Actuarial Assumptions

The total pension liability in the December 31, 2018, 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, 2018, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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

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	40.00%	6.15%	2.46%
Debt securities	20.00%	0.40%	0.08%
Real assets	15.00%	5.75%	0.86%
Private equity	9.00%	9.95%	0.89%
Absolute return	16.00%	2.85%	0.46%
Cash and cash equivalents	0.00%	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% and 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 remained unchanged at 6.95 percent.

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	\$ 8,901,232	\$ 4,343,208	\$ 547,578
Public Safety Retirement System	14,994,802	7,649,720	1,687,129
Firefighter System	331,524	88,841	(107,667)
Tier 2 Public Employees System	252,517	63,032	(83,204)
Tier 2 Public Safety and Firefighter System	226,939	30,088	(120,553)
<b>Total Net Pension Liability/(Asset)</b>	<b>\$ 24,707,014</b>	<b>\$ 12,174,889</b>	<b>\$ 1,923,283</b>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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	\$ 99,735	\$ 48,664	\$ 6,135
BRHD - Noncontributory System	6,560,029	3,200,859	403,554
BRHD - Tier 2 Public Employees System	225,246	56,224	(74,218)
<b>Total Net Pension Liability/(Asset)</b>	<b>\$ 6,885,010</b>	<b>\$ 3,305,747</b>	<b>\$ 335,471</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:

	2019	2018	2017
401(K) Plan			
Employer Contributions	191,198	184,905	176,499
Employee Contributions	342,816	340,752	364,655
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	31,566	10,900	12,004
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	125,667	109,454	87,531
Traditional IRA			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	1,300	1,675	760

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

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:

	2019	2018	2017
401(K) Plan			
Employer Contributions	250,414	258,925	256,641
Employee Contributions	294,736	276,287	264,374
457 Plan			
Employer Contributions	-	-	-
Employee Contributions	67,480	112,056	72,810
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	62,488	59,224	32,443

**NOTE 8 – 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, 2019, 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 9 – 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, 2019, there were \$837,980 in Restaurant Tax funds, \$862,020 in RAPZ Tax funds, and \$11,695,645 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 \$557,118 to BCIA for facility improvements over the next six years. 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 \$1,532,770 over the next 5 years.

**NOTE 10 – 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, 2019, the County abated property taxes totaling \$456,195 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 \$137,298.
- Northwest RDA Project - The agreed rebate paid amounted to \$47,043.
- Logan North Retail RDA Plan – The agreed rebate paid amounted to \$66,406.
- Smithfield RDA Project - The agreed rebate paid amounted to \$49,639.
- Pepperidge Farm Project – The agreed rebate paid amounted to \$50,138.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2019

**NOTE 11 – 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 12 – 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 \$915,452. The County also contributed \$329,169 to the department for the substance abuse program and for the air pollution contract. The County made an additional one-time contribution to help with a windows 10 upgrade in the amount of \$21,981.

*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 \$1,152,000.

**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 \$2,340,000.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>			<b>Variance With Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Taxes:				
Property	\$14,515,100	\$ 14,515,100	\$ 14,726,595	\$ 211,495
Sales and use	<u>5,953,900</u>	<u>5,953,900</u>	<u>5,929,579</u>	<u>(24,321)</u>
	20,469,000	20,469,000	20,656,174	187,174
Other revenues:				
Intergovernmental revenues	737,200	1,113,200	1,048,554	(64,646)
Charges for services	7,126,500	7,151,700	6,036,688	(1,115,012)
Licenses and permits	40,000	40,000	39,510	(490)
Fines and forfeitures	121,600	121,600	89,929	(31,671)
Interest and investment income	390,000	390,000	857,433	467,433
Rental income	160,000	160,000	156,417	(3,583)
Public contributions	72,500	83,300	90,675	7,375
Miscellaneous revenues	<u>85,000</u>	<u>85,000</u>	<u>36,003</u>	<u>(48,997)</u>
Total revenues	<u>29,201,800</u>	<u>29,613,800</u>	<u>29,011,383</u>	<u>(602,417)</u>
<b>EXPENDITURES</b>				
General government:				
Council	123,100	135,000	133,732	1,268
Water development	300,000	300,000	275,000	25,000
Public legal assistance	528,700	606,700	548,679	58,021
Executive	198,300	301,500	245,399	56,101
Finance	500,000	530,600	505,895	24,705
Human resources	255,600	336,400	273,409	62,991
Geographic information systems	139,000	112,200	106,764	5,436
Information technology	965,100	967,400	837,335	130,065
Auditor	27,900	27,900	24,953	2,947
Clerk	119,800	131,300	108,127	23,173
Recorder	179,600	179,600	127,948	51,652
Attorney	1,608,900	1,607,600	1,551,700	55,900
Victim services	559,200	758,300	758,217	83
Elections	237,700	271,000	245,607	25,393
Economic development	46,000	68,000	80,270	(12,270)
USU Ag extension services	245,500	245,500	182,793	62,707
Agricultural promotion	6,000	6,000	3,000	3,000
Miscellaneous and general	987,300	1,317,900	1,089,976	227,924
Contributions to other units	<u>1,030,000</u>	<u>1,030,000</u>	<u>861,364</u>	<u>168,636</u>
	8,057,700	8,932,900	7,960,168	972,732

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>			<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Public safety:				
Sheriff patrol	4,284,100	4,204,000	4,168,321	35,679
Support services	2,624,000	2,389,000	2,358,441	30,559
Sheriff Administration	1,247,500	1,559,100	1,415,055	144,045
Search and rescue	81,400	152,200	71,739	80,461
Mounted posse	25,100	25,100	15,080	10,020
Fire safety	1,118,500	1,652,600	1,459,519	193,081
Corrections	8,307,300	8,147,600	8,174,733	(27,133)
Animal control	187,500	187,500	164,825	22,675
Emergency management	<u>171,200</u>	<u>171,200</u>	<u>124,799</u>	<u>46,401</u>
	18,046,600	18,488,300	17,952,512	535,788
Health and welfare:				
Mental health services	320,600	320,600	320,517	83
Welfare services	<u>67,800</u>	<u>67,800</u>	<u>65,600</u>	<u>2,200</u>
	388,400	388,400	386,117	2,283
Culture and recreation:				
Fairgrounds	862,000	1,370,600	914,330	456,270
TV translator station	12,700	16,700	16,484	216
Library services	101,700	105,700	96,198	9,502
Fair and rodeo	<u>334,900</u>	<u>340,900</u>	<u>318,851</u>	<u>22,049</u>
	<u>1,311,300</u>	<u>1,833,900</u>	<u>1,345,863</u>	<u>488,037</u>
Total expenditures	<u>27,804,000</u>	<u>29,643,500</u>	<u>27,644,660</u>	<u>1,998,840</u>
Revenues over (under) expenditures	<u>1,397,800</u>	<u>(29,700)</u>	<u>1,366,723</u>	<u>1,396,423</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	162,000	162,000	300,481	138,481
Capital leases	450,000	450,000	448,646	(1,354)
Transfers in:				
Municipal services fund	-	10,500	10,500	-
RSSD fund	-	1,000	1,000	-
CCCF fund	-	14,800	14,680	(120)
CDRA fund	-	11,600	11,507	(93)
Restaurant fund	-	263,700	263,700	-
RAPZ tax fund	<u>26,700</u>	<u>103,400</u>	<u>76,613</u>	<u>(26,787)</u>
Total transfers in	26,700	405,000	378,000	(27,000)
Transfers out:				
Municipal services fund	-	(167,300)	(167,300)	-
Council on aging fund	(260,000)	(291,900)	(291,900)	-
Children's justice center fund	(3,900)	(3,900)	(3,900)	-
Debt service fund	(1,647,800)	(1,501,700)	(1,501,700)	-
Capital projects fund	<u>-</u>	<u>(350,000)</u>	<u>(350,000)</u>	<u>-</u>
Total transfers out	<u>(1,911,700)</u>	<u>(2,314,800)</u>	<u>(2,314,800)</u>	<u>-</u>
Total other financing uses	<u>(1,273,000)</u>	<u>(1,297,800)</u>	<u>(1,187,673)</u>	<u>110,127</u>
Net change in fund balances	124,800	(1,327,500)	179,050	1,506,550
Fund balances - January 1	<u>8,516,105</u>	<u>8,516,105</u>	<u>8,516,105</u>	<u>-</u>
Fund balances - December 31	<u>\$ 8,640,905</u>	<u>\$ 7,188,605</u>	<u>\$ 8,695,155</u>	<u>\$ 1,506,550</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**ASSESSING AND COLLECTING FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 3,261,000	\$ 3,261,000	\$ 3,344,941	\$ 83,941
Other revenues:				
Charges for services	545,000	570,000	795,952	225,952
Interest income	-	-	3,216	3,216
Total revenues	<u>3,806,000</u>	<u>3,831,000</u>	<u>4,144,109</u>	<u>313,109</u>
<b>EXPENDITURES</b>				
General government:				
Council	13,700	15,100	14,859	241
Executive	35,100	53,400	43,306	10,094
Finance	55,600	59,000	56,211	2,789
Human resources	45,200	59,400	48,249	11,151
Geographic information systems	208,700	168,500	160,147	8,353
Information technology	802,100	806,600	747,170	59,430
Auditor	171,500	171,500	153,278	18,222
Treasurer	298,800	304,700	296,771	7,929
Recorder	179,700	179,700	127,948	51,752
Attorney	159,200	160,000	153,465	6,535
Assessor	1,924,000	1,940,500	1,667,032	273,468
Miscellaneous and general	176,000	180,100	133,238	46,862
Contributions to other units	79,000	79,000	85,859	(6,859)
Total expenditures	<u>4,148,600</u>	<u>4,177,500</u>	<u>3,687,533</u>	<u>489,967</u>
Revenues over (under) expenditures	<u>(342,600)</u>	<u>(346,500)</u>	<u>456,576</u>	<u>803,076</u>
Net change in fund balances	(342,600)	(346,500)	456,576	803,076
Fund balances - January 1	<u>5,230,010</u>	<u>5,230,010</u>	<u>5,230,010</u>	<u>-</u>
Fund balances - December 31	<u>\$ 4,887,410</u>	<u>\$ 4,883,510</u>	<u>\$ 5,686,586</u>	<u>\$ 803,076</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MUNICIPAL SERVICES FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 3,462,100	\$ 3,666,400	\$ 5,395,428	\$ 1,729,028
Other revenues:				
Intergovernmental	3,114,500	4,766,700	4,037,165	(729,535)
Charges for services	1,286,900	1,375,400	1,354,134	(21,266)
Licenses and permits	761,700	802,200	1,065,619	263,419
Interest income	80,000	80,000	8,085	(71,915)
Miscellaneous revenues	<u>19,500</u>	<u>19,500</u>	<u>23,698</u>	<u>4,198</u>
Total revenues	<u>8,724,700</u>	<u>10,710,200</u>	<u>11,884,129</u>	<u>1,173,929</u>
<b>EXPENDITURES</b>				
General government:				
Zoning administration	780,800	840,900	435,653	405,247
Building inspection	813,400	889,000	704,928	184,072
Sanitation and waste collection	30,000	30,000	26,650	3,350
Miscellaneous expenditures	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
	1,625,700	1,761,400	1,167,231	594,169
Public safety:				
Fire safety	173,000	173,000	127,937	45,063
Animal control	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
	185,000	185,000	139,937	45,063
Streets and public improvements:				
Road projects	5,085,000	5,999,700	5,340,521	659,179
Weed eradication	437,500	637,000	599,145	37,855
Public works	408,000	627,200	361,217	265,983
Contribution to other governments	<u>-</u>	<u>-</u>	<u>1,472,190</u>	<u>(1,472,190)</u>
	5,930,500	7,263,900	7,773,073	(509,173)
Culture and recreation:				
Parks and trails	144,500	827,400	137,265	690,135
Eccles Ice Center support	<u>10,000</u>	<u>14,300</u>	<u>14,268</u>	<u>32</u>
	154,500	841,700	151,533	690,167
Total expenditures	<u>7,895,700</u>	<u>10,052,000</u>	<u>9,231,774</u>	<u>820,226</u>
Revenues over expenditures	<u>829,000</u>	<u>658,200</u>	<u>2,652,355</u>	<u>1,994,155</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MUNICIPAL SERVICES FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	143,000	312,000	225,850	(86,150)
Capital leases	-	200,000	-	(200,000)
Transfers in:				
General fund	-	167,300	167,300	-
CCCF fund	-	5,000	2,719	(2,281)
Recreation fund	-	80,000	80,000	-
RAPZ tax fund	63,000	78,200	78,200	-
CCCOG fund	-	85,500	85,500	-
RSSD fund	-	<u>148,500</u>	<u>148,500</u>	-
Total transfers in	<u>63,000</u>	<u>564,500</u>	<u>562,219</u>	<u>(2,281)</u>
Transfers out:				
General fund	-	(10,500)	(10,500)	-
Debt service fund	(247,900)	(263,900)	(225,400)	38,500
Capital Projects Fund	-	<u>(3,975,100)</u>	<u>(3,975,100)</u>	-
Total transfers out	<u>(247,900)</u>	<u>(4,249,500)</u>	<u>(4,211,000)</u>	<u>38,500</u>
Total other financing uses	<u>(41,900)</u>	<u>(3,173,000)</u>	<u>(3,422,931)</u>	<u>(249,931)</u>
Net change in fund balances	787,100	(2,514,800)	(770,576)	1,744,224
Fund balances - January 1	<u>4,369,512</u>	<u>4,369,512</u>	<u>4,369,512</u>	-
Fund balances - December 31	<u>\$ 5,156,612</u>	<u>\$ 1,854,712</u>	<u>\$ 3,598,936</u>	<u>\$ 1,744,224</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**MENTAL HEALTH FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 2,667,371	\$ (467,629)
Total revenues	<u>3,135,000</u>	<u>3,135,000</u>	<u>2,667,371</u>	<u>(467,629)</u>
<b>EXPENDITURES</b>				
Health and welfare:				
Mental health services	<u>3,135,000</u>	<u>3,135,000</u>	<u>2,667,371</u>	<u>467,629</u>
Total expenditures	<u>3,135,000</u>	<u>3,135,000</u>	<u>2,667,371</u>	<u>467,629</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, 2019**

	<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	\$ 4,436,200	\$ 4,436,200	\$ 4,428,632	\$ (7,568)
Total revenues	<u>4,436,200</u>	<u>4,436,200</u>	<u>4,428,632</u>	<u>(7,568)</u>
<b>EXPENDITURES</b>				
Streets and public improvements:				
New road construction	<u>4,369,600</u>	<u>4,369,600</u>	<u>1,036,538</u>	<u>3,333,062</u>
Total expenditures	<u>4,369,600</u>	<u>4,369,600</u>	<u>1,036,538</u>	<u>3,333,062</u>
Revenues over expenditures	<u>66,600</u>	<u>66,600</u>	<u>3,392,094</u>	<u>3,325,494</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Municipal services fund	<u>(66,600)</u>	<u>(85,500)</u>	<u>(85,500)</u>	<u>-</u>
Total transfers out	<u>(66,600)</u>	<u>(85,500)</u>	<u>(85,500)</u>	<u>-</u>
Total other financing uses	<u>(66,600)</u>	<u>(85,500)</u>	<u>(85,500)</u>	<u>-</u>
Net change in fund balances	-	(18,900)	3,306,594	3,325,494
Fund balances - January 1	<u>15,083,887</u>	<u>15,083,887</u>	<u>15,083,887</u>	<u>-</u>
Fund balances - December 31	<u>\$15,083,887</u>	<u>\$15,064,987</u>	<u>\$18,390,481</u>	<u>\$ 3,325,494</u>



**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**PRIMARY GOVERNMENT**  
**DECEMBER 31, 2018 & 2017**

<b>December 31, 2018</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)	0.5898115%	2.9735539%	0.6841959%	0.1471746%	1.2008330%
Proportionate share of the net pension liability (asset)	\$ 4,343,208	7,649,720	88,841	63,032	30,088
Covered employee payroll	\$ 4,895,435	4,078,388	212,272	1,719,371	1,606,793
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	88.72%	187.57%	41.85%	3.67%	1.87%
Plan fiduciary net position as a percentage of the total pension liability	87.0%	84.7%	94.3%	90.8%	95.6%
<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%

**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**PRIMARY GOVERNMENT**  
**DECEMBER 31, 2016 & 2015**

<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%
<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%

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

<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, 2018 & 2017**

<b>December 31, 2018</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)	0.0066085%	0.4346791%	0.1312800%
Proportionate share of the net pension liability (asset)	\$ 48,664	3,200,859	56,224
Covered employee payroll	\$ 62,357	3,590,767	1,534,356
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	78.04%	89.14%	3.66%
Plan fiduciary net position as a percentage of the total pension liability	87.0%	87.0%	90.8%

<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%

**CACHE COUNTY**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)**  
**COMPONENT UNITS**  
**DECEMBER 31, 2016 & 2015**

<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%

<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%

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

<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%
	2019	860,344	860,344	-	4,824,938	17.83%
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%
	2019	1,328,211	1,328,211	-	3,986,954	33.31%
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%
	2019	10,304	10,304	-	223,503	4.61%
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%
	2019	325,900	325,900	-	2,095,756	15.55%
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%
	2019	489,962	489,962	-	2,177,870	22.50%
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%
	2019	46,148	46,148	-	687,834	6.71%
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%
	2019	52,532	52,532	-	444,091	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%
	2019	12,081	12,081	-	65,141	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%
	2019	635,803	635,803	-	3,517,692	18.07%
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%
	2019	269,845	269,845	-	1,729,584	15.60%
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%
	2019	12,709	12,709	-	189,962	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.



**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2019

**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 it is not practicable to provide information prior to 2015.

**NOTE 5 – CHANGE IN ASSUMPTIONS**

The assumptions and methods used to calculate the total pension liability remain unchanged from the prior year.

## **SUPPLEMENTARY INFORMATION**

**CACHE COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
AS OF DECEMBER 31, 2019

	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	\$ -	\$ 285,217	\$ 275,285	\$ 125	\$ 200	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 560,927
Equity in investment pool	15,902	-	811,845	461,226	289,240	2,187,103	-	1,159,702	686,012	107,133	73,709	5,791,872
Taxes receivable	-	-	35,200	114,208	-	306,866	-	344,509	-	-	-	800,783
Due from other governments	-	-	-	59,291	72,779	-	78,139	-	294,681	-	-	504,890
Restricted cash and investments	-	-	-	-	-	-	-	-	-	-	6,850	6,850
Other assets	-	-	-	2,655	-	-	-	-	46,750	-	-	49,405
Total assets	<u>\$ 15,902</u>	<u>\$ 285,217</u>	<u>\$ 1,122,330</u>	<u>\$ 637,505</u>	<u>\$ 362,219</u>	<u>\$ 2,493,969</u>	<u>\$ 78,239</u>	<u>\$ 1,504,211</u>	<u>\$ 1,027,443</u>	<u>\$ 107,133</u>	<u>\$ 80,559</u>	<u>\$ 7,714,727</u>
<b>LIABILITIES</b>												
Interfund payable - investment pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 64,526	\$ -	\$ -	\$ -	\$ -	\$ 64,526
Accounts payable and accrued liabilities	-	273,808	21,980	26,263	18,532	245,000	26,483	95,192	185,091	-	-	892,349
Total liabilities	-	<u>273,808</u>	<u>21,980</u>	<u>26,263</u>	<u>18,532</u>	<u>245,000</u>	<u>91,009</u>	<u>95,192</u>	<u>185,091</u>	-	-	<u>956,875</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>												
Delinquent property taxes	\$ -	-	20,300	-	-	-	-	-	-	-	-	20,300
Total deferred inflows of resources	-	-	<u>20,300</u>	-	-	-	-	-	-	-	-	<u>20,300</u>
<b>FUND BALANCE</b>												
Nonspendable	-	-	-	2,655	-	-	-	-	46,750	-	-	49,405
Restricted for:												
Air pollution control	-	-	415,278	-	-	-	-	-	-	-	-	415,278
Ambulance services	-	-	-	-	-	-	-	-	795,602	-	-	795,602
Health services	-	-	664,772	-	-	-	-	-	-	-	-	664,772
Streets and public improvements	-	-	-	-	-	-	-	-	-	107,133	-	107,133
Parks and recreation	-	-	-	608,587	-	2,248,969	-	1,409,019	-	-	-	4,266,575
Debt service	-	-	-	-	-	-	-	-	-	-	6,850	6,850
Other purposes	15,902	11,409	-	-	1,036	-	-	-	-	-	-	28,347
Assigned to:												
Debt service	-	-	-	-	-	-	-	-	-	-	73,709	73,709
Health and welfare	-	-	-	-	342,651	-	-	-	-	-	-	342,651
Unassigned	-	-	-	-	-	-	(12,770)	-	-	-	-	(12,770)
Total fund balances	<u>15,902</u>	<u>11,409</u>	<u>1,080,050</u>	<u>611,242</u>	<u>343,687</u>	<u>2,248,969</u>	<u>(12,770)</u>	<u>1,409,019</u>	<u>842,352</u>	<u>107,133</u>	<u>80,559</u>	<u>6,737,552</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,902</u>	<u>\$ 285,217</u>	<u>\$ 1,122,330</u>	<u>\$ 637,505</u>	<u>\$ 362,219</u>	<u>\$ 2,493,969</u>	<u>\$ 78,239</u>	<u>\$ 1,504,211</u>	<u>\$ 1,027,443</u>	<u>\$ 107,133</u>	<u>\$ 80,559</u>	<u>\$ 7,714,727</u>

**CACHE COUNTY**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2019**

	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	\$ -	\$ 50,138	\$ 943,574	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 993,712
Sales and use	-	-	-	918,351	-	1,680,159	-	1,771,058	-	-	-	4,369,568
	-	50,138	943,574	918,351	-	1,680,159	-	1,771,058	-	-	-	5,363,280
Other revenues:												
Intergovernmental	-	235,079	-	77,366	302,455	-	419,226	-	1,152,000	149,530	-	2,335,656
Charges for services	-	-	305,784	36,198	83,375	-	-	-	-	-	-	425,357
Interest income	468	-	-	-	-	-	-	-	-	-	9,336	9,804
Public contributions	44,091	-	-	2,047	2,994	-	-	-	-	-	-	49,132
Miscellaneous revenues	-	-	-	500	3,822	-	850	-	41,319	3,649	-	50,140
Total revenues	44,559	285,217	1,249,358	1,034,462	392,646	1,680,159	420,076	1,771,058	1,193,319	153,179	9,336	8,233,369
<b>EXPENDITURES</b>												
General government	10	281,438	24,695	-	-	-	-	-	-	-	-	306,143
Public safety	-	-	-	-	-	-	450,977	-	926,011	-	-	1,376,988
Health and welfare	-	-	1,286,722	-	665,363	-	-	-	-	-	-	1,952,085
Culture and recreation	-	-	-	757,278	-	1,178,224	-	2,292,418	-	-	-	4,227,920
Debt service principal	-	-	-	-	-	-	-	-	-	-	1,812,950	1,812,950
Debt service interest	-	-	-	-	-	-	-	-	-	-	172,612	172,612
Total expenditures	10	281,438	1,311,417	757,278	665,363	1,178,224	450,977	2,292,418	926,011	-	1,985,562	9,848,698
Revenues over (under) expenditures	44,549	3,779	(62,059)	277,184	(272,717)	501,935	(30,901)	(521,360)	267,308	153,179	(1,976,226)	(1,615,329)
<b>OTHER FINANCING SOURCES (USES)</b>												
Proceeds from sale of capital assets	-	-	-	-	15,450	-	-	-	-	-	-	15,450
Transfers in	-	-	-	-	306,850	-	3,900	-	-	-	1,989,100	2,299,850
Transfers out	(32,349)	(11,507)	-	(262,000)	-	(343,700)	-	(154,813)	-	(149,500)	-	(953,869)
Total other financing sources (uses)	(32,349)	(11,507)	-	(262,000)	322,300	(343,700)	3,900	(154,813)	-	(149,500)	1,989,100	1,361,431
Net change in fund balances	12,200	(7,728)	(62,059)	15,184	49,583	158,235	(27,001)	(676,173)	267,308	3,679	12,874	(253,898)
Fund balances - January 1	3,702	19,137	1,142,109	596,058	294,104	2,090,734	14,231	2,085,192	575,044	103,454	67,685	6,991,450
Fund balances - December 31	\$ 15,902	\$ 11,409	\$ 1,080,050	\$ 611,242	\$ 343,687	\$ 2,248,969	\$ (12,770)	\$ 1,409,019	\$ 842,352	\$ 107,133	\$ 80,559	\$ 6,737,552

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CCCF FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 100	\$ 200	\$ 468	\$ 268
Public contributions	26,000	40,800	44,091	3,291
Total revenues	<u>26,100</u>	<u>41,000</u>	<u>44,559</u>	<u>3,559</u>
<b>EXPENDITURES</b>				
General government:				
General and administrative	-	100	10	90
Total expenditures	<u>-</u>	<u>100</u>	<u>10</u>	<u>90</u>
Revenues over expenditures	<u>26,100</u>	<u>40,900</u>	<u>44,549</u>	<u>3,649</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(14,800)	(14,680)	120
Municipal services fund	(5,000)	(5,000)	(2,719)	2,281
Council on aging fund	(21,000)	(21,000)	(14,950)	6,050
Total transfers out	<u>(26,000)</u>	<u>(40,800)</u>	<u>(32,349)</u>	<u>8,451</u>
Total other financing uses	<u>(26,000)</u>	<u>(40,800)</u>	<u>(32,349)</u>	<u>8,451</u>
Net change in fund balances	100	100	12,200	12,100
Fund balances - January 1	<u>3,702</u>	<u>3,702</u>	<u>3,702</u>	<u>-</u>
Fund balances - December 31	<u>\$ 3,802</u>	<u>\$ 3,802</u>	<u>\$ 15,902</u>	<u>\$ 12,100</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CDRA FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 50,000	\$ 70,000	\$ 50,138	\$ (19,862)
Other revenues:				
Intergovernmental	<u>221,000</u>	<u>266,000</u>	<u>235,079</u>	<u>(30,921)</u>
Total revenues	<u>271,000</u>	<u>336,000</u>	<u>285,217</u>	<u>(50,783)</u>
<b>EXPENDITURES</b>				
General government:				
Cache County Redevelopment Agency	<u>260,000</u>	<u>325,000</u>	<u>281,438</u>	<u>43,562</u>
Total expenditures	<u>260,000</u>	<u>325,000</u>	<u>281,438</u>	<u>43,562</u>
Revenues over expenditures	<u>11,000</u>	<u>11,000</u>	<u>3,779</u>	<u>(7,221)</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	<u>-</u>	<u>(11,600)</u>	<u>(11,507)</u>	<u>93</u>
Total transfers out	<u>-</u>	<u>(11,600)</u>	<u>(11,507)</u>	<u>93</u>
Total other financing uses	<u>-</u>	<u>(11,600)</u>	<u>(11,507)</u>	<u>93</u>
Net change in fund balances	11,000	(600)	(7,728)	(7,128)
Fund balances - January 1	<u>19,137</u>	<u>19,137</u>	<u>19,137</u>	<u>-</u>
Fund balances - December 31	<u>\$ 30,137</u>	<u>\$ 18,537</u>	<u>\$ 11,409</u>	<u>\$ (7,128)</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**HEALTH FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Property	\$ 952,000	\$ 952,000	\$ 943,574	\$ (8,426)
Other revenues:				
Charges for services	<u>280,000</u>	<u>280,000</u>	<u>305,784</u>	<u>25,784</u>
Total revenues	<u>1,232,000</u>	<u>1,232,000</u>	<u>1,249,358</u>	<u>17,358</u>
<b>EXPENDITURES</b>				
General government:				
Contributions to other units	<u>50,000</u>	<u>50,000</u>	<u>24,695</u>	<u>25,305</u>
	50,000	50,000	24,695	25,305
Health and welfare:				
Air pollution control	255,000	255,000	255,000	-
Bear River Health Department	<u>1,013,900</u>	<u>1,035,900</u>	<u>1,031,722</u>	<u>4,178</u>
	<u>1,268,900</u>	<u>1,290,900</u>	<u>1,286,722</u>	<u>4,178</u>
Total expenditures	<u>1,318,900</u>	<u>1,340,900</u>	<u>1,311,417</u>	<u>29,483</u>
Revenues under expenditures	<u>(86,900)</u>	<u>(108,900)</u>	<u>(62,059)</u>	<u>46,841</u>
Net change in fund balances	(86,900)	(108,900)	(62,059)	46,841
Fund balances - January 1	<u>1,142,109</u>	<u>1,142,109</u>	<u>1,142,109</u>	<u>-</u>
Fund balances - December 31	<u>\$ 1,055,209</u>	<u>\$ 1,033,209</u>	<u>\$ 1,080,050</u>	<u>\$ 46,841</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**VISITOR'S BUREAU FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 1,036,200	\$ 1,036,200	\$ 918,351	\$ (117,849)
Other revenues:				
Intergovernmental	18,100	60,600	77,366	16,766
Charges for services	35,000	35,000	36,198	1,198
Public contributions	5,000	5,000	2,047	(2,953)
Miscellaneous revenues	100	100	500	400
Total revenues	<u>1,094,400</u>	<u>1,136,900</u>	<u>1,034,462</u>	<u>(102,438)</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Cache Valley Visitor's Bureau	702,300	807,300	757,278	50,022
Total expenditures	<u>702,300</u>	<u>807,300</u>	<u>757,278</u>	<u>50,022</u>
Revenues over expenditures	<u>392,100</u>	<u>329,600</u>	<u>277,184</u>	<u>(52,416)</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Debt service fund	(262,000)	(262,000)	(262,000)	-
Total transfers out	<u>(262,000)</u>	<u>(262,000)</u>	<u>(262,000)</u>	<u>-</u>
Total other financing uses	<u>(262,000)</u>	<u>(262,000)</u>	<u>(262,000)</u>	<u>-</u>
Net change in fund balances	130,100	67,600	15,184	(52,416)
Fund balances - January 1	596,058	596,058	596,058	-
Fund balances - December 31	<u>\$ 726,158</u>	<u>\$ 663,658</u>	<u>\$ 611,242</u>	<u>\$ (52,416)</u>



**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**COUNCIL ON AGING FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 309,600	\$ 321,600	\$ 302,455	\$ (19,145)
Charges for services	88,500	88,500	83,375	(5,125)
Public contributions	16,000	2,000	2,994	994
Miscellaneous revenues	4,100	4,100	3,822	(278)
Total revenues	<u>418,200</u>	<u>416,200</u>	<u>392,646</u>	<u>(23,554)</u>
<b>EXPENDITURES</b>				
Health and welfare:				
Nutrition	374,400	428,500	407,678	20,822
Senior center	147,500	251,200	145,034	106,166
Access	112,100	122,200	112,651	9,549
Total expenditures	<u>634,000</u>	<u>801,900</u>	<u>665,363</u>	<u>136,537</u>
Revenues under expenditures	<u>(215,800)</u>	<u>(385,700)</u>	<u>(272,717)</u>	<u>112,983</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from sale of capital assets	-	-	15,450	15,450
Transfers in:				
General fund	260,000	291,900	291,900	-
CCCF fund	-	21,000	14,950	(6,050)
Total transfers in	<u>260,000</u>	<u>312,900</u>	<u>306,850</u>	<u>(6,050)</u>
Total other financing sources	<u>260,000</u>	<u>312,900</u>	<u>322,300</u>	<u>9,400</u>
Net change in fund balances	44,200	(72,800)	49,583	122,383
Fund balances - January 1	294,104	294,104	294,104	-
Fund balances - December 31	<u>\$ 338,304</u>	<u>\$ 221,304</u>	<u>\$ 343,687</u>	<u>\$ 122,383</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RESTAURANT TAX FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 1,607,200	\$ 1,607,200	\$ 1,680,159	\$ 72,959
Total revenues	<u>1,607,200</u>	<u>1,607,200</u>	<u>1,680,159</u>	<u>72,959</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Recreation and tourism promotion	-	1,218,500	1,178,224	40,276
Total expenditures	<u>-</u>	<u>1,218,500</u>	<u>1,178,224</u>	<u>40,276</u>
Revenues over expenditures	<u>1,607,200</u>	<u>388,700</u>	<u>501,935</u>	<u>113,235</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(263,700)	(263,700)	-
Municipal services fund	-	(80,000)	(80,000)	-
Total transfers out	<u>-</u>	<u>(343,700)</u>	<u>(343,700)</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>(343,700)</u>	<u>(343,700)</u>	<u>-</u>
Net change in fund balances	1,607,200	45,000	158,235	113,235
Fund balances - January 1	<u>2,090,734</u>	<u>2,090,734</u>	<u>2,090,734</u>	<u>-</u>
Fund balances - December 31	<u>\$ 3,697,934</u>	<u>\$ 2,135,734</u>	<u>\$ 2,248,969</u>	<u>\$ 113,235</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**CHILDREN'S JUSTICE CENTER FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 458,200	\$ 454,600	\$ 419,226	\$ (35,374)
Miscellaneous revenue	-	-	850	850
Total revenues	<u>458,200</u>	<u>454,600</u>	<u>420,076</u>	<u>(34,524)</u>
<b>EXPENDITURES</b>				
Public safety:				
Children's services	<u>462,100</u>	<u>457,900</u>	<u>450,977</u>	<u>6,923</u>
Total expenditures	<u>462,100</u>	<u>457,900</u>	<u>450,977</u>	<u>6,923</u>
Revenues under expenditures	<u>(3,900)</u>	<u>(3,300)</u>	<u>(30,901)</u>	<u>(27,601)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	<u>3,900</u>	<u>3,900</u>	<u>3,900</u>	<u>-</u>
Total transfers in	<u>3,900</u>	<u>3,900</u>	<u>3,900</u>	<u>-</u>
Total other financing sources	<u>3,900</u>	<u>3,900</u>	<u>3,900</u>	<u>-</u>
Net change in fund balances	-	600	(27,001)	(27,601)
Fund balances - January 1	<u>14,231</u>	<u>14,231</u>	<u>14,231</u>	<u>-</u>
Fund balances - December 31	<u>\$ 14,231</u>	<u>\$ 14,831</u>	<u>\$ (12,770)</u>	<u>\$ (27,601)</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RAPZ TAX FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 1,773,700	\$ 1,773,700	\$ 1,771,058	\$ (2,642)
Total revenues	<u>1,773,700</u>	<u>1,773,700</u>	<u>1,771,058</u>	<u>(2,642)</u>
<b>EXPENDITURES</b>				
Culture and recreation:				
Programs and projects	1,747,000	2,329,800	2,292,418	37,382
Total expenditures	<u>1,747,000</u>	<u>2,329,800</u>	<u>2,292,418</u>	<u>37,382</u>
Revenues over (under) expenditures	<u>26,700</u>	<u>(556,100)</u>	<u>(521,360)</u>	<u>34,740</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	(26,700)	(76,700)	(76,613)	87
Municipal services fund	-	(78,200)	(78,200)	-
Total transfers out	<u>(26,700)</u>	<u>(154,900)</u>	<u>(154,813)</u>	<u>87</u>
Total other financing uses	<u>(26,700)</u>	<u>(154,900)</u>	<u>(154,813)</u>	<u>87</u>
Net change in fund balances	-	(711,000)	(676,173)	34,827
Fund balances - January 1	<u>2,085,192</u>	<u>2,085,192</u>	<u>2,085,192</u>	<u>-</u>
Fund balances - December 31	<u>\$ 2,085,192</u>	<u>\$ 1,374,192</u>	<u>\$ 1,409,019</u>	<u>\$ 34,827</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**AMBULANCE FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 1,152,000	\$ 1,152,000	\$ 1,152,000	\$ -
Miscellaneous income	-	41,400	41,319	(81)
Total revenues	<u>1,152,000</u>	<u>1,193,400</u>	<u>1,193,319</u>	<u>(81)</u>
<b>EXPENDITURES</b>				
Public safety:				
Ambulance services	<u>1,152,000</u>	<u>1,249,400</u>	<u>926,011</u>	<u>323,389</u>
Total expenditures	<u>1,152,000</u>	<u>1,249,400</u>	<u>926,011</u>	<u>323,389</u>
Revenues over (under) expenditures	<u>-</u>	<u>(56,000)</u>	<u>267,308</u>	<u>323,308</u>
Net change in fund balances	-	(56,000)	267,308	323,308
Fund balances - January 1	<u>575,044</u>	<u>575,044</u>	<u>575,044</u>	<u>-</u>
Fund balances - December 31	<u>\$ 575,044</u>	<u>\$ 519,044</u>	<u>\$ 842,352</u>	<u>\$ 323,308</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**RSSD FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 78,000	\$ 148,700	\$ 149,530	\$ 830
Miscellaneous income	800	800	3,649	2,849
Total revenues	<u>78,800</u>	<u>149,500</u>	<u>153,179</u>	<u>3,679</u>
<b>EXPENDITURES</b>				
Streets and public improvements:				
Road projects	<u>78,800</u>	-	-	-
Total expenditures	<u>78,800</u>	-	-	-
Revenues over expenditures	-	<u>149,500</u>	<u>153,179</u>	<u>3,679</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
General fund	-	(1,000)	(1,000)	-
Municipal services fund	-	<u>(148,500)</u>	<u>(148,500)</u>	-
Total transfers out	-	<u>(149,500)</u>	<u>(149,500)</u>	-
Total other financing uses	-	<u>(149,500)</u>	<u>(149,500)</u>	-
Net change in fund balances	-	-	3,679	3,679
Fund balances - January 1	<u>103,454</u>	<u>103,454</u>	<u>103,454</u>	-
Fund balances - December 31	<u>\$ 103,454</u>	<u>\$ 103,454</u>	<u>\$ 107,133</u>	<u>\$ 3,679</u>

**CACHE COUNTY**  
**BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUND**  
**YEAR ENDED DECEMBER 31, 2019**

	<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	\$ -	\$ -	\$ 9,336	\$ 9,336
Total revenues	<u>-</u>	<u>-</u>	<u>9,336</u>	<u>9,336</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal	1,745,400	1,852,100	1,812,950	39,150
Interest	<u>195,800</u>	<u>175,500</u>	<u>172,612</u>	<u>2,888</u>
Total expenditures	<u>1,941,200</u>	<u>2,027,600</u>	<u>1,985,562</u>	<u>42,038</u>
Revenues under expenditures	<u>(1,941,200)</u>	<u>(2,027,600)</u>	<u>(1,976,226)</u>	<u>51,374</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General fund	1,647,800	1,501,700	1,501,700	-
Municipal services fund	31,400	263,900	225,400	(38,500)
Visitor's bureau fund	<u>262,000</u>	<u>262,000</u>	<u>262,000</u>	<u>-</u>
Total transfers in	<u>1,941,200</u>	<u>2,027,600</u>	<u>1,989,100</u>	<u>(38,500)</u>
Total other financing sources	<u>1,941,200</u>	<u>2,027,600</u>	<u>1,989,100</u>	<u>(38,500)</u>
Net change in fund balances	-	-	12,874	12,874
Fund balances - January 1	<u>67,685</u>	<u>67,685</u>	<u>67,685</u>	<u>-</u>
Fund balances - December 31	<u>\$ 67,685</u>	<u>\$ 67,685</u>	<u>\$ 80,559</u>	<u>\$ 12,874</u>

**CACHE COUNTY**  
**COMBINING SCHEDULE OF FIDUCIARY NET POSITION**  
**AGENCY FUNDS**  
**AS OF DECEMBER 31, 2019**

	<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	\$ -	\$ 9,391	\$ 27,208,398	\$ 27,217,789
Equity in investment pool	142,030	-	-	142,030
Taxes receivable	-	-	1,626,950	1,626,950
Total assets	<u>\$ 142,030</u>	<u>\$ 9,391</u>	<u>\$ 28,835,348</u>	<u>\$ 28,986,769</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ -	\$ -	\$ 28,773,926	\$ 28,773,926
Due to employees	-	9,391	-	9,391
Refunds payable	-	-	61,422	61,422
Other payables	142,030	-	-	142,030
Total liabilities	<u>\$ 142,030</u>	<u>\$ 9,391</u>	<u>\$ 28,835,348</u>	<u>\$ 28,986,769</u>



## **COMPONENT UNITS**

**CACHE COUNTY**  
**COMBINING STATEMENT OF NET POSITION**  
**NORTH PARK INTERLOCAL COOPERATIVE**  
**AS OF DECEMBER 31, 2019**

	<b>North Park Interlocal Cooperative</b>	<b>Bridgerland Community Ice Arena</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 145	\$ 442,025	\$ 442,170
Accounts receivable, net	-	17,658	17,658
Pledges receivable, net	-	92,853	92,853
Investments	-	986,114	986,114
Inventory	-	3,561	3,561
Other assets	-	18,551	18,551
Capital assets:			
Buildings, improvements and equipment	4,516,695	498,972	5,015,667
Accumulated depreciation	<u>(1,885,570)</u>	<u>(412,229)</u>	<u>(2,297,799)</u>
Total assets	<u>2,631,270</u>	<u>1,647,505</u>	<u>4,278,775</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	<u>-</u>	<u>30,105</u>	<u>30,105</u>
Total liabilities	<u>-</u>	<u>30,105</u>	<u>30,105</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,631,125	86,743	2,717,868
Restricted for:			
Capital projects	-	-	-
Other purposes	-	439,523	439,523
Unrestricted	<u>145</u>	<u>1,091,134</u>	<u>1,091,279</u>
Total net position	<u>\$ 2,631,270</u>	<u>\$ 1,617,400</u>	<u>\$ 4,248,670</u>

**CACHE COUNTY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**NORTH PARK INTERLOCAL COOPERATIVE**  
**YEAR ENDED DECEMBER 31, 2019**

	<u>North Park Interlocal Cooperative</u>	<u>Bridgerland Community Ice Arena</u>	<u>Total</u>
<b>Expenses</b>	\$ 114,632	\$ 949,592	\$ 1,064,224
<b>Program revenues</b>			
Charges for services	-	565,146	565,146
Operating grants and contributions	<u>-</u>	<u>438,550</u>	<u>438,550</u>
Total program revenues	<u>-</u>	<u>1,003,696</u>	<u>1,003,696</u>
Net revenues (expenses)	<u>(114,632)</u>	<u>54,104</u>	<u>(60,528)</u>
<b>General revenues</b>			
Interest income	<u>4</u>	<u>50,891</u>	<u>50,895</u>
Total general revenues	<u>4</u>	<u>50,891</u>	<u>50,895</u>
Change in net position	(114,628)	104,995	(9,633)
Net position - beginning	<u>2,745,898</u>	<u>1,512,405</u>	<u>4,258,303</u>
Net position - ending	<u>\$ 2,631,270</u>	<u>\$ 1,617,400</u>	<u>\$ 4,248,670</u>

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

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2019

<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	FY2019	127,240
Secure Rural Schools-Title III	10.665	FY2019	20,957
<b>Total Forest Service Schools and Roads Cluster</b>			<b>148,197</b>
<i>Passed through Utah Weed Supervisors Association</i>			
2019 EDRR Knapweed Project	10.025	2019	8,000
<i>Passed through Utah Department of Health</i>			
Special Supplemental Food Program for Women, Infants and Children:			
Food Checks 2019	10.557	152700153	1,430,928
Food Checks 2020	10.557	202700372	472,941
Administrative Costs 2019	10.557	152700153	863,890
Administrative Costs 2020	10.557	202700372	309,044
<b>Total USDA</b>			<b>3,233,000</b>
<b>U.S. Environmental Protection Agency (EPA)</b>			
<i>Passed through Utah Division of Environmental Quality</i>			
Targeted Airshed Vehicle Repair and Replace 2019	66.202	14518513	285,819
Targeted Airshed Vehicle Repair and Replace 2020	66.202	14518513	319,896
DEQ Environmental Services 2019	66.605	191851	23,352
DEQ Environmental Services 2020	66.605	191851	8,280
DEQ Air Quality 2019	66.605	191851	3,500
<b>Total EPA</b>			<b>640,847</b>

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2019

<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 19-20	60,518
Special Programs for Aging, Title III, Part C1	93.045	FY 18-19	31,962
Special Programs for Aging, Title III, Part C1	93.045	FY 19-20	22,705
Special Programs for Aging, Title IIIC-1 CIC	93.053	FY 19-20	11,669
Special Programs for Aging, HDM Title III, Part C2	93.045	FY 18-19	11,250
Special Programs for Aging, Title IIIC-2 CIH	93.053	FY 19-20	17,808
Special Programs for Aging, IIID PHP	93.043	FY 18-19	750
Special Programs for Aging, IIID PHP	93.043	FY 19-20	2,000
<b>Total Aging Cluster</b>			<b>158,662</b>
Health Insurance Counseling	93.779	FY 18-19	314
Health Insurance Counseling	93.779	FY 19-20	4,000
MIPPA	93.071	FY 18-19	427
MIPPA	93.071	FY 19-20	1,500
Title XX - Social Services Block Grant	93.667	FY 18-19	4,600
<i>Passed through Utah Department of Health and Human Services</i>			
General Federal Block MHF	93.958	160238 (18-19)	51,521
General Federal Block MHF	93.958	160238 (19-20)	38,662
Federal Block Children MHX	93.958	160238 (18-19)	14,000
Federal Block Children MHX	93.958	160238 (19-20)	26,764
General Federal Block FRF	93.958	160238 (18-19)	5,430
General Federal Block FRF	93.958	160238 (19-20)	6,231
TAI CHI For Arthritis	93.761	FY 19-20	3,700
PH & Medical Preparedness 2019	93.069	192700032	121,299
PH & Medical Preparedness 2020	93.069	202700062	258,926
Cancer Control 2019	93.094	162700957	7,670
Cancer Control 2020	93.094	162700957	6,780
TB Control 2019	93.116	152700340	3,736
TB Control 2020	93.116	152700340	1,661
Community Level PDO Grant 2019	93.136	172700018	26,327

CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2019**

<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 2019	93.243	160083	44,961
Substance Abuse - SPF Partners for Success 2020	93.243	160048	83,140
Substance Abuse - RX Partners for Success 2019	93.243	160048	17,855
Substance Abuse - RX Partners for Success 2020	93.243	160048	5,401
Substance Abuse - State Youth Treatment 2020	93.243	160048	76,861
Substance Abuse - MH - Integration W/FQHC 2020	93.243	160048	134,603
Enhance Accute HCV & HBV Surveillance 2019	93.270	182700551	9,184
Enhance Accute HCV & HBV Surveillance 2020	93.270	182700551	3,095
Tobacco Comprehensive 2019	93.305	162700062	15,386
Tobacco Comprehensive 2020	93.305	162700062	23,172
Enhanced Prion Disease Surveillance 2020	93.323	202700507	1,095
EPICC 1815 2019	93.426	192700347	13,879
EPICC 1815 2020	93.426	192700347	34,910
EPICC 1815 2019	93.435	192700347	12,424
EPICC 1815 2020	93.435	192700347	56,392
EPICC 1815 2020	93.439	192700347	17,405
ELC Healthcare Associated Infections 2019	93.521	150959	10,357
Immunization 2019	93.539	172700642	26,109
Immunization 2020	93.268	192701004	40,192
Refugee Health TB 2019	93.566	152700271	8,743
Refugee Health TB 2020	93.566	152700271	8,743
TB Refugee Health Coordinator TB 2019	93.566	152700271	17,780
TB Refugee Health Coordinator TB 2020	93.566	152700271	5,927
Cancer Control 2019 (Breast and Cervical)	93.752	162700842	16,500
EPICC 1305 (PHS BLOCK 4290) 2019	93.758	162700160	31,483
PHHSBG Boost Contract 2019	93.758	172700389	28,923
Injury Prevention MCH 2019	93.758	182700955	5,136
EPICC 1305 (PHS BLOCK 4290) 2020	93.991	192700347	28,066
PHHSBG Boost Contract 2020	93.991	172700389	15,486
Injury Prevention MCH 2020	93.991	192700976	6,933



CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2019**

<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 2019	93.778	162700997	159,513
Targeted Case Management 2020	93.778	162700997	143,925
CHEC 2019	93.778	162700989	16,094
CHEC 2020	93.778	162700989	5,003
Consumer Education and Assistance 2019	93.778	192700559	67,351
Consumer Education and Assistance 2020	93.778	202700272	114,452
<b>    Total Medicaid Cluster</b>			<b>506,338</b>
Substance Abuse - Opioid STR Grant 2019	93.788	160048	190,098
Substance Abuse - Opioid STR Grant 2020	93.788	160048	180,141
Opiod Overdose Crisis 2019	93.354	192700349	33,338
State Medical Reserve Corp. 2019	93.889	192700032	411
State Medical Reserve Corp. 2020	93.889	202700062	16,000
Regional health Care Coalition 2019	93.889	192700032	67,831
Regional health Care Coalition 2020	93.889	202700062	79,448
HIV Prevention Counseling & Testing 2019	93.940	182700662	4,919
HIV Prevention Counseling & Testing 2020	93.940	182700662	81
Substance Abuse - SAPT Block Grant 2019	93.959	160048	424,889
Substance Abuse - SAPT Block Grant 2020	93.959	160048	420,927
STD Disease Intervention Services 2019	93.977	152700274	4,000
STD Disease Intervention Services 2020	93.977	192700671	22
MCH-PBG Injury Prevention 2019	93.994	192700976	37,867
Maternal and Child Health Funding 2019	93.994	162700357	74,937
Maternal and Child Health Funding 2020	93.994	162700357	22,746
Cancer Control 2020 (Breast and Cervical)	93.898	162700842	17,430
MCH-PBG Injury Prevention 2020	93.761	192700976	111
<b>Total HHS</b>			<b>3,623,885</b>

CACHE COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2019

<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 Interior (DOI)</b>			
<i>Passed through the State Division of Wildlife Resources</i>			
Fish and Wildlife Cluster			
Pittman-Robertson Program	15.611	FY2019	9,161
<b>Total Fish and Wildlife Cluster</b>			<b>9,161</b>
<hr/>			
<b>Total DOI</b>			<b>9,161</b>
<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	12,601
Substance Abuse - BJA Adult Drug Court 2020	16.585	160048	12,600
MCH-PBG Injury Prevention 2020	16.754	192700976	2,611
<i>Passed through State Office of the Attorney General</i>			
State Criminal Alien Assistance Program	16.606	2020-AP-BX-0671	190,250
Victim Assistance Services Grant - CJC	16.575	16-V-17096	163,459
Victim Assistance Services Grant - CJC	16.575	19-VOCA-001	81,374
Victim Assistance Services Grant - SAS	16.575	16-V-17006	7,879
Victim Assistance Services Grant - SAS	16.575	19-VOCA-121	39,831
Victim Assistance Services Grant	16.575	16-V-17005	192,101
Victim Assistance Services Grant	16.575	19-VOCA-025	147,708
Violence Against Women Grant - Prosecutions	16.588	17-W1903	102,236
Violence Against Women Grant - Prosecutions	16.588	17-W1904	96,458
CAPSA - Blueprint For Safety	16.590	2018-WE-AX-0031	49,854
<hr/>			
<b>Total DOJ</b>			<b>1,098,962</b>

CACHE COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED DECEMBER 31, 2019**

<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 Transportation (DOT)</b>			
<i>Passed through State Department of Transportation</i>			
Highway Planning and Construction Cluster:			
CMAQ Air Quality Education & Outreach 2019	20.205	158698	10,309
CMAQ Air Quality Education & Outreach 2020	20.205	158698	13,716
<b>Total Highway Planning and Construction Cluster</b>			<b>24,025</b>
<i>Passed through Utah Highway Safety Office</i>			
Highway Safety Cluster			
Highway Safety - Rural Seat Belt 2019	20.600	MOA	13,500
Highway Safety - Rural Seat Belt 2020	20.600	MOA	14,250
Highway Safety - Child Passenger Safety 2019	20.616	MOA	3,500
Highway Safety - Child Passenger Safety 2020	20.616	MOA	3,625
<b>Total Highway Safety Cluster</b>			<b>34,875</b>
<b>Total DOT</b>			<b>58,900</b>
<b>U.S. Department of Homeland Security (DHS)</b>			
<i>Passed through State Department of Public Safety</i>			
FEMA	97.036	FY218	77,720
Emergency Management Performance Grant	97.042	2019 EMPG	23,243
<b>Total DHS</b>			<b>100,963</b>
<b>GRAND TOTAL</b>			<b>\$ 8,765,718</b>

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

YEAR ENDED DECEMBER 31, 2019

**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.



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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, 2019, 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, 2020. 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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free 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 County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JONES SIMKINS LLC  
Logan, Utah  
June 25, 2020



Certified Public Accountants

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## 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, 2019. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

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

### ***Auditors' 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, 2019.

### **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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001, that we consider to be a significant deficiency.



The County's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

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

JONES SIMKINS LLC

Logan, Utah

June 25, 2020

CACHE COUNTY  
Schedule of Findings and Questioned Costs  
Year Ended December 31, 2019

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  Yes – One
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  16.575 – Crime Victim Assistance  93.959 – Block Grants for Prevention and Treatment of Substance Abuse
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, 2019

- 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.

Finding 2019-001

Information on the Federal Program: CFDA 16.575 – Crime Victim Assistance, U.S. Department of Justice, passed through the State Office of the Attorney General. *Compliance Requirements*: Activities Allowed or Unallowed, Allowable Costs and Cost Principles, Cash Management, Procurement, and Reporting. *Type of Finding*: Significant deficiency in internal control over compliance.

Criteria: Section 2 CFR 200.62 internal control over compliance requirements for federal awards requires that entities implement a process to provide reasonable assurance that: (a) Transactions are properly recorded and accounted for, in order to: (1) Permit the preparation of reliable financial statements and federal reports; (2) Maintain accountability over assets; and (3) Demonstrate compliance with federal statutes, regulations, and the terms and conditions of the federal award; (b) Transactions are executed in compliance with: (1) Federal statutes, regulations, and the terms and conditions of the federal award that could have a direct and material effect on a federal program; and (2) Any other federal statutes and regulations that are identified in the Compliance Supplement; and (c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.

Condition: The County did not strictly enforce its grant management policies related to purchase approval and submission of reimbursement requests resulting in several unallowable purchases being submitted for reimbursement.

Cause: Grant management policies and procedures, including monitoring of individual grant program directors, were not strictly enforced.

Effect or Potential Effect: Activities or costs that are not allowed or allowable were paid and submitted for reimbursement.

Questioned Costs: None. All unallowable costs and amounts submitted for reimbursement were subsequently identified and reported to the State agency and repaid.

Repeat Finding: No.

Recommendation: Internal control policies and processes, including monitoring of activities, should be strengthened to ensure all transactions for which federal funds are expended are approved in accordance with County internal control policies and processes and meet all applicable grant requirements prior to payment and submission for reimbursement request.

CACHE COUNTY

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
YEAR ENDED DECEMBER 31, 2019

There were no audit findings in the prior year.

**CACHE COUNTY**

**CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2019**

Cache County respectfully submits the following response for the finding identified in the financial statements audited as of December 31, 2019.

Response to finding 2019-001

The County Council and County Executive will work through the Audit Committee and Policy Review Committee to review, update, and strengthen policies and internal controls related to grant management. The County will provide sufficient training and resources for staff to make sure all terms and conditions of grant awards are followed correctly, including proper application for grant awards, allowable use of grant funds, and fulfilling all accounting and reporting requirements in a timely manner. The County will also monitor these processes through internal audit procedures.

## **STATE COMPLIANCE REPORTS**



Certified Public Accountants

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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, 2019.

State compliance requirements were tested for the year ended December 31, 2019 in the following areas:

- Budgetary Compliance
- Fund Balance
- Utah Retirement Systems
- Restricted Taxes and Other Related Restricted Revenue
- Open and Public Meetings Act
- Public Treasurer's Bond
- Cash Management
- Statement of Taxes Charged, Collected, and Disbursed

***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, 2019.

### **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, 2020